



WAVESTONE

Financial Report  
**at 03/31/24**



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# 1.

## MANAGEMENT REPORT

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# Board of Directors' Report to the Combined General Meeting of 07/25/24

To the Shareholders,

We have convened this Combined Ordinary and Extraordinary General Meeting as required by law and our Company's Articles of Association.

The notice of meeting and all documentation specified by the applicable regulations have been duly sent or made available to you within the legal deadlines.

The purpose of this report is to present the situation of the Wavestone group, which comprises Wavestone<sup>(1)</sup> and its subsidiaries.

The report includes the "Board of Directors' Report – General Report" together with the:

- "Board of Directors' Report – Risk factors and internal control";
- "Board of Directors' Report – Statement of non-financial information";
- "Board of Directors' Report – Additional Note".

This report also constitutes the Management Report referred to in Article 222-3 of the General Regulations of the French Financial Markets Authority (AMF), which is an integral part of the annual financial report as specified in Article L.451-1-2 of the French Financial and Monetary Code.

(1) Wavestone, the parent company of the Wavestone group is sometimes referred to as "Wavestone SA" in this document.

# Board of Directors' Report – General Report

## 1. Key events and outlook

### Consolidated 2023/24 revenue of €701.1m and 14.5% in recurring operating margin

At the end of the 2023/24 fiscal year, Wavestone's consolidated revenue amounted to €701.1m, an increase of +32%.

To note, in addition to the UK-based consulting firms PEN Partnership and Coeus Consulting (consolidated respectively since the 08/01/22 and the 10/01/22), Wavestone has consolidated Q\_PERIOR, a German consulting firm, during the last four months over the fiscal year, and Aspirant Consulting, a US-based consulting firm, during the last two months.

The recurring operating profit<sup>(1)</sup> stood at €101.3m, up +32% compared with the previous year, and representing 14.5% of recurring operating margin.

### Revenue of €944m and recurring operating margin of 13.1% in 2023/24 in pro forma accounts

On a pro forma basis, that is to say as if Q\_PERIOR and Aspirant Consulting acquisitions had taken place on 04/01/23, Wavestone's 2023/24 revenue stood at €943.8m.

On this pro forma basis, recurring operating profit amounted to €123.9m, representing a recurring operating margin of 13.1%.

During the period, Q\_PERIOR generated revenue of €333.4m and a recurring operating profit of €31.5m, representing a recurring operating margin of 9.5%.

### Profitability target excluding Q\_PERIOR and Aspirant Consulting overachieved

Excluding Q\_PERIOR and Aspirant Consulting, annual revenue for 2023/24 reached €586.9m, exceeding the annual target of €580m.

At this scope, the recurring operating margin stands at 15.4%, higher than the objective of 15% targeted for the 2023/24 fiscal year.

As a reminder, the revenue growth at constant scope (excluding PEN Partnership, Coeus Consulting, Q\_PERIOR and Aspirant Consulting) and at constant forex basis stands at +9% in 2023/24 (despite an unfavorable working day impact of -1.6%<sup>(2)</sup>), to be compared with a target of +7%.

### Consultant utilization rate stable at 73% in 2023/24; sales price up by +1%

For the entire 2023/24 fiscal year, the consultant utilization rate, excluding Q\_PERIOR and Aspirant Consulting, stood at 73%; stable compared with the the previous fiscal year.

At the same scope, the average daily rate reached €898 in 2023/24 – an increase of +1%, compared with the average sales price for the whole of the the previous fiscal year (€890). At constant exchange rates, the average daily rate was €900 in 2023/24.

Despite an adverse economic environment, accentuated by the unfavorable working day impact, this positive trend regarding prices combined with a strict control of the firm's costs supported the profitability improvement compared with the the previous fiscal year.

At 03/31/24, the firm's order book was slightly down, at 4.1 months of work (excluding Q\_PERIOR and Aspirant Consulting), compared with 4.2 months at 12/31/23.

As a reminder, Wavestone plans to deploy consolidated operational indicators (excluding the order book) across the entire new firm from Q1 2024/25.

### 5,894 employees at 03/31/24, compare with 4,406 a year earlier

At 03/31/24, Wavestone had 5,894 employees, including 1,422 from the combinations with Q\_PERIOR and Aspirant Consulting. This compares with 4,406 at the end of the 2022/23 fiscal year.

Given the uncertain economic environment and reduced staff turnover rate, Wavestone scaled back its recruitment activity in 2023/24. Over the whole of the fiscal year, the firm recruited about 800 new employees (excluding Q\_PERIOR and Aspirant Consulting).

At the end of the 2023/24 fiscal year, the staff turnover rate stood at 14% (excluding Q\_PERIOR and Aspirant Consulting), compared with 16% over the whole of the the previous fiscal year.

As for Wavestone, Q\_PERIOR's recruitment policy remained cautious during the first few months of integration, while its staff turnover rate remained at the low level of 11%.

(1) Wavestone introduces an alternative performance indicator named Recurring Operating Profit (ROP), the definition of which is provided in the notes to the consolidated financial statements of Wavestone. It should be noted that the ROP is identical to the aggregate previously named EBIT in Wavestone's financial communication.

(2) Taking account of the geographical distribution of Wavestone's workforce.

### Net income up by 17% in 2023/24, representing 8.4% of net margin

After taking account of the amortization of client relationships (€3.8m, including €2.3m of amortization of Q\_PERIOR's client relationships) and other operating income and expenses, which are largely expenses related to the combinations with Q\_PERIOR and Aspirant Consulting, the consolidated operating income stood at €85.8m, up +18%.

On a pro forma basis, operating income amounted to €103.4m in 2023/24.

The cost of net financial debt amounted to –€1.6m in 2023/24, compared with –€1.8m a year earlier.

The tax charge amounted to €22.7m, up +22% compared with the 2022/23 fiscal year.

Net income reached €58.6m in 2023/24, up +17% compared with the the previous fiscal year. Net margin was 8.4% at the end of the fiscal year, compared with 9.4% a year earlier. After minority interests, group share of net income came to €58.2m in 2023/24.

On a pro forma basis, group share of net income amounted to €67.7m in 2023/24.

### Doubling of operational cash flow in 2023/24, to €83.1m

At the end of the 2023/24 fiscal year, Wavestone had a self-financing capacity of €101.8m, an increase of +22% compared with the the previous fiscal year.

Change in Working Capital Requirement (WCR) was positive at +€2.9m for the 2023/24 fiscal year (compared with –€21.6m a year earlier), notably under the effect of significantly reduced DSO (Days Sales Outstanding).

After the payment of taxes (€21.7m), Wavestone generated a solid operating cash flow of €83.1m in 2023/24; double the €41.1m recorded for the the previous fiscal year (an increase of +102%).

Investment operations consumed –€69.0m in 2023/24, including –€66.0m linked to merger operations and –€3.1m in current investments.

Financing flows consumed –€7.4m, mainly including –€7.6m in dividends paid to shareholders for the 2022/23 fiscal year, –€5.9m in share buybacks to cover all free share allocation plans to employees, –€6.2m in lease liability repayments (under IFRS 16), and +€14.1m in loans received net of repayments.

### Net cash of €19.3m at 03/31/24

At 03/31/24, Wavestone's equity had reached €571.4m, compared with €299.1m a year earlier, driven by the net income for the 2023/24 fiscal year and the increase in capital of €254.3m as part of the combination with Q\_PERIOR. As a reminder, 4,709,840 new Wavestone shares have been delivered to Q\_PERIOR shareholders, representing 18.9% of the new share capital.

The merger operations carried out over the fiscal year led to an increase in goodwill, which reached €507.9m.

Available cash and cash equivalents amounted to €77.5m, compared with €70.8m a year earlier. Net cash<sup>(1)</sup> stood at €19.3m at the end of March 2024, compared with €27.1m at the end of the the previous fiscal year.

At the Shareholders' Annual General Meeting on 07/25/24, Wavestone's Board will propose the payment of a dividend of €0.38 per share for the 2023/24 fiscal year, an identical sum to that paid for 2022/23, representing 16% of group share of net income.

### Wavestone in the Top 5% of best performing companies in CSR terms for 2023/24

The 2023/24 fiscal year was rich in sustainable development terms, enabling the firm to consolidate its place in the Top 5%<sup>(2)</sup> of best performing companies with regard to Corporate Social Responsibility (CSR). As a result, the firm achieved or exceeded nine of the ten quantified objectives that form part of its CSR commitments.

In terms of client satisfaction, Wavestone's NPS<sup>(3)</sup> stood at 73, way above its objective of 50, and compared with 45 a year earlier. This strong progress is the result of actions taken in recent years to improve identified weaknesses. It should be noted though that Wavestone switched from an online survey the previous years to face-to-face interviews this year, which may lead to higher results.

(1) Excluding lease liabilities.

(2) Based of the firm's CSR performance by two leading rating agencies, Ecovadis and Ethifinance ESG Ratings.

(3) The NPS<sup>®</sup> or Net Promoter Score<sup>®</sup> is a tool for measuring customer satisfaction, which can range from –100 to 100 (NPS<sup>®</sup> is a registered trademark of Bain & Company, Inc., Satmetrix Systems, Inc., and Fred Reichheld).



At the same time, the firm continued to roll out its responsible consulting approach across 387 projects, way above the objective of 300 projects.

On the social side, the firm achieved a low attrition rate, below its 15% target, and maintained a high position in the Great Place to Work® rankings (1<sup>st</sup> place in France, Top 25 for UK Large Companies, and certification of all offices). However, the employee engagement index stood at 70 out of 100, below the objective of 74.

With regard to Q\_PERIOR, all the CSR objectives set for 2023/24 have been achieved on employee engagement, gender equality and carbon footprint, and almost achieved in terms of employee retention (11% versus a target of 10%).

The 2024/25 fiscal year will mark a year of transition, with the integration of Q\_PERIOR and the entry into force of the CSRD (Corporate Sustainability Reporting Directive), which will lead the firm to reformulate its CSR objectives for the years to come. In the meantime, the emphasis will be on the scaling up of the responsible consulting approach.

#### **Successful first steps of the combination between Wavestone and Q\_PERIOR**

Q\_PERIOR has delivered a good level of operational performance since the beginning of its consolidation in December 2023. The firm has fully achieved its plan at 03/31/24, which will lead to the payment of 100% of the earnout (€35m).

The integration program between Wavestone and Q\_PERIOR is making progress and the first steps have been completed successfully. Solid foundations have been laid to secure the operations across the firm, including integrated governance, unified IFRS accounting rules and gradually homogenized IT systems. On the business side, the firm has won new projects thanks to its enriched value proposition and larger size, and the business activity already benefits of the firm's new perimeter.

On May 2024, the Q\_PERIOR teams switched to the Wavestone brand. This key milestone was marked by a major event that brought together in Paris most of the firm's 5,500 employees from around the world. This event was the opportunity to launch a new visual identity reflecting the values and ambitions of the new group.

#### **Outlook for the 2024/25 fiscal year**

The start of 2024 has been marked by demand that remains weak, as well as by a continued wait-and-see attitude on new consulting expenditures. This situation is expected to last at least until the end of H1 of the 2024/25 fiscal year.

Demand is notably under pressure in banking, retail, industry, and in the public sector (in France). Consequently, Wavestone's efforts are focused on sectors who prove to be more resilient: insurance, energy, transport, luxury, and life sciences, to limit the effects of the uncertain economic environment.

In addition, in terms of areas of expertise, the firm leverages topics for which the needs remain strong, such as IT infrastructure, cybersecurity or SAP consulting. The demand regarding Artificial Intelligence is also rising significantly. In 2023/24, AI represented about €20m of revenue, still a low volume of business, but spread over about 50 projects, many of them just starting.

Faced with this economic backdrop, in addition to making the combination with Q\_PERIOR a success, the firm intends to maintain its strong focus on sales and to give priority to profitability rather than growth. As a consequence, Wavestone plans to maintain a policy of moderate recruitment in 2024/25, targeting about 1,000 hires across the entire firm.

#### **Succession plan**

As a reminder, in 2021 Pascal Imbert has announced that he would step down from his CEO position in the years to come. The transition towards a new General Management of the firm is to start from 2025 or 2026, once the process of integrating Q\_PERIOR has been completed. In order to further guide and support the work in progress, a selected and dedicated Nomination Committee has been created on 04/01/24.

#### **2024/25 objectives: growth in the range 3% to 5%; recurring operating margin of over 13%**

For the 2024/25 fiscal year, Wavestone has set the objectives of achieving growth in the range 3% to 5%, i.e. consolidated revenue between €972m and €991m, and a recurring operating margin above 13%.

These objectives are at constant exchange rates, exclude any new acquisitions, and include the contributions of Q\_PERIOR and Aspirant Consulting over the entire fiscal year.

It should be noted that growth in H1 of the fiscal year will be lower than the rate expected for the entire fiscal year, given the significant baseline effect. The profitability will also be lower than the annual target due to the usual seasonality effect.

## 2. Analysis of business activity

### 2.1. How we define our operating indicators

**Annual turnover** is the number of employees that quit during the year divided by the number of employees at the end of the year.

The **consultant utilization rate** is the ratio of the number of days actually billed to clients to the number of billable days worked, excluding vacations.

The **average daily rate** is the average daily price for a consulting service at a client, calculated as follows:

$$\frac{\text{Revenue from services provided}}{\text{Number of days billed to clients}}$$

The **order book** is the sum of services ordered and not yet delivered on the measurement date. It is expressed in months as the ratio of the number of net production days to be performed in future months to the number of future production days, based on the projected workforce, utilization rates and planned vacation rates for the fiscal year.

The methods used to calculate the order book comply with IFRS 15.

### 2.2. Scopes of consolidation

#### Consolidated companies at 03/31/24

#### Consolidated companies at 03/31/23

<b>Wavestone initial scope</b>	
Wavestone SA	Wavestone SA
	Wavestone Advisors SAS (until 12/31/22)
	Nomadéis EURL (until 12/31/22)
Wavestone Advisors UK Ltd.	Wavestone Advisors UK Ltd. (since 10/01/22)
Xceed Group (Holdings) Ltd.	Xceed Group (Holdings) Ltd. (since 10/01/22)
Xceed Group Ltd.	Xceed Group Ltd.
Wavestone Consulting UK Ltd.	Wavestone Consulting UK Ltd.
PEN Partnership Ltd.	PEN Partnership Ltd. (since 08/01/22)
PEN Partnership GmbH	PEN Partnership GmbH (since 08/01/22)
Coeus Consulting Ltd.	Coeus Consulting Ltd. (since 10/01/22)
Coeus Consulting International Ltd.	Coeus Consulting International Ltd. (since 10/01/22)
Coeus Verwaltungs GmbH	Coeus Verwaltungs GmbH (since 10/01/22)
Coeus Consulting GmbH & Co. KG	Coeus Consulting GmbH & Co. KG (since 10/01/22)
Wavestone Belgium SA	Wavestone Belgium SA
Wavestone Luxembourg SA	Wavestone Luxembourg SA
Wavestone Switzerland SA	Wavestone Switzerland SA
Wavestone Advisors Morocco (SARL)	Wavestone Advisors Morocco (SARL)
Wavestone US Inc.	Wavestone US Inc.
Wavestone HK Ltd.	Wavestone HK Ltd.
why innovation! Ltd.	why innovation! Ltd.
why innovation! Pte Ltd.	why innovation! Pte Ltd.
why academy! Pte Ltd.	why academy! Pte Ltd.
	NewVantage Partners LLC
	UpGrow LLC (until 12/06/22)
	Wavestone India Pte Ltd. (until 01/12/23)
<b>Companies acquired from the combination with Q_PERIOR (since 12/01/23)</b>	
Q_PERIOR Holding AG	
Q_PERIOR AG (Germany)	
Q_PERIOR Energy GmbH	

**Consolidated companies at 03/31/24****Consolidated companies at 03/31/23**

Q\_VERTION GmbH

Qdive GmbH

New Outcome GmbH

ESPRiT Engineering GmbH

ESPRiT Engineering SRL

Q\_PERIOR SRL

Q\_PERIOR GmbH

Q\_PERIOR Inc. (United States)

Q\_PERIOR Inc. (Canada)

Q\_PERIOR España SL

Q\_PERIOR Italia SRL

Q\_PERIOR sp. z o.o.

Q\_PERIOR Ltd.

Q\_PERIOR AG (Switzerland)

**Companies acquired from the combination with Aspirant (since 02/01/24)**

Aspirant Consulting LLC

Aspirant Ltd.

**2.3. Consolidated financial statements****(in thousands of euros)**

	<b>2023/24</b>	<b>2022/23</b>	<b>Change</b>
Revenue	701,056	532,264	+32%
Recurring operating profit	101,341	77,042	+32%
Operating income	85,783	72,685	+18%
Group share of net income	58,199	50,068	+16%

Consolidated revenue was €701,056k, representing a 32% increase on the figure for the the previous fiscal year of €532,264k.

Recurring operating profit stood at €101,341k (after employee profit sharing), up 32% on the previous year's figure of €77,042k.

Factoring in other non-recurring operating income and expenses of €(11,750)k and customer-relationship intangible asset depreciation of €3,808k, operating profit was €85,783k, representing an increase versus the the previous fiscal year total of €72,685k.

Other operating income and expenses mainly include:

- €(10,441)k in acquisition costs;
- costs associated with the relocation of UK teams for €(720)k.

The cost of net financial debt was €1,617k over the period. This balance comprised financial income of €759k and financial expenses of €2,376k. The cost of net financial debt for the the previous fiscal year amounted to €1,756k.

Other financial income and expenses amounted to €(2,902)k. These include the net impact of financial instruments for €(906)k, currency effects for €(313)k, interest on lease liabilities for €(418)k and accretion expense for €(1,265)k.

Net income before tax over the period rose 18% compared with the the previous fiscal year, from €68,580k to €81,264k.

Tax expense in the fiscal year was €22,673k, versus €18,513k the previous year.

Net income for the period came out at €58,591k. Net income for the period increased 17% compared with the the previous fiscal year, from €50,068k.

Net income, group share, calculated after deducting minority interests of €391k relating to ESPRIT Engineering companies resulting from the Q\_PERIOR combination, came to €58,199k. Last year, net income attributable to owners of the parent was identical to net income, i.e. €50,068k, in the absence of non-controlling interests.

<b>(in thousands of euros)</b>	<b>03/31/24</b>	<b>03/31/23</b>	<b>Change</b>
Non-current assets	633,705	272,820	+132%
<i>o/w goodwill</i>	507,889	235,355	+116%
Current assets (excluding cash)	266,556	193,144	+38%
Cash and cash equivalents	77,481	70,824	+9%
Shareholders' equity	571,392	299,050	+91%
<i>o/w non-controlling interests</i>	1,926	0	N/A
Non-current liabilities	120,765	63,485	90%
<i>o/w financial liabilities</i>	52,231	38,047	+37%
Current liabilities	285,583	174,254	+64%
<i>o/w financial liabilities</i>	5,977	5,654	+6%
<b>Total balance sheet</b>	<b>977,741</b>	<b>536,788</b>	<b>+82%</b>

At 03/31/24, consolidated net equity stood at €571,392k, compared with €299,050k a year earlier, up 91% (mainly due to the capital increase following the Q\_PERIOR acquisition and the appropriation of profit for the year).

Restated for bank borrowings (overdrafts and accrued interest), net cash was up from €70,681k at 03/31/23 to €77,452k at 03/31/24.

Financial liabilities totaled €58,208k at 03/31/24, versus €43,701k the previous year. Excluding bank overdrafts and accrued interest, financial liabilities came to €58,031k, of which €57,702k related to bank loans. For the record, financial liabilities before bank overdrafts were €43,461k at 03/31/23.

Wavestone posted net cash<sup>(1)</sup> of €19,273k at 03/31/24, versus net cash of €27,123k a year earlier.

The elements underpinning growth in net cash are outlined in the table below.

<b>(in thousands of euros)</b>	<b>03/31/24</b>	<b>03/31/23</b>
Cash flow from operations before net cost of financial debt and tax	101,806	83,764
Tax paid	(21,650)	(21,052)
Change in working capital requirements	2,935	(21,567)
<b>Net cash flow from operating activities</b>	<b>83,091</b>	<b>41,146</b>
Net cash flow from investing activities	(69,018)	(52,731)
Net cash flow from financing operations	(7,406)	(25,847)
<b>Change in cash and cash equivalents</b>	<b>6,667</b>	<b>(37,432)</b>

(1) Gross cash less financial liabilities excluding lease liabilities.

These mainly include:

- a gross cash flow margin of €101,806k, plus a €2,935k decline in working capital requirements, leading to net cash flow from operations after paid tax of €83,091k over the period;
- investments of €69,018k, including:
  - current investments of €3,109k;
  - external growth transactions of €65,990k;
- purchases of treasury shares of €5,914k;
- the payment of dividends in respect of the 2022/23 fiscal year of €7,593k;
- the repayment of €5,646k in borrowings;
- the subscription of €19,700k in borrowings;
- the repayment of €6,199k in lease liabilities.

Note that the firm does not use factoring or discounting.

#### 2.4. Analysis of the financial statements

It should be noted that Wavestone SA's scope changed during the 2022/23 fiscal year as a result of the transfers of all the assets and liabilities of Wavestone Advisors and Nomadéis to Wavestone SA on 12/31/22. For the period between 04/01/22 and 12/31/22, the scope was that applicable as of 03/31/22; for the period between 01/01/23 and 03/31/23, the scope factors in the accounting effects of the transfers of assets and liabilities. As these transactions had retroactive effect, for tax purposes, to 03/31/22, the calculation of the corporate income tax charge reflects the effect of the transfers of assets and liabilities over the entire 2022/23 fiscal year. During the 2023/24 fiscal year, the scope of consolidation for the parent company Wavestone SA was not subject to any other changes, therefore corresponding to the period between 01/01/23 and 03/31/23.

At the parent company level, Wavestone SA reported revenue of €486,484k at 03/31/24, representing a 15% increase on the figure for the the previous fiscal year of €421,678k.

Operating income before employee profit sharing rose 39% year-on-year from €55,144k to €76,871k. The operating margin was 16%, versus 13% for the previous fiscal year.

The firm recorded €(13,804)k in financial income in the 2023/24 fiscal year, compared with a financial profit of €(1,043)k for the previous fiscal year. Net financial income for the year included €(18,937)k in allocations to financial provisions, net of reversals, mainly relating to a partial write-down of Wavestone US shares, and €6,441k in income from investments from receivables and dividends from subsidiaries, €(2,752)k in interest on borrowings and non-use fees, €746k in interest income on cash equivalents, €382k in net gains on financial instruments, €206k in interest income net of interest paid on intra-group current account advances, and €111k in net forex gains.

Exceptional income was €157k compared to an exceptional loss of €642k in the the previous fiscal year. It mainly includes gains from liquidity transactions involving Wavestone shares.

Tax on earnings in 2023/24 was €19,407k, versus €14,350k the previous year.

Employee profit sharing amounted to €11,190k in 2023/24, compared with €8,006k in 2022/23.

Taking all the above into consideration, net income was €32,628k at the fiscal year-end, compared with €32,387k for the previous fiscal year.

The company's equity stood at €550,091k at 03/31/24, compared with €270,725k at 03/31/23 (this increase being mainly due to the capital increase following the Q\_PERIOR acquisition and the appropriation of profit for the year).

Net cash, factoring in bank debt of €58,560k, was €(19,378)k at 03/31/24, compared with net cash of €18,501k at 03/31/23.

## 2.5. Trade payables and receivables

In accordance with the provisions of the French Commercial Code (Articles L. 441-14-1 and D. 441-6), the year-end balances of trade payables and receivables are presented in the table below.

These amounts exclusively concern Wavestone SA.

(in euros)	Article D. 441-6 I.-1°: invoices received but not paid at the closing date of the fiscal year whose term has expired						Article D.441-6 I.-2°: invoices issued but not paid at the closing date of the financial year whose term has expired					
	Not yet due	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more <sup>(1)</sup>	Total 1 day and more	Not yet due	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more <sup>(1)</sup>	Total 1 day and more
<b>(A) Late payment installments</b>												
Number of invoices concerned	307					111	2,693					974
Total amount of invoices concerned, incl. Tax	7,988,943	956,498	105,070	10,613	920,000	1,992,182	82,669,876	13,285,857	3,896,956	1,411,339	4,841,471	23,435,623
Percentage of total purchases including tax for the financial year	7.4%	0.9%	0.1%	0.0%	0.9%	1.9%						
Percentage of revenue including tax for the financial year							14.1%	2.3%	0.7%	0.2%	0.8%	4.0%
<b>(B) Invoices excluded from (A) related to contested or unrecognized debts and receivables</b>												
Number of invoices				0						27		
Total amount of invoices concerned, incl. Tax				0						379,572		
<b>(C) Reference payment periods used (contractual or legal period – Article L.441-6 or Article L.443-1 of the French Commercial Code)</b>												
Payment terms used to calculate payment delays	Contractual terms		60 days				Contractual terms		30 or 60 days depending on the client			
	Legal deadlines		60 days				Legal deadlines		60 days			

(1) The invoices received and issued that are more than 91 days overdue are almost exclusively invoices between Wavestone SA and its subsidiary Wavestone Advisors Maroc.

At 03/31/24, accrued trade payables comprised payments due to external suppliers in the amount of €12,182k and to internal suppliers in the amount of €3,860k.

Unbilled receivables at the end of the period comprised payments owed by external clients in the amount of €41,052k and by internal clients in the amount of €2,084k.

## 2.6. Legal developments in the fiscal year

### 2.6.1. Update on the combination between Wavestone and Q\_PERIOR

#### Proposed combination

On 07/25/23, Wavestone announced a proposed merger with the Q\_PERIOR consulting firm with a view to creating a European consulting champion. This proposal was officially adopted at the Shareholders' Meeting of 12/05/23, during which all recommended resolutions were approved by an overwhelming majority.

Founded in 2011, Q\_PERIOR represents the merger of three management and IT consulting firms, namely ESPRIT Consulting AG, Agens Consulting GmbH and Paricon AG. Q\_PERIOR supports its clients' transformation by drawing on leading business and technological expertise, such as core business processes, digitization and SAP.

In the 2022 fiscal year, Q\_PERIOR generated consolidated revenue of €285m, up 21%, with EBIT margin of 8.1%. As of 03/31/23, the firm had 1,410 employees.

The combination was 79% financed by the issue of new Wavestone shares. The remaining amount was financed in cash, out of Wavestone's own funds. The companies were consolidated in Wavestone's financial statements on 12/01/23.

#### Wavestone SA share capital increase

The Shareholders' Meeting of 12/05/23 voted on Wavestone SA's share capital increase to finance the contributions in kind under this transaction. As a result, the company's share capital increased from €504,912.30 to €622,658.30.

#### Change in Wavestone governance

The combination between Wavestone and Q\_PERIOR led to a change in the firm's governance. Mr. Karsten Höppner and Ms. Astrid Blechschmidt respectively became Directors for a four-year term, i.e. until the Annual Ordinary General Meeting called to approve the financial statements for the fiscal year ending on 03/31/27. Furthermore, Mr. Karsten Höppner was also appointed Chief Operating Officer from 01/01/24.

### 2.6.2. Acquisition of Aspirant

On 01/16/24, Wavestone acquired 100% of the share capital of Aspirant Consulting LLC (US subsidiary) and Aspirant Limited (UK subsidiary).

Founded in 2003 and headquartered in Pittsburgh, PA, Aspirant Consulting provides deep expertise on Strategy, Marketing & Innovation, Organizational Effectiveness & Change Management, and Technology Consulting.

Over its last fiscal year (ending 12/31/23), Aspirant Consulting's consolidated revenue was about \$26m (€23.8m), with profitability of around 11%. On the acquisition date, the firm's headcount was circa a hundred permanent employees.

This acquisition was financed entirely in cash, by Wavestone's own funds and through credit lines available to the firm from its banking partners.

The companies were consolidated in Wavestone's financial statements on 02/01/24.

### 2.6.3. Recapitalization of Wavestone US subsidiary

On 02/27/24, Wavestone SA implemented a recapitalization of Wavestone US with a view to ensuring the continued development of the subsidiary. This transaction took the form of a share capital increase amounting to \$53,972k (equivalent to €49,699k) via capital incorporation of liquid and unbilled receivables of Wavestone SA by Wavestone US.

### 2.6.4. Eligibility of Wavestone shares for the PEA-PME plan

A PEA-PME (a share-based savings plan designed to finance SMEs and mid-tier companies) plan was set up in early March 2014, alongside the share-based savings plan (PEA) already in place.

In a press release published on 04/16/24, Wavestone confirmed that it complied with all of the PEA-PME eligibility criteria set out in French application decree No. 2014-283, dated 03/04/14, and as amended by executive order dated 08/22/19 (order No. 2019-878).

Consequently, Wavestone shares remain eligible for incorporation into PEA-PME accounts, which benefit from the same tax benefits offered by traditional share-based savings plans (PEAs).

### 2.6.5. Free share allocations

For more details, please refer to paragraph 3.2 below.

## 2.7. Post-closure events

As of 05/24/24, the Wavestone brand became the only brand used by Q\_PERIOR, PEN Partnership and Coeus Consulting, and their subsidiaries. The names of these companies have been changed accordingly.

## 2.8. Subsidiaries and equity holdings

### Information on subsidiaries and equity holdings

12-month fiscal year ended 03/31/24 unless otherwise indicated and according to the accounting rules in force in each region.

(in thousands of euros)

Subsidiary	Country	% of control	Business	Revenue N	Operating profit N
<b>Wavestone initial scope</b>					
Wavestone Advisors UK Ltd. <sup>(1)</sup>	United Kingdom	100% (direct)	Operating margin	25,224	1,505
Xceed Group Holding Limited	United Kingdom	100% (indirect)	Dormant	0	-12
Xceed Group Limited	United Kingdom	100% (indirect)	Dormant	0	-13
Wavestone Consulting UK Ltd.	United Kingdom	100% (indirect)	Dormant	0	-12
PEN Partnership Limited <sup>(2)</sup>	United Kingdom	100% (indirect)	Operating margin	26,594	2,715
Coeus Consulting Ltd.	United Kingdom	100% (indirect)	Operating margin	10,056	1,133
Coeus Consulting Int. Ltd.	United Kingdom	100% (indirect)	Holding	0	72
Coeus Verwaltungs GmbH	Germany	100% (indirect)	Holding	0	-5
Coeus Consulting GmbH <sup>(3)</sup>	Germany	100% (indirect)	Operating margin	2,918	17
Wavestone Belgium SA	Belgium	100% (direct)	Operating margin	4,193	719
Wavestone Luxembourg SA	Luxembourg	100% (direct)	Operating margin	8,001	673
Wavestone Switzerland SA	Switzerland	100% (direct)	Operating margin	14,873	1,266
PEN Partnership GmbH	Switzerland	100% (indirect)	Dormant	0	-10
Wavestone Advisors Morocco (SARL)	Morocco	100% (direct)	Operating margin	2,461	-37
Wavestone US Inc.	United States	100% (direct)	Operating margin	35,655	904
Wavestone HK Ltd.	Hong Kong	100% (direct)	Operating margin	3,202	601
why innovation! Limited <sup>(4)</sup>	Hong Kong	100% (indirect)	Operating margin	35	-3
why innovation! Pte Limited	Singapore	100% (direct)	Operating margin	3,232	160
why academy! Pte Limited	Singapore	100% (direct)	Operating margin	16	-12
<b>Q_PERIOR acquisition scope</b>					
Q_PERIOR Holding AG <sup>(5)</sup>	Germany	100% (direct)	Holding	0	-40
Q_PERIOR AG <sup>(5)</sup>	Germany	100% (indirect)	Operating margin	212,412	11,036
Q_PERIOR Energy GmbH <sup>(5)</sup>	Germany	100% (indirect)	Operating margin	2,987	336
Q_VERTION GmbH <sup>(5)</sup>	Germany	100% (indirect)	Operating margin	0	-2
Qdive GmbH <sup>(5)</sup>	Germany	100% (indirect)	Operating margin	1,705	285
New Outcome GmbH <sup>(5)</sup>	Germany	100% (indirect)	Operating margin	1,094	-87
ESPRiT Engineering GmbH <sup>(5)(6)</sup>	Germany	75% (indirect)	Operating margin	20,454	6,458
ESPRiT Engineering S.R.L. <sup>(5)(6)</sup>	Romania	75% (indirect)	Operating margin	1,427	589
Q_PERIOR S.R.L. <sup>(5)</sup>	Romania	100% (indirect)	Operating margin	3,180	368
Q_PERIOR GmbH <sup>(5)</sup>	Austria	100% (indirect)	Operating margin	8,370	1,718
Q_PERIOR Inc. <sup>(5)</sup>	USA	100% (indirect)	Operating margin	12,871	2,011
Q_PERIOR Canada Inc. <sup>(5)</sup>	Canada	100% (indirect)	Operating margin	1,816	112
Q_PERIOR España S.L. <sup>(5)</sup>	Spain	100% (indirect)	Operating margin	432	-86
Q_PERIOR Italia S.R.L. <sup>(5)</sup>	Italy	100% (indirect)	Operating margin	840	-171
Q_PERIOR sp. z o.o. <sup>(5)</sup>	Poland	100% (indirect)	Operating margin	6,822	964
Q_PERIOR Ltd. <sup>(5)</sup>	United Kingdom	100% (indirect)	Operating margin	4,045	910
Q_PERIOR AG <sup>(5)</sup>	Switzerland	100% (indirect)	Operating margin	83,930	5,949



(in thousands of euros)

Subsidiary	Country	% of control	Business	Revenue N	Operating profit N
<b>Aspirant acquisition scope</b>					
Aspirant Consulting LLC <sup>(5)(7)</sup>	USA	100% (indirect)	Operating margin		
Aspirant Ltd. <sup>(5)</sup>	United Kingdom	100% (indirect)	Operating margin	3,079	383

(1) As required under local accounting laws, Wavestone Advisors UK Ltd's operating income includes an operating expense relating to the depreciation of goodwill, in the amount of €1,233k. Adjusted for such depreciation, its operating income was €2,738k.

(2) As required under local accounting laws, PEN Partnership Ltd's operating income includes an operating expense relating to the depreciation of goodwill, in the amount of €596k. Adjusted for such depreciation, its operating income was €3,31k.

(3) Coeus Consulting GmbH is held as to 99.9% and 0.1% by Coeus Consulting Int. Ltd. and Coeus Verwaltungs GmbH, respectively.

(4) On 04/08/24, Why Innovation! Limited merged with Wavestone HK Limited.

(5) Given that Q\_PERIOR and Aspirant, and subsidiaries joined the group scope of consolidation during the 2023/24 fiscal year, the figures shown are those for the period between 01/01/23 and 12/31/23, which account for a complete fiscal year.

(6) ESPRIT Engineering GmbH and ESPRIT Engineering S.R.L are 75% owned by Q\_PERIOR AG and 25% by minority shareholders.

(7) Aspirant Consulting LLC had no revenues prior to 01/01/24, as it did not operate prior to that date and benefited from an asset transfer from activities on 01/01/24 before being acquired by the Wavestone group.

### Branches (Art. L. 232-1-II of the French Commercial Code)

You are hereby informed that the company has no branches.

### Equity acquisitions and takeovers

For more details, please refer to paragraphs 2.1 and 2.2 above.

### Cross or reciprocal shareholdings

None.

### Disposal of equity holdings

None.

### 2.9. Research & Development activity

The company carries out R&D activities on a regular basis. However, the cost of these activities is only capitalized in exceptional circumstances.

Considering the restrictions in potentially eligible volume for French research tax credits, Wavestone decided against formalizing a request with France's tax authorities for 2023.

For the record, during the previous 2022 fiscal year, Wavestone benefited from a research tax credit for a net amount of €392k.

Excluding France, specific subsidiaries created from the combination with Q\_PERIOR also benefit from similar tax arrangements. Hors de France, certaines filiales issues du rapprochement avec Q\_PERIOR bénéficient également de mécanismes fiscaux similaires. Mainly in Germany, a research and development project underway over the 2020-2025 period should lead to a tax credit of around €500k, which could be obtained from the 2024/25 fiscal year onwards.

## 2.10. Dividend policy

Wavestone is a growth company which therefore reinvests the bulk of its earnings to fund further development.

Ever since it was first listed on the stock exchange, Wavestone's policy on principle is to pay out approximately 15% of Group Share of Net Income in dividends. That being said, the company

Dividends paid in the past three fiscal years:

Fiscal year ended	Number of shares for dividend payment <sup>(1)</sup>	Dividend per share <sup>(2)</sup>	Portion of the dividend eligible for the 40% relief <sup>(3)</sup>
03/31/23	19,981,237	€0.38	100%
03/31/22	20,032,695	€0.38	100%
03/31/21	20,053,458	€0.23	100%

(1) The company's treasury shares are not eligible for the dividend.

(2) Before deduction of taxes and social charges.

(3) All the dividends paid by the company are eligible for the reduction.

## 2.11. Debt policy

On 12/14/22, Wavestone renegotiated its financing contract with partner banks to (i) extend the availability of the various credit facilities and (ii) increase their maximum amounts.

Under this contract, the original structure of which has generally remained unchanged, Wavestone has access to (i) a "Refinancing" credit facility, with €38.7m outstanding at 03/31/24, (ii) two "Acquisition" credit facilities, comprising a confirmed facility of €105m, with €19.7m outstanding at 03/31/24 and an unconfirmed facility of €70m; and (iii) a €40m facility to fund the firm's working capital requirements (WCR). This financing contract stipulates that margins be adjusted depending on the achievement of CSR criteria.

reserves the right to change this percentage in line with its funding needs, cash generation and industry norms.

The Board of Directors proposes to the shareholders at the Annual General Meeting of 07/25/24 that a dividend of €0.38 per share continue to be paid in respect of the 2022/23 fiscal year. This dividend equates to a payout ratio of 16% of the group's share of Net Income for the 2023/24 fiscal year.

On 03/31/23, Wavestone entered into an agreement with a new banking partner for a \$15m "all uses" bilateral facility.

These credit facilities are subject to compliance with a leverage ratio requiring annual certification by Wavestone's Statutory Auditors on the basis of the firm's annual financial statements (each fiscal year ending March 31). The leverage ratio is defined as the ratio of net financial debt to consolidated EBITDA. Compliance with this ratio was respected at 03/31/24.

### 3. Share capital and shareholding structure

#### 3.1. Information concerning the share capital

##### 3.1.1. Breakdown of the share capital

##### Breakdown of the share capital and voting rights

The table below gives a snapshot of Wavestone shareholders at 03/31/24:

Shareholders	Shares	% Capital	Theoretical voting rights <sup>(4)</sup>	% Theoretical voting rights	Exercisable voting rights <sup>(5)</sup>	% Exercisable voting rights
Imbert family (Wavestone founder) <sup>(1)</sup>	5,789,136	23.24%	11,578,272	31.10%	11,578,272	31.37%
Dancoisne - Chavelas family (Wavestone founder) <sup>(2)</sup>	5,211,088	20.92%	10,422,176	27.99%	10,422,176	28.23%
Main Q_PERIOR shareholders (group 7B) <sup>(3)</sup>	3,989,956	16.02%	3,989,956	10.72%	3,989,956	10.81%
Wavestone concert controlling shareholders	14,990,180	60.19%	25,990,404	69.80%	25,990,404	70.41%
Other Wavestone directors and corporate officers	88,235	0.35%	162,668	0.44%	162,668	0.44%
Wavestone employees <sup>(6)</sup>	1,516,060	6.09%	2,492,073	6.69%	2,492,073	6.75%
Other shareholders arising from the combination with Q_PERIOR	643,082	2.58%	643,082	1.73%	643,082	1.74%
Treasury stock	320,695	1.29%	320,695	0.86%	0	0.00%
Free float	7,348,080	29.50%	7,624,921	20.48%	7,624,921	20.66%
<b>Total</b>	<b>24,906,332</b>	<b>100.00%</b>	<b>37,233,843</b>	<b>100.00%</b>	<b>36,913,148</b>	<b>100.00%</b>

(1) P. Imbert directly holds 941,978 shares. FIH, the family holding company over which he exercises exclusive control, holds 4,847,158 shares.

(2) M. Dancoisne directly holds 1,195,179 shares. FDCH, the family holding company over which he exercises exclusive control, holds 2,827,509 shares. D. Chavelas, his daughter, controls 1,188,400 shares.

(3) Q\_PERIOR's main shareholders (group 7B) hold 3,989,956 shares. Note that these shares include the 1,388,889 shares held by IQ-EQ. As a reminder, IQ-EQ is acting as Trustee. The Trust holds the Wavestone shares that it was transferred by the main shareholders in Q\_PERIOR. This Trust is presented in section 3.11 "Transaction background and presentation" of the Exemption Document from the obligation to publish a prospectus, on the Wavestone website under "Investors."

(4) In accordance with Article II of Wavestone's Articles of Association, holders of fully paid-up shares registered in their own name for more than two years are granted double voting rights. In addition, under Article 223-II of the General Regulation of the AMF, the total number of theoretical voting rights is calculated on the basis of the total number of shares, including those with no voting rights. Double voting rights were introduced at the Ordinary and Extraordinary General Meeting of 12/06/99.

(5) In accordance with AMF position-recommendation No. 2021-02, the total number of voting rights exercisable at General Meetings is calculated on the basis of the total number of shares with exercisable voting rights, but does not include those without voting rights.

(6) For the record, last year, the method used to calculate employee share ownership was modified from that used in the previous years, to exclusively account for those ownership situations specifically mentioned in Article L225-102 of the French Commercial Code ("*Code de commerce*"). Wavestone shares held by the Wavestone Actions ("Wavestone Shares") FCPE (collective employee shareholding fund) are included in the calculation, as are shares issued under stock option plans (free share allocation plans, stock options) still held in registered form by their current or former beneficiaries. The other securities held by employees, are no longer included in this calculation and are now included in the "Public" or "Other shareholders from the Q\_PERIOR merger" categories. They are no longer able to be identified with certainty.

##### Theoretical and exercisable voting rights

	Shares	Theoretical voting rights	Exercisable voting rights	
Registered shares with single voting rights	5,190,567	5,190,567	5,190,567	A
Registered shares with double voting rights	12,327,511	24,655,022	24,655,022	B
Treasury registered shares	303,046	303,046	–	C
<b>Registered shares</b>	<b>17,821,124</b>	<b>30,148,635</b>	<b>29,845,589</b>	<b>D=A+B+C</b>
Bearer shares with single voting rights	7,067,559	7,067,559	7,067,559	E
Treasury bearer shares	17,649	17,649	–	F
<b>Bearer shares</b>	<b>7,085,208</b>	<b>7,085,208</b>	<b>7,067,559</b>	<b>G=E+F</b>
<b>Total</b>	<b>24,906,332</b>	<b>37,233,843</b>	<b>36,913,148</b>	<b>H=D+G</b>

23.24% of Wavestone's shares are held directly and indirectly by the Imbert family, with Pascal Imbert being the firm's Chairman-Chief Executive Officer, and 20.92% of the shares are held by the Dancoisne-Chavelas family, with Michel Dancoisne a member of the Board of Directors as the permanent representative of FDCH, the family holding company he controls, with 16.02% held by the seven main contributing shareholders of Q\_PERIOR (group 7B) and with IQ-EQ Management acting as Trustee. Acting in concert, these shareholders jointly own 60.19% of Wavestone's capital and 70.41% of the exercisable voting rights at 03/31/24.

No other shareholder owns 5% or more of Wavestone's share capital and/or voting rights.

The "Other Wavestone Directors and Corporate Officers" item includes shares and voting rights for Patrick Hirigoyen, a member of the Board of Directors and Chief Operating Officer of Wavestone, as well as other Board members who are not part of

the concert of Wavestone's controlling shareholders. These members are as follows: Pierre Allard, Christophe Aulnette, Véronique Beaumont, Astrid Blechschmidt, Benjamin Clément, Florence Didier-Noaro, Marlène Ribeiro, Emilie Salas, Marie-Ange Verdickt and Rafaël Vivier.

According to a review of identifiable registered and bearer shares on 03/31/24, approximately 70% of the shares were held by institutional French and international funds and 30% by private shareholders on that date.

As such, Wavestone is controlled by shareholders acting in concert comprising its two founders and their families, not forgetting the seven main contributing shareholders of Q\_PERIOR. The company is committed to strict corporate governance principles. The presence of independent directors on the Board of Directors ensures that it carries out its supervisory function and represents all the shareholders.

The table below details the company's shareholders for the past three years:

Shareholders	Ownership structure at 03/31/24				Ownership structure at 03/31/23				Ownership structure at 03/31/22 - pro forma <sup>(1)</sup>			
	Shares	Capital	% Theoretical voting rights	% Exercisable voting rights	Shares	Capital	% Theoretical voting rights	% Exercisable voting rights	Shares	Capital	% Theoretical voting rights	% Exercisable voting rights
Imbert family	5,789,136	23.24%	31.10%	31.37%	5,789,136	28.66%	35.61%	35.88%	5,789,136	28.66%	35.59%	35.80%
Dancoisne - Chavelas family	5,211,088	20.92%	27.99%	28.23%	5,211,088	25.80%	32.06%	32.30%	5,211,088	25.80%	32.04%	32.22%
Main Q_PERIOR shareholders (group 7B)	3,989,956	16.02%	10.72%	10.81%								
Wavestone concert controlling shareholders	14,990,180	60.19%	69.80%	70.41%	11,000,224	54.47%	67.67%	68.18%	11,000,224	54.47%	67.63%	68.02%
Other Wavestone directors and corporate officers <sup>(2)</sup>	88,235	0.35%	0.44%	0.44%	105,699	0.52%	0.61%	0.61%	115,613	0.57%	0.67%	0.67%
Wavestone employees	1,516,060	6.09%	6.69%	6.75%	1,573,603	7.79%	7.63%	7.68%	1,596,228	7.90%	7.68%	7.73%
Other shareholders arising from the combination with Q_PERIOR	643,082	2.58%	1.73%	1.74%								
Treasury stock	320,695	1.29%	0.86%	0.00%	244,883	1.21%	0.75%	0.00%	186,620	0.92%	0.57%	0.00%
Free float	7,348,080	29.50%	20.48%	20.66%	7,272,083	36.01%	23.34%	23.52%	7,297,807	36.13%	23.44%	23.58%
<b>Total</b>	<b>24,906,332</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>20,196,492</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>20,196,492</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

(1) To ensure comparability, the figures at 03/31/22 have been recalculated on a pro forma basis, taking into account the change in the method of calculating employee shareholding mentioned above (note 6 of the Wavestone shareholding table at 03/31/24). For this reason, the figures published in this table on 03/31/22 differ from those presented in the General Report for the 2021/22 fiscal year.

(2) Based on figures published in March 2024, the shares of Patrick Hirigoyen (the company's Chief Operating Officer) were booked, along with other Wavestone corporate officers. As for figures reported on 03/31/22 and 03/31/23, the "Other Wavestone Directors and Corporate Officers" item in this table matches the total in the item corresponding to "Patrick Hirigoyen" and "Other Directors," as published last year.

On the back of the Q\_PERIOR transaction, the majority block expanded to include the seven main shareholders of Q\_PERIOR (group 7B). As of 03/31/24, this new concert held 60.19% of Wavestone's share capital.

### 3.1.2. Crossing shareholding thresholds and declarations of intent

In a letter received on 12/08/23, notably followed by a letter received on 12/11/23, the concert, formed of Pascal Imbert, FIH, Michel Dancoisne, FDCH, Delphine Chavelas, and Agens GmbH & Co KGaA<sup>(1)</sup>, Höppner Familienstiftung<sup>(2)</sup>, Hampton Bay Management KG<sup>(3)</sup>, KeepCoolman KG<sup>(4)</sup>, MaBella KG, BussiCiao KG<sup>(5)</sup>, Michael Girke and Lars Erdmann and IQ-EQ Management<sup>(6)</sup> (the "Concert"), reported crossing above the thresholds of 5%, 10%, 15%, 20%, 25%, 30%, 1/3 and 50% of the share capital and voting rights as well as 2/3 of the voting rights for Wavestone on 12/05/23. In total, this breaks down as 14,990,180 Wavestone shares representing 25,990,404 voting rights, i.e. 60.19% of the share capital and 70.31% of the company's voting rights, breaking down as specified in the 3.1.1 "Breakdown of the share capital" section.

The crossing of shareholding thresholds results from the contribution in kind to Wavestone by specific Q\_PERIOR shareholders, combined with the signature between former controlling shareholders of Wavestone and the group formed of the main contributing shareholders of Q\_PERIOR (group 7B) – among other parties – of a Shareholders' Agreement ("Pact") establishing concert action.

As outlined in the 2.1 above paragraph, this transaction was the focus of an Exemption Document from the obligation to publish a prospectus and was approved at Wavestone's Shareholders' Meeting of 12/05/23.

During this meeting:

- the Imbert family sub-total individually crossed below the thresholds of 1/3 of the voting rights and 25% of the share capital;
- the FIH sub-total individually crossed below the thresholds of 30% of the voting rights and 20% of the share capital;
- the Dancoisne family sub-total individually crossed below the thresholds of 30% of the voting rights and 25% of the share capital;
- Delphine Chavelas individually crossed below the threshold of 5% of the share capital;
- Michel Dancoisne individually crossed below the threshold of 5% of the share capital;
- the Q\_PERIOR (group 7B) sub-total individually crossed above the thresholds of 5% of the share capital and the voting rights as well as 10% of the share capital; and
- IQ-EQ Management individually crossed above the threshold of 5% of the share capital.

In the same letter, members of the Concert made the following declaration of intent, in accordance with the provisions of paragraph VII of Article L.233-7 of the French Commercial Code and paragraph I of Article 223-17 of the General Regulation of the AMF (*Autorité des Marchés Financiers* – French financial markets authority), thereby specifying:

- that the concert action between members of the Concert results from the combination of (i) a contribution in kind transaction remunerated by the issue and allocation of new Wavestone shares; and (ii) the signature between the former controlling shareholders of Wavestone, the group comprising the main contributing shareholders of Q\_PERIOR and IQ-EQ Management, of a Shareholders' Agreement ("Pact") establishing concert action, with a transaction the focus of an Exemption Document from the obligation to publish a prospectus which was filed and approved by the Wavestone Shareholders' Meeting of 12/05/23;
- that the declarants are hereby acting in concert;
- that the concert action does not require any financing. Wavestone's acquisition of Q\_PERIOR shares was partly financed by the issue of new Wavestone shares and partly from its own funds;
- that the Concert does not intend to increase its shareholding in Wavestone, it being understood that the Concert already has a controlling interest in Wavestone;
- that to take stock of Wavestone's new shareholder structure upon completion of the contribution, Q\_PERIOR secured the appointment of two members representing Q\_PERIOR on Wavestone's Board of Directors with Karsten Höppner becoming Chief Operating Officer, effective 01/01/24;
- that, with support from its current management team and the new Chief Operating Officer, the Concert plans to pursue the main strategic directions taken by Wavestone with zero intention of altering Wavestone's way of operating outside the normal course of business;
- that the Concert does not intend to complete any of the transactions listed in Article L.223-17 I, paragraph 6, of the AMF's General Regulation, it however being understood that amendments to the Articles of Association were voted on at the Shareholders' Meeting of 12/05/23, particularly with a view to amending governance mechanisms (see Exemption Document from the obligation to publish a prospectus, which was publicly disclosed on 11/14/23);
- that members of the Concert are not party to any agreement or financial instrument referred to in paragraphs 4 and 4 bis in part I of Article L.233-9 of the French Commercial Code;

(1) Company governed by German law (headquartered at Am Sandtorkai 54, 20457 Hamburg, Germany) controlled by Klaus Leitner, Florian Lang, Q\_PERIOR partners, and Anton Taubenberger, Senior Advisor at Q\_PERIOR.

(2) Company governed by German law (headquartered at Erzgießereistr. 4, 80335 Munich, Germany) controlled by Karsten Höppner, a Partner at Q\_PERIOR.

(3) Company governed by German law (headquartered at Lichtingerstr. 17, 81243 Munich, Germany) controlled by Michael Gornolka, a Partner at Q\_PERIOR.

(4) Company governed by German law (headquartered at Hofmillerstr. 30, 81245 Munich, Germany) controlled by Walter Kuhlmann, a Partner at Q\_PERIOR.

(5) Company governed by German law (headquartered at Hiltenspergerstr. 17, 80798 Munich, Germany) controlled by Stephan Marchner, Chairman of the Q\_PERIOR Supervisory Board.

(6) *Société par actions simplifiée à associé unique* (SASU – French single member simplified limited company headquartered at 92 avenue de Wagram, 75017 Paris) controlled by Bertrand d'Anselme, Chief Executive Officer of IQ-EQ Management.

- that members of the Concert did not enter into any temporary sale agreement concerning the shares and/or voting rights of Wavestone.

It should be noted that the crossing of the 30% thresholds of share capital and voting rights by the above Concert was addressed with a view to exempting the obligation to file a proposed public offering, as included in Decision No. 223C1852 of 11/15/23.

### 3.1.3. Exemptions

#### Exemption from the obligation to file a proposed public offering for Wavestone shares (Article 234-9, paragraph 4, of the AMF's General Regulation)

Following the transaction described in the 2.1 above paragraph, the newly-formed Concert crossed above the thresholds of 30% of the share capital and the voting rights referred to in Article 234-2 of the General Regulation of the AMF (*Autorité des Marchés Financiers* – French financial markets authority), therefore facing the obligation to file a proposed public offering for the entire share capital of Wavestone pursuant to Article 234-2 of the AMF's General Regulation.

Accordingly, members of the Concert applied to the AMF for an exemption from the obligation to file this proposed public offering for Wavestone shares, on the basis of Article 234-9, paragraph 4, of the General Regulation.

At its meeting of 11/15/23, the AMF reviewed this request to be exempted from the obligation to file a proposed public offering for Wavestone shares, in line with the company's altered shareholder structure and the merger with Q\_PERIOR.

Taking into account that the crossing of the 30% thresholds of share capital and voting rights by the newly-formed Concert would result from the combined contribution transaction submitted for approval to the Wavestone Shareholders' Meeting and the signing of a Shareholders Agreement ("Pact"), under which terms the parties state that they are acting in concert, and acknowledging the voting conducted by members of the concert prior to the transaction, the AMF granted the exemption requested on the grounds of paragraph 4 in Article 234-9 of the General Regulation.

### 3.1.4. Change in share capital

During the fiscal year ended 03/31/24, the company implemented a capital increase by issuing new shares as part of the contribution in kind transaction to Wavestone by specific Q\_PERIOR shareholders for a total of Q\_PERIOR 1,128,195 shares, representing 77.90% of the company share capital<sup>(1)</sup>. The latter resulted in a capital increase of €117,746, through the issue of 4,709,840 new Wavestone shares to contributors, increasing the share capital from €504,912.30 to €622,658.30, divided into

24,906,332 ordinary shares, each with a par value of €0.025, owing to the above contribution transaction.

This transaction was the focus of an Exemption Document from the obligation to publish a prospectus (accessed from Wavestone's website under "Investors") and was approved at Wavestone's Shareholders' Meeting of 12/05/23.

### 3.1.5. Collective lock-up undertakings

The transaction for Wavestone to acquire the entire share capital of Q\_PERIOR through a contribution in kind and a sale, led to the signing of a Shareholders' Agreement ("Pact") establishing a concert action between members of the newly-formed Concert (see section 3.1.2 above for a detailed description).

Under the terms of this agreement, members of the Concert are required to hold their Wavestone shares for a four-year period from the completion of the transaction, subject to an annual relief clause, with such undertakings guaranteed by an escrow arrangement with the account holders.

It is specified that over the past few fiscal years, a number of collective lock-up undertakings relating to Wavestone's securities were entered into as follows, for those still in force.

On 12/10/19, FDCH, Michel Dancoisne, Pascal Imbert, Delphine Chavelas – the daughter of Michel Dancoisne – and Patrick Hirigoyen, Chief Operating Officer – signed three collective lock-up agreements, in accordance with the provisions of Article 787B of the French General Tax Code, two of which remain in effect.

The signatories of both of these lock-up undertakings are committed to holding:

- 4,766,392 shares representing 23.60% of the share capital and 25.71% of voting rights<sup>(2)</sup>, for a two-year period, with tacit renewal for an indefinite period, until terminated by one of the parties;
- 4,514,068 shares representing 22.35% of the share capital and 25.09% of voting rights<sup>(2)</sup>, for a two-year period, with tacit renewal for an indefinite period, until terminated by one of the parties.

On 03/29/19, FIH, Pascal Imbert, Patrick Hirigoyen and Michel Dancoisne signed a collective lock-up agreement, in accordance with the provisions of Article 787B of the French General Tax Code, for two-year period, with tacit yearly renewal, until terminated by one of the parties. Under the terms of these agreements, the signatories collectively undertook to retain 5,453,073 shares representing 27% of the share capital and 22.62% of the voting rights<sup>(3)</sup>.

(1) Wavestone also acquired 299,831 shares in cash, representing 20.70% of Q\_PERIOR's share capital, with the remaining 1.40% held as treasury shares by Q\_PERIOR.

(2) Based on Wavestone's capital and voting rights as at 12/10/19.

(3) Based on Wavestone's capital and voting rights as of 03/29/19.

### 3.1.6. Movements in Wavestone's share price

Wavestone's share price was €45.55 on 04/03/23, the beginning of the fiscal year, and €56.10 on 03/28/24, the end of the same fiscal year, increasing by 23%.

All share prices mentioned in this document are the prices at closing on the trading days in question.

### 3.1.7. Treasury stock: share buyback program

In compliance with the authorizations mentioned in the 4.1.10 "Share buyback program" paragraph of this report, Wavestone bought back its own shares on the open market under the conditions laid down by French law and within the context of the share buyback program implemented by the company. This program is described in full in the Universal Registration Document filed on 07/13/23 with the AMF under number D.23-0602 pursuant to article 241-2 of the General Regulation of the AMF.

As required under Article L.225-211 of the French Commercial Code (*"Code de commerce"*), all related information as of 03/31/24 are disclosed in the notes to Wavestone's financial statements and summarized below in the paragraph 4.1.10: "Share buyback program".

Wavestone's treasury stock is limited to the shares bought back within the context of its buyback program.

## 3.2. Employee shareholding

### Status of employee shareholding

Pursuant to Article L.225-102 of the French Commercial Code, we inform you that employees or former employees of Wavestone and/or affiliated companies hold, at 03/31/24:

- 555,067 shares in Wavestone via company mutual funds (FCPE) invested in Wavestone's shares, i.e. 2.23% of the share capital;
- 960,993 registered shares in Wavestone under Articles L. 225-180 and L. 225-197 of the French Commercial Code, i.e. 3.86% of the share capital.

### Employee profit sharing

No employee profit sharing agreement has been set up within the group.

### Free share plan

As of 03/31/24, the Wavestone group had several free share plans in place.

During the past fiscal year, Wavestone granted the following free shares:

### Final allotment under the 07/06/21 program ("Employee Plan No. 15")

On 07/06/21, the Management Board partially used the authorization granted to it under Resolution 25 of the Ordinary and Extraordinary General Meeting of 09/16/19, and implemented a free share plan named "Employee Plan No. 15". This "Employee Plan No. 15" covers the employees of Wavestone according to the option they chose under the framework of the employee shareholding scheme, it being understood that the corporate officers of Wavestone SA and its subsidiaries are not concerned by this plan.

The twenty-four (24) month vesting period under the "Employee Plan No. 15" expired on 07/06/23.

The initial allotment was up to 38,699 shares. In accordance with the conditions of the program, 28,722 shares were fully acquired by 873 employees at the end of the vesting period.

The shares granted under the "Employee Plan No. 15" were existing shares previously acquired by the company during a share buyback program.

### Initial allotment under the 10/15/21 plan ("International Plan for Everyone No. 1")

A global and international employee shareholding scheme was set up by Wavestone in 2021. In the same way as the free share allocations implemented annually for employees of the group's French companies who pay all or part of their profit sharing bonus into the *Wavestone Actions* ("Wavestone Shares") FCPE (collective employee shareholding fund), this international scheme consists of the allocation of free shares to employees of the group's foreign companies in proportion to their acquisition of Wavestone shares, either through the Wavestone Shares employee shareholding fund or in registered form.

At its 10/15/21 meeting, the Management Board introduced "International Plan for Everyone No. 1" for the allotment of free shares. "International Plan for Everyone No. 1" is for the employees of Wavestone's foreign subsidiaries who have signed up to the Wavestone Shares FCPE (collective employee shareholding fund) or for registered Wavestone shares as part of the 2021 international employee shareholding program.

The vesting period of "International Plan for Everyone No. 1", which was twenty-four (24) months, expired on 10/15/23.

The initial allotment was up to 6,052 shares. In accordance with the conditions of the program, 5,121 shares were fully acquired by 78 employees at the end of the vesting period.

The shares granted under the "International Plan for Everyone No. 1" were existing shares previously acquired by the company during a share buyback program.

#### Initial allotment under the 07/06/23 plan ("Employee Plan No. 17")

On 05/31/23, the Board of Directors partially used the authorization granted to it under Resolution 21 of the Combined Ordinary and Extraordinary General Meeting of 07/28/22, and implemented a Wavestone free share plan, named "Employee Plan No. 17", within the context of the group's employee savings plan. This "Employee Plan No. 17" covers the employees of Wavestone according to the option they chose under the framework of the employee shareholding scheme, it being understood that the non-employee corporate officers of Wavestone SA and its subsidiaries are not covered by this plan.

At the initial grant date, Wavestone attributed 57,234 shares to 1,596 employee beneficiaries, subject to their definitive granting at the end of the 24-month vesting period, representing 0.28% of Wavestone's share capital as of 07/05/23.

#### Initial allotment under the 07/05/23 Key People Plan ("Key People Plan No. 17")

On 05/31/23, the Board of Directors partially used the authorization granted to it under Resolution 21 of the Ordinary and Extraordinary General Meeting of 07/28/22 and implemented a free share plan named "Key People Plan No. 17". This "Key People Plan No. 17" covers the key employees of Wavestone appointed by the Board of Directors on recommendation of the Compensation and Nomination Committee, it being understood that the corporate officers of Wavestone SA and its subsidiaries are not covered by this plan.

At the initial grant date, Wavestone attributed 53,856 shares to 16 employee beneficiaries, subject to their definitive granting at the end of the vesting period, representing 0.27% of Wavestone's share capital as of 07/05/23.

#### Initial allotment under the 07/05/23 International Plan ("International Plan for Everyone No. 3")

On 05/31/23, the Board of Directors partially used the authorization granted to it under Resolution 21 of the Ordinary and Extraordinary General Meeting of 07/28/22 and implemented a free share plan named "International Plan for Everyone No. 3". "International Plan for Everyone No. 3" is for the employees of Wavestone's foreign subsidiaries who have signed up to the Wavestone Shares FCPE (collective employee shareholding fund) or for registered Wavestone shares as part of the 2023 international employee shareholding program.

At the initial grant date, Wavestone attributed 9,033 shares to 104 employee beneficiaries, subject to their definitive granting at the end vesting period, representing 0.04% of Wavestone's share capital as of 07/05/23.

#### Principle of non-interference by general management in employee shareholder voting

Wavestone values employee shareholders and thus set up an employee savings plan a number of years ago to encourage staff to take a share in the company's capital.

Wavestone also strives to ensure that, within the context of the employee savings plan, employee votes remain truly independent of Management. As such, Wavestone undertakes to ensure that management does not interfere with employee shareholder voting.

## 4. Board of Directors' proposals to the Combined General Meeting of 07/25/24

### 4.1. First part of the Ordinary General Meeting

#### 4.1.1. Approval of the individual and consolidated financial statements – Appropriation of earnings

##### Individual financial statements (Resolutions 1 and 3)

Your Management Board asks you to approve Wavestone's annual financial statements, comprising the balance sheet, income statement and notes for the fiscal year ended 03/31/24, as presented to you, showing a net profit for the year of €32,627,888.

Based on the shareholder register on 03/31/24, 24,585,637 shares are eligible for a dividend.

Which equates to €9,342,542 and a payout ratio of 16% of the group's share of net income.

As a result, distributable profit of €265,864,913 will be allocated as follows:

Net profit for the fiscal year:	€32,627,888
Appropriation to the legal reserve <sup>(1)</sup> :	€11,775
Dividends:	€9,342,542
<b>Appropriation to retained earnings account:</b>	<b>€23,273,571</b>

The dividend will be paid in cash as of 08/02/24. The retained earnings account will be increased to €256,522,371.

(1) The amount of the legal reserve having reached the threshold of 10% of the share capital.



Dividends paid to French tax residents who are natural persons are automatically subject to the single flat-rate withholding tax (PFU) at a global rate of 30% (12.8% for income tax and 17.2% for social security contributions) in accordance with Article 200 A of the French General Tax Code. However, at the express and irrevocable choice of the taxpayer, the dividend may be subject to the progressive income tax scale and will thus be eligible for the 40% deduction provided for in Article 158, 3.2 of the French General Tax Code. This option must be exercised each year when filing the income tax return and is global. It therefore covers all income falling within the scope of the PFU.

This dividend will remain subject to social security contributions at the rate of 17.2% and, if the taxpayer opts for the application of the progressive scale, they can deduct from their overall income a proportion of the CSG applied to dividends (up to 6.8%). Finally, taxpayers whose taxable income exceeds certain thresholds will also be subject to the exceptional contribution on high incomes at a rate of 3% or 4%, depending on the case, in accordance with Article 223 sexies of the French General Tax Code. This regime does not apply to legal entities.

Shareholders who are not French tax residents are invited to review their own tax situations to notably take into consideration the applicable tax regime in France, in their country of tax domiciliation and the rules applicable by virtue of any tax agreement signed, where appropriate, between France and the State of tax domiciliation.

If, on the dividend payout date, the number of company treasury shares that are not eligible to receive dividends has changed, the subsequent difference corresponding to the amount of dividends not paid or to be paid because of this difference shall be credited or charged to the retained earnings account, as relevant.

Details of dividends distributed in the past three fiscal years are provided in paragraph 2.10 above.

Pursuant to Article 223 quater of the French General Tax Code, non-deductible expenses as defined in Article 39-4 of this Code amounted to €7,275, making for a tax charge of €1,879.

A table presenting the company's financial income over the last five fiscal years is attached to this report.

#### **Consolidated financial statements (Resolution 2)**

Your Management Board asks you to vote to approve Wavestone's consolidated financial statements for the fiscal year ended 03/31/24 as presented to you, showing consolidated net income for the year of €58,199,371.

#### **4.1.2. Approval of a related-party agreement (Resolution 4)**

In the 4<sup>th</sup> Resolution, we request that you approve i) the fact that no new agreements were authorized, entered into during the year ended 03/31/24, and ii) the information relating to the only agreement previously approved and which continued to be effective during the year ended 03/31/24, which was the subject of a special report by the Statutory Auditors.

#### **4.1.3. Renewal of term of office of Ms. Marie-Ange Verdickt as Director (Resolution 5)**

Marie-Ange Verdickt's directorship expires at the close of the Annual General Meeting.

As Marie-Ange Verdickt has informed the Board of Directors that she accepts the renewal of her directorship, the Board of Directors proposes, in Resolution 5 and after approval by the Nomination Committee, to renew her directorship for a term of four years, i.e. until the Annual Ordinary General Meeting called to approve the financial statements for the fiscal year ending 03/31/28.

#### **4.1.4. Appointment of Ms. Graciana Petersen as Director (Resolution 6)**

Under Resolution 6 and after approval by the Nomination Committee, the Board of Directors proposes the appointment of Ms. Graciana Petersen as a new member of the Board for a four-year term, i.e. until the Annual Ordinary General Meeting called to approve the financial statements for the year ending 03/31/28.

Information about Ms. Graciana Petersen is set out in [paragraph 2.4](#) of the Board of Directors' report on corporate governance.

To strengthen the Board's independence, as announced at the time of the combination with Q\_PERIOR, the appointment of Ms. Graciana Petersen as a member of the Board of Directors is proposed for her expertise in strategy and management consulting as well as transformation projects conducted on a global scale.

Subject to the adoption of Resolutions 5 and 6, the Board will be formed of 50% of Independent Directors, excluding Directors representing employees and employee shareholders, with 58% comprising women, excluding Directors representing employees and employee shareholders.

#### 4.1.5. Appointment of Aca Nexia, as Statutory Auditor in charge of certifying information relative to sustainability (Resolution 7)

The Order of 12/06/23, transposing the European CSRD Directive, requires the General Meeting to appoint one or more Statutory Auditors or independent third-party organizations (ITOs) to certify the sustainability information to be included in the management report for the fiscal year ending 03/31/25.

In this context, the Board of Directors proposes, under Resolution 7 and on the recommendation of the Audit Committee, that you appoint Aca Nexia as Statutory Auditor in charge of certifying sustainability information, for the remainder of their term of office as Statutory Auditor, i.e. until the close of the Shareholders' Meeting called to approve the financial statements for the fiscal year ended 03/31/25.

#### 4.1.6. Approval of the information mentioned in I of Article L. 22-10-9 of the French Commercial Code for the fiscal year ending 03/31/24 (Resolution 8)

In Resolution 8, the Board of Directors proposes that you approve, in accordance with Article L.22-10-34 I of the French Commercial Code, the information relating to the compensation paid or granted to corporate officers during the fiscal year ended 03/31/24, as referred to in Article L.22-10-9 of the French Commercial Code, as presented in [paragraph 3.1](#) of the Board of Directors' report on corporate governance.

#### 4.1.7. Approval of implementation of compensation policy in respect of the 2023/24 fiscal year (Resolutions 9, 10 and 11)

In keeping with the provisions of Article L.22-10-34 II of the French Commercial Code, we submit for your approval the fixed and variable components of the total compensation and benefits of any kind paid during the fiscal year ended 03/31/24, or granted in respect of the same fiscal year, to Mr. Pascal Imbert, Chairman and Chief Executive Officer, Mr. Patrick Hirigoyen, Chief Operating Officer and Mr. Karsten Höppner, Chief Operating Officer.

Pursuant to the provisions of Article L.22-10-34 II. of the French Commercial Code, payment of variable, and where relevant, exceptional compensation in respect of the fiscal year just ended requires such compensation to be approved by the Annual General Meeting.

Details of the compensation and benefits in kind paid or granted in respect of the 2023/24 fiscal year to Mr. Pascal Imbert, Mr. Patrick Hirigoyen and Mr. Karsten Höppner are set out in [paragraph 3.1](#) of the Board of Directors' report on corporate governance.

#### 4.1.8. Annual compensation awarded to directors (Resolution 12)

Regarding Resolution 12, the Board of Directors proposes that the total annual compensation to be allocated to the Directors be set at €436,116, effective from the fiscal year beginning 04/01/24 and for subsequent fiscal years until a further decision by the Shareholders' Meeting.

The items considered to define this amount are detailed in [paragraph 3.2](#) of the Board of Directors' report on Corporate Governance.

In accordance with market recommendations, the compensation is allocated among the different members of the Board of Directors based on members' actual attendance of meetings of the Board of Directors and the various specialized Committees (Audit Committee, Compensation Committee, Nomination Committee and CSR Committee), and the time spent on carrying out their duties (particularly in chairing the various committees and carrying out the role of Lead Director).

Mr. Pascal Imbert, Mr. Patrick Hirigoyen and Mr. Karsten Höppner are not paid for acting as Directors.

#### 4.1.9. Approval of the compensation policy of corporate officers for the fiscal year beginning 04/01/24 (Resolution 13, 14, 15 and 16)

In accordance with Article L.22-10-8 of the French Commercial Code, the principles and criteria used to determine, distribute and allocate the fixed, variable and exceptional components of total compensation and benefits in kind that may be allocated to corporate officers are submitted in a resolution for vote at the Annual General Meeting at least once a year (in an *ex-ante* vote).

These principles and criteria constitute the compensation policy approved by the Board of Directors, on the recommendation of the Compensation Committee.

In this respect, four resolutions are proposed by the Board of Directors, respectively for the Directors (Resolution 13), Mr. Pascal Imbert, Chairman and Chief Executive Officer (Resolution 14), Mr. Patrick Hirigoyen, Chief Operating Officer (Resolution 15) and Mr. Karsten Höppner, Chief Operating Officer (Resolution 16).

If these resolutions are not approved by the General Meeting, compensation will be based on the previous year's resolutions.

The compensation policy for corporate officers submitted for approval to the General Meeting is in line with the policy for the members of the Board of Directors, the policy for Mr. Pascal Imbert, the policy for Mr. Patrick Hirigoyen and the policy for Mr. Karsten Höppner approved by 99.97%, 99.99%, 99.95% and 99.62% of shareholders, respectively, at the General Meeting held on 12/05/23.

Note that the payment in 2025 to Mr. Pascal Imbert, Mr. Patrick Hirigoyen and Mr. Karsten Höppner of the variable, and where relevant, exceptional components of compensation for the fiscal year ended 03/31/25 is subject to approval by the General Meeting to be held in 2025, in accordance with the conditions specified under Article L.22-10-34 II. of the French Commercial Code.

For further details of this compensation policy, please refer to [paragraph 3.2](#) of the Board of Directors' report on corporate governance.

#### 4.1.10. Share buyback program (Resolution 17)

##### Current share buyback program

The combined Annual General Meeting on 07/27/23 authorized the Board of Directors, under Resolution 16, to carry out a new share buyback program, in accordance with the law and regulations. This program followed on from the previous share buyback plan authorized by your Combined Ordinary and Extraordinary Shareholders Meeting on 07/28/22.

As required by law, we inform you that, at 03/31/24, the key features pertaining to the two programs launched one after the other during the 2023/24 fiscal year were as follows:

- 208,245 shares were purchased during the period at a total acquisition cost of €10,991,843, giving an average purchase price of €52.78 per share;
- 98,590 treasury shares were sold during the period at a total sale price of €5,077,885, giving an average selling price of €51.51 per share;
- trading fees incurred by the company totaled €36,189 in fiscal year 2023/24;
- 33,843 free shares were granted to employees during the period, worth €903,668 measured at acquisition cost, giving an average selling price of €26.70 per share;
- 320,695 treasury shares were on the balance sheet at 03/31/24 for a total market value of €17,990,990, calculated at the closing price of €56.10 on 03/31/24; their nominal value was €0.025 per share.

Treasury shares represented 1.29% of the company's total share capital.

The table below summarizes the objectives of the share buyback program:

	Market activity (liquidity)	External growth	Shares granted to employees (free share allocation plan)	Delivery upon exercise of rights attached to securities
<b>Position at 03/31/23</b>	<b>18,156</b>	-	<b>226,727</b>	-
Purchases	98,083	-	110,162	-
Sales	-98,590	-	-	-
Reallocations	-	-	-	-
Transfers	-	-	-33,843	-
<b>Position at 03/31/24</b>	<b>17,649</b>	-	<b>303,046</b>	-
Gross book value <sup>(1)</sup> (in euros)	1,010,490	-	15,127,456	-
Percentage of share capital at 03/31/24	0.07%	-	1.22%	-

(1) The gross book value of shares is calculated based on the purchase price of the shares.

### New share buyback program proposal

The Board of Directors asks you to grant a new authorization in principle, based on the main conditions described below. The key features of the new program are as follows:

#### Objectives

- to promote the market for the company's shares and boost liquidity, under a liquidity contract with an independent investment services provider, in accordance with an ethics charter recognized by the AMF;
- to honor obligations related to the issue of shares and other securities giving access to the company's share capital;
- to allocate or sell shares to employees and/or corporate officers of the company or of companies within the group, in accordance with the terms and conditions set by law, especially in respect of profit sharing, share ownership plans, company and inter-company savings plans, and for the purposes of implementing and satisfying stock option and free share plans;
- to cancel all or some of the shares purchased to reduce the share capital, within the context of, and subject to, a valid authorization granted by the Extraordinary General Meeting;
- to implement all market practices and objectives permitted by law or current regulations or by the AMF concerning share buyback programs and, more generally, to carry out all operations that comply with the regulations in force with regard to these programs.

#### Limit

10% of the share capital minus treasury shares currently held.

#### Financial terms of purchase

Maximum purchase price per share: €163 (excluding expenses) for transactions to promote the market for Wavestone shares and boost liquidity, and €122 (excluding expenses) in other cases.

#### Cancellation of shares

Under the terms of Resolution 18, the General Meeting will be asked to authorize the Board of Directors, for a period of 24 months, to reduce the share capital by cancelling shares.

#### Period of validity

Valid as of the Combined Ordinary and Extraordinary Shareholders Meeting convened on 07/25/24 until the next Annual General Meeting called to approve the financial statements for the fiscal year ending 03/31/25 and for a maximum of 18 months, it being understood that the Combined Ordinary and Extraordinary Shareholders Meeting on 07/25/24 will be asked to cancel and replace the previous authorization and program, without interruption, by the new authorization.

### Public offering

For the record, since the adoption of the Florange Law on 03/29/14 that eliminates the duty of neutrality of governance bodies during public offer periods, the Board of Directors can now make use of authorizations (notably of a financial nature) granted by the Annual General Meeting during periods of public offers.

Wavestone has nonetheless confirmed its commitment to adhering to the principal of the neutrality of the Board of Directors during such periods.

Accordingly, the proposed authorization concerning share buybacks to be granted to the Board of Directors by the Combined Ordinary and Extraordinary Shareholders Meeting on 07/25/24 will be suspended during periods of public offerings. This new share buyback program cannot therefore be used by the governance body during public offer periods (unless such transactions are carried out to satisfy share delivery commitments, for example under employee share plans).

Details of this program are provided in the 2023/24 Universal Registration Document.

## 4.2. Extraordinary general meeting resolutions

### 4.2.1. Authorization to the Board of Directors to reduce the share capital by cancelling treasury shares (Resolution 18)

As a result of the proposed cancellation under Resolution 17, we propose that the Board of Directors be authorized, with powers to subdelegate as permitted by law and the company's bylaws, to reduce the company's share capital, on one or more occasions, by cancelling any number of shares held in treasury within the limits authorized by law.

The company may cancel the treasury shares it holds as a means to achieve various financial objectives, such as implementing an active capital management strategy, balance sheet optimization, or to offset share dilution resulting from an increase in capital.

The ceiling below applies to the number of Wavestone shares that may be canceled. At the date of cancellation, the maximum number of shares canceled by the company during the twenty-four month period preceding the said cancellation date and including the number of shares to be canceled on that date is capped at 10% of the company share capital on that date.

This authorization is requested for a period of twenty four months. No capital reduction transactions have been carried out to date.

#### 4.2.2. Financial authorizations to transact Wavestone's share capital

##### Overview

You are asked to renew the financial authorizations initially granted to the Board of Directors by the Ordinary and Extraordinary General Meeting of 07/28/22, with the exception of the authorizations granted by the said General Meeting for the allocation of free shares to employees and corporate officers, which expire on 09/28/25.

The Board of Directors reiterates the principle of non-interference by representatives of the company's management in how employee shareholders vote (see the present report of the Board of Directors, paragraph 3.2).

The purpose of all financial authorizations and delegations of authority is as follows:

1. to give the company greater flexibility and speed to raise financing as needed in the markets for the company's development;
2. on the other hand, to give the company the ability to maintain the loyalty of its employees and corporate officers using the tools provided as part of the company Savings Plan and/or the Group Savings Plan.

The resolutions relating to capital increases are divided into two main categories:

1. those that would give rise to issues with preferential subscription rights (PSR) (non-dilutive issues);
2. and those that would give rise to issues without PSR (dilutive issues).

Any issue with "preferential subscription rights, PSR", which are detachable and negotiable during the subscription period, allows each shareholder to subscribe, under the conditions set by law, for a number of shares proportional to their shareholding.

For some of these resolutions, the Management Board requests to be granted the right to cancel PSR. In accordance with Resolution 20, existing shareholders would, however, have a priority window of at least five (5) trading days, except for Resolution 21 regarding private placements for which no priority window will be granted.

Note that voting to approve resolutions authorizing the Management Board to issue shares and/or securities to remunerate contributions in kind would, by applicable law, entail the express waiver by shareholders of their PSR in favor of the beneficiaries of these issues or allocations.

A time limit would apply to each of these authorizations.

Moreover, the Management Board may only exercise its right to increase the share capital within the limits of (i) specific ceilings for each resolution; and (ii) an overall ceiling outlined in Resolution 28. Similarly, issues of debt securities would be subject to (i) specific ceilings for each resolution; and (ii) an overall ceiling outlined in Resolution 28.

The Board of Directors reiterates that, as in the past:

1. preference shares and securities granting access to preference shares are excluded from the delegations of authority;
2. issues are strictly limited to the company and do not concern subsidiaries;
3. the company's top management undertake not to interfere in how employee shareholders vote;
4. the authorizations granted by the Ordinary and Extraordinary General Meeting on 07/28/22 shall be terminated.

However, your Board of Directors proposes that the delegations of authority described below be suspended during the period of a takeover bid initiated by another company for the company's shares.

### Summary of Resolutions 19 to 27

Common ceiling to all emissions: 25% of capital, brought back at 10% of the capital for all emissions without priority entitlement <sup>(1)</sup> (Resolution 28)	Ceiling that applies to issues with priority rights: 25% of the share capital	Capital increase maintaining shareholders' preferential subscription rights (PSR) (Resolution 19)	25% of the share capital	26 months
		Capital increase without PSR with priority rights, with public offering (Resolution 20)	20% of the share capital	26 months
		Over-allocation (as a % of the initial issue) (Resolutions 22 and 23)	15%	26 months
	Ceiling that applies to issues without priority rights: 10% of the share capital	Capital increase without PSR in a private placement (Resolution 21)	10% of the share capital	26 months
		Over-allotment (as a % of the initial issue) (Resolution 24)	15%	26 months
		Contributions in kind outside of a share exchange bid (Resolution 25)	10% of the share capital	26 months
		Contributions in kind as part of a share exchange bid initiated by the company (Resolution 26)	10% of the share capital	26 months
		Capital increase reserved for employees/corporate officers (Company Savings Plan) (Resolution 27)	5% of the share capital	26 months
		Incorporation of reserves, profits, premiums or other amounts (Resolution 29)	€400k	26 months

#### Issue of ordinary shares and securities with shareholders' preferential subscription rights maintained (Resolution 19)

In Resolution 19, the Management Board requests delegated authority for a period of twenty-six months, to maintain preferential subscription rights and issue i) ordinary shares and ii) complex securities of the company, both in France and abroad.

The ceilings for this new authorization would be as follows:

- for ordinary shares to be issued by the company: a par value/nominal value of €155,665, i.e. 25% of the share capital (the percentage authorized by the Ordinary and Extraordinary General Meeting of 07/28/22, was 30%);
- for issues of debt securities: a principal amount of €80,000,000.

The ceilings of this new authorization would be deducted from the ceilings provided for in Resolution 28.

Renewing this general authorization gives the company the means to raise funds at any time from the shareholders through the issue of shares or complex securities giving access to the capital, with detachable, negotiable preferential subscription rights.

#### Issue of shares and securities as part of a public offer, canceling preferential subscription rights, but with the obligation to grant a priority right (Resolution 20)

In Resolution 20, the Management Board requests delegated authority, for a period of 26 months, to cancel preferential subscription rights and issue an IPO through: i) ordinary shares or ii) complex securities of the company, both in France or abroad.

In the event that this delegation of authority is used, a priority right for a period of five trading days must be granted to existing shareholders covering the entire issue.

(1) Capital increases that may be completed under the authorizations granted by the Ordinary and Extraordinary General Meeting of 07/28/22 to grant bonus shares to employees and corporate officers are included in the overall 25% and 10% ceilings.

The ceilings for this new authorization would be renewed as follows:

1. for ordinary shares to be issued by the company: a par value/nominal amount of €124,532, representing 20% of the share capital; this ceiling would be deducted from the overall ceiling of 25% of the share capital set out in Resolution 28;
2. for issues of debt securities: a principal amount of €30,000,000, to be deducted from the ceiling set in Resolution 28.

By virtue of applicable law and regulations, the issue price of ordinary shares and complex securities would be at least equal to the weighted average of the company's share prices during the last three trading days before setting the price, possibly reduced by a maximum discount of 5%.

The ability to issue shares without preferential subscription rights is essential for the Management Board to carry out transactions at the speed required for them to be successful, and which also have the benefit of soliciting a new public offer through issues on foreign and international financial markets.

However, in this type of transaction, the rights of shareholders will be protected by:

1. the fact that the Management Board is obliged to grant shareholders a five-day priority subscription window, both irreducible and reducible, which is longer than the minimum three-day period provided for in Article R. 225-131 of the French Commercial Code and fully compliant with voting recommendations;
2. the fact that, pursuant to the provisions of the French Commercial Code, the issue price of the shares must be at least equal to the weighted average of the share price during the last three trading days preceding the day on which the price is set, possibly reduced by a maximum discount of 5%.

Through this delegation, the company complies with market voting recommendations.

**Issue of shares and securities, without shareholders' preferential subscription rights, in a private placement (Resolution 21)**

In Resolution 21, you are asked to authorize the Board of Directors, for a period of twenty-six months, to issue by private placement i) ordinary shares and/or ii) complex securities of the company, without pre-emptive subscription rights but without priority subscription rights, both in France and abroad.

This delegation is necessary to allow for a private placement and should comply with:

1. a ceiling of 10% of the share capital (this % is identical to that authorized by the Combined Ordinary and Extraordinary Shareholders' Meeting of 07/28/22); this ceiling would be deducted from the overall ceiling of 25% and the sub-ceiling of 10% (issues without priority rights) set out in Resolution 28;

2. for issues of debt securities: a principal amount of €30,000,000, to be deducted from the ceiling set in Resolution 28.

By virtue of applicable law and regulations, the issue price of ordinary shares and complex securities would be at least equal to the weighted average of the company's share prices during the last three trading days before setting the price, possibly reduced by a maximum discount of 5%.

The ability to issue shares without preferential subscription rights is essential for the Management Board to carry out transactions at the speed required for them to be successful, and the private placement offers the opportunity to raise the profile of the Paris stock exchange by offering companies a faster and simpler way to raise funds than through a public offer (IPO).

Through this delegation, the company complies with market voting recommendations.

**Authorization to increase the number of shares to be issued, as part of a capital increase with or without cancellation of shareholders' preferential subscription rights (Resolutions 22, 23 and 24)**

In Resolutions 22, 23 and 24, the Board of Directors is asked to grant a twenty-six month authorization to increase the number of shares to be issued in connection with each of the issues carried out under Resolutions 19, 20 and 21, in accordance with the conditions set out in Article L.225-135-1 of the French Commercial Code, i.e. by up to 15% of the initial issue, at the same price as that used for these issues (over-allocation).

These authorizations, which are identical to those adopted by the Combined General Meeting of 07/28/22, would not have the effect of increasing the ceilings of Resolutions 19, 20 and 21 set out in those resolutions.

Factoring in the potential volatility of the Wavestone share price, the Board of Directors considers it necessary to renew this authorization to secure development financing, among other priorities.

**Issue of shares and securities, without shareholders' preferential subscription rights, to remunerate contributions in kind granted to the company and consisting of shares or securities of third-party companies outside the context of a public exchange offer (Resolution 25)**

In Resolution 25, the Board of Directors requests delegated authority, for a period of twenty-six months, to issue (i) ordinary shares and/or (ii) complex securities granting access to other equity securities of the company, to remunerate contributions in kind granted to the company and consisting of equity securities or securities granting access to the capital of third-party companies.

The issue of ordinary shares or complex securities would be issued without shareholders' preferential subscription rights (PSR) to the securities issued pursuant to this delegation, which would automatically entail the waiver by shareholders of their PSR.

This delegation of authority should comply with:

1. the legal ceiling of 10% of the share capital (this % is identical to that authorized by the Combined Ordinary and Extraordinary Shareholders' Meeting of 07/28/22) and the issues completed under this authorization would be deducted from the overall ceiling of 25% and the sub-ceiling of 10% (issues without priority rights) set out in Resolution 28;
2. for issues of debt securities, a maximum principal amount of €30,000,000, with issues completed under this authorization being deducted from the ceiling set in Resolution 28.

The Board of Directors considers this authorization necessary to ensure the company maintains its ability to acquire medium-sized shareholdings in unlisted companies. These acquisitions could then be financed, in whole or in part, in shares or securities, rather than by debt or any other means.

**Issue of shares and securities, without shareholders' preferential subscription rights, to remunerate contributions in kind granted to the company and consisting of shares or securities of third-party companies in the context of a public exchange offer issued by the company (Resolution 26)**

In Resolution 26, the Board of Directors requests delegated authority, for a period of twenty-six months, to issue (i) ordinary shares and/or (ii) complex securities granting access to other equity securities of the company, to remunerate contributions in kind granted to the company in the context of a public exchange offer issued by the company and consisting of equity securities or securities granting access to the capital of third-party companies.

The issue of ordinary shares or complex securities would be issued without shareholders' preferential subscription rights (PSR) to the securities issued pursuant to this delegation, which would automatically entail the waiver by shareholders of their PSR.

This delegation of authority should comply with:

1. a ceiling of 10% of the share capital (this % is identical to that authorized by the Ordinary and Extraordinary General Meeting of 07/28/22) and the issues completed under this authorization would be deducted from the overall ceiling of 25% and the sub-ceiling of 10% (issues without priority rights) set out in Resolution 28;

2. for issues of debt securities, a maximum principal amount of €30,000,000, with issues completed under this authorization being deducted from the ceiling set in Resolution 28.

The Management Board believes this authorization to be necessary to comply with market voting recommendations.

**Issue of shares and securities, without shareholders' preferential subscription rights, for employees who are members of the company Savings Plan and for corporate officers eligible for the company Savings Plan (Resolution 27)**

In Resolution 27, the Board of Directors is seeking a twenty-six-month authorization to increase the company's capital by issuing ordinary shares and/or complex securities giving access to ordinary shares in the company, reserved for members of a Company Savings Plan (known as a Group Savings Plan at Wavestone) of the company or affiliated French or foreign companies within the meaning of Articles L. 225-180 of the French Commercial Code and L. 3344-1 of the French Labor Code, in accordance with the provisions of Articles L. 225-129-2 to L. 225-129-6 and L. 225-138-1 of the French Commercial Code and L. 3332-18 et seq. of the French Labor Code, with waiver of shareholders' pre-emptive subscription rights.

The ceiling on the nominal amount of ordinary share issues under this authorization is unchanged from the previous authorization and remains set at a maximum amount of 5% of the share capital.

The ceiling set for this authorization is in line with market practices and Board voting recommendations; it being understood that this ceiling is independent of the ceiling set for the limits on delegations of authority to increase the capital, and will be included the ceilings set in Resolution 28.

The issue of ordinary shares shall be conducted without shareholders' preferential subscription rights. The company may offer its employees a preferential share price, up to a maximum discount of 30%, calculated on the basis of the average of the opening prices of the Wavestone share on Euronext Paris during the twenty trading days preceding the date of the decision to open subscriptions, specifying that the Board of Directors may decide to apply a discount which is less than the maximum 30%.

The Board of Directors may also decide, pursuant to Article L.3332-21 of the French Labor Code, to grant free shares to subscribers of new shares instead of the discount, or as an employer contribution under the Group Savings Plan.



In accordance with applicable law, the proposed transactions may also take the form of sales of shares to members of a Group Savings Plan.

The Board of Directors specifies that the sole purpose of this resolution is to respond to the legal obligation provided for in Article L.225-129-6 (1) of the French Commercial Code, according to which the Annual General Meeting must vote on a draft resolution to work towards a capital increase reserved for employees who are members of a company savings plan, when it decides or delegates its authority to decide on a capital increase and that Wavestone's management favors free share plans as a tool for building loyalty among its employees and corporate officers.

#### Overall ceiling of delegations and authorizations (Resolution 28)

In Resolution 28, the following conditions are requested:

- 25% of the amount of share capital at the date of this Shareholders' Meeting, the maximum nominal amount of immediate or future increases in share capital that may be completed under the authorizations granted by Resolutions 19 to 27 and Resolutions 21 and 22 of the Ordinary and Extraordinary General Meeting of 07/28/22 (with each of these Resolutions having a sub-ceiling) it being understood that this is within the limit of the 25% ceiling,
  - the maximum nominal amount of issues without preemptive subscription and priority rights, which may be completed under the authorizations granted by Resolutions 21, 24, 25, 26 and 27 as well as Resolutions 21 and 22 of the Ordinary and Extraordinary General Meeting of 07/28/22, is set at ten percent (10%) of the share capital as of the date of this Shareholders' Meeting.

The par/nominal value of the shares to be issued may be added to these ceilings to safeguard the rights of holders of securities granting access to the share capital in accordance with the law.

- €80,000,000 as the maximum nominal amount of debt securities that may be issued pursuant to the authorizations granted by Resolutions 19 to 26. Each resolution has a sub-ceiling included in this overall ceiling.

#### Capital increase by incorporation of reserves, profits, premiums or other amounts (Resolution 29)

In Resolution 29, the Board of Directors requests delegated authority, for a period of twenty-six months, to increase the share capital by incorporation of reserves, profits, premiums, or other amounts that may be capitalized, followed by the issue and

allocation of free shares and/or measurement of the par value of existing ordinary shares.

As in the previous delegation, the maximum nominal amount of ordinary share issues under this authorization would be set at €400,000.

This ceiling would be independent of the limits provided for in the resolutions presented above.

A separate and independent €400,000 is justified by the difference in incorporation of reserves and other amounts in that they are non-dilutive (completed either by allocating free shares to shareholders or by increasing the nominal value of existing shares) and do not alter the volume of Wavestone's equity.

#### 4.2.3. Powers for formalities (Resolution 30)

This is the standard resolution granting powers to carry out formalities and publication obligations required by law.

**We invite you to approve the resolutions submitted to your vote for the Ordinary and Extraordinary parts of the Combined General Meeting, with the exception of Resolution 27, as Wavestone favors bonus share plans as a means of building loyalty among its employees and corporate officers.**

## 5. Social report and opinion of the Economic and Social Committee

### 5.1. Social report

As required by law, Wavestone drew up a social report, which was reviewed by the Economic and Social Committee on 05/31/24.

The social report and the opinion of the Economic and Social Committee are included in the materials provided to the shareholders in accordance with Article L.2312-32 of the French Labor Code. Certain elements in the social report pertaining to the Statutory Auditors' assignment are reviewed in the Statutory Auditors report.

### 5.2. Opinion of the Economic and Social Committee on the social report, in accordance with the provisions of Article L.2312-28 of the French Labor Code

Favorable.

The Board of Directors  
06/03/24

# Board of Directors' Report

## - Risk factors and internal control

### 1. Risk factors

#### 1.1. Identification and assessment of risks

A risk represents the possibility of an event occurring which could have an adverse impact on the company's personnel, assets, environment, objectives or reputation.

A permanent and dynamic system, defined and implemented by the firm, is used to identify, evaluate and implement risk mitigation measures. This internal control and risk management system aims to be comprehensive, and draws on all the company's stakeholders, businesses and processes.

Meetings of the various risk management bodies are held at regular intervals and bring together risk management stakeholders around a common vision, while raising their awareness of the risks inherent in their business activities (see paragraph 3.4 of this Chapter). These bodies help to:

- create and preserve the company's value, assets and reputation;
- secure decision-making and processes to help the company to achieve its goals;
- ensure that the company's actions are consistent with its commitments;
- disseminate a risk-based approach and a risk management culture among employees and management.

Alongside these bodies, Wavestone updates its risk mapping on an annual basis. The updating exercise, which is coordinated by the Head of Internal Control, involves:

- identifying all internal and external risks that could affect Wavestone's objectives;
- assessing the likelihood of the risks materializing, and estimating the extent of their impact on the firm;
- identifying and noting the mitigation measures put in place, and any work streams to be carried out to further minimize the level of risk.

In order to successfully complete this exercise, the process owners (see paragraph 3.4 of this Chapter) are invited to meetings and workshops with the internal control team. At these discussions, they are able to share their thoughts and their assessment of the risks, based on historic and forward-looking information and monitoring activities concerning changes to their environments.

Each risk is rated based on the likelihood of it occurring, its impact, and the measures in place to control and mitigate it. The results of this work stream are validated by the Finance Department, General Management and the ExCom. They are then presented to the Audit Committee.

The specific mapping for corruption risks, influence peddling risks, and risks related to the duty of care is directly fed by the risk map, and is presented to the CSR Committee.

The table below lists the main risks faced by Wavestone, after factoring in mitigation measures, classified by category. This summary is not intended to include all risks faced by the firm, and may be amended at any time, in particular as a result of new facts.

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Paragraph 1.2 "Description of risk factors" describes these main risks and the way in which they may affect Wavestone. This section also describes the measures taken to mitigate risks.

## 1.2. Description of risk factors

### 1.2.1. Strategic, technological and environmental risks

#### Risks related to the economic and political environment

##### Description of the risk

The consultancy sector is particularly exposed to changes in the economic and political environment. Risks related to the economic and political environment may result in an economic recession, high levels of inflation, changes to tax and commercial policies, political and social conflict or changes in laws, and may therefore have a material impact on Wavestone's activity levels. For example, in dealing with adverse economic circumstances, a major client or group of clients may significantly limit their expenditure on consultancy services, resulting in Wavestone losing revenue and needing to find new sources of work in an economic downturn to maintain its consultants' level of activity.

NB: In relation to the geopolitical situation between Ukraine and Russia, Wavestone does not have its own operations in either of these two countries. However, Wavestone is closely monitoring the situation and its consequences on the economic environment as a whole.

##### Risk management

Since the consultancy market is cyclical, Wavestone must, in order to keep to its sales targets, be able to adapt quickly to changes in economic conditions.

The sectoral diversification of its client portfolio and its growing proportion of international business limit its exposure to specific sectors or regions.

Wavestone has the ability to take action at firm level by triggering specific targeted measures based on the crisis it faces:

- by using cross-staffing, for example to mitigate the short-term weakness of an activity or sector;
- by focusing its sales teams on the environments in which their intervention is most needed;
- by increasing consultants' involvement in sales activities, where the situation so requires.

Moreover, the risk control system is based on permanent monitoring, in particular by the Research and Knowledge Center team, which analyzes Wavestone's and its main clients' economic environments. From this perspective, Wavestone can also leverage its membership of professional and governmental bodies, such as Consult'in France and Numeum, as well as its discussions with external consultants and financial analysts.

The firm has an Operational and Business Committee (OBCOM) that, on a bimonthly basis, analyzes clients' requests, monitors sales indicators and decides on any action that needs to be taken.

### Risks related to corporate social responsibility

#### Description of the risk

Breaches of ethical, social and environmental standards may have adverse financial, social and reputational consequences for Wavestone, which has undertaken, under its Impact plan, to be ranked among the top 5% of businesses in terms of CSR. In complying with its corporate social responsibility obligations, the firm must factor in the consequences of its activities on its stakeholders, including its employees, clients and suppliers. If the firm fails to take action in areas such as reducing its greenhouse gas emissions, promoting diversity and inclusion, and improving quality of life at work, its attractiveness to future employees looking to work for engaged and responsible businesses may suffer. Corporate social responsibility laws and regulations could also become more restrictive. If the firm does not make adequate advance preparations, it may be unable to adapt sufficiently quickly to respond to these new requirements.

#### Management of the risk

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

- improving clients' satisfaction and helping them to achieve sustainable results;
- fostering employee engagement, well-being and quality of life at work;
- taking action in favor of diversity and creating an inclusive work environment where everyone is free to be themselves and has equal opportunities to fulfill their potential;
- acting as a good corporate citizen by adopting ethical and responsible practices;
- minimizing the impact of its business activity on the environment.

These commitments have resulted in a number of measures taken by the firm's employees and Management team. For example, Wavestone has implemented market initiatives such as the business ethics charter, the parenthood charter, the LGBT+ engagement charter and the disability charter. In order to reduce its environmental impact, Wavestone committed, during the fiscal year, to reducing its emissions in line with the SBTi's Net-Zero Standard.

In order to measure its non-financial performance and verify that it is meeting its commitments, the firm has introduced key indicators, such as the number of projects carried out applying the responsible consulting approach, the employee commitment index, and the time spent by the firm on societal engagement. Changes to these indicators are coordinated by the ExCom and monitored by the CSR Committee.

### Risks related to the development of artificial intelligence

#### Description of the risk

Artificial intelligence, in particular generative artificial intelligence, has the potential to be a disruptive technology, in that it could profoundly and rapidly transform entire industries. Given that Wavestone provides consultancy services focused on business transformations, it is exposed to a number of risks that could quickly reach a significant level of criticality if it finds itself unable to innovate or adapt to the changes brought about by this technology. AI could effectively reduce the relevance and competitiveness of some of the services provided by Wavestone, when compared to competitors that have fully integrated this technology into their service offerings. AI could also reduce demand for less complex consultancy services based on analysis of market data, the automation of processes, or the generation of codes and demonstrators. In addition, the use of AI could fundamentally alter the way in which consultancy work is carried out by being used in teams' day-to-day work, thereby raising ethical and legal questions concerning data confidentiality and liability in the event of errors or losses caused by the AI solutions that the firm's employees might use.

#### Management of the risk

Wavestone's management team pays particular attention to progress made in artificial intelligence and its impact on Wavestone's business activity. With that in mind, the ExCom has given two of its members responsibility for coordinating the firm's actions related to this technological breakthrough: monitoring, impact analysis, training, trials, development of offers and tools, and charters.

#### 1.2.2. Image and reputational risks

### Risks related to external communications and social media

#### Description of the risk

A number of potential situations that could materially damage Wavestone's image have been identified:

- as a result of the ever-greater development of social networks and social platforms such as Glassdoor, Wavestone's e-reputation could be rapidly tarnished by anonymous and negative testimonials from employees and stakeholders regarding the firm's—real or perceived—behavior;

- the firm may also be exposed to image risks related to its activities for clients. By way of example, due to its activity in the public sector, the firm was cited in the report of the Senate Commission of Inquiry on the influence of consulting firms in 2022 and in related articles;
- in addition, as employees are often required to promote Wavestone's reputation, the firm is exposed to the risk of inappropriate communications being released (either in the written press, on the Internet or via social media), involving incorrect or inaccurate information, or information that Wavestone is not authorized to disclose.
- the firm could also be the target of attacks on the Wavestone brand via fake news sites, fake email addresses (cybersquatting) or fake press releases, etc.

#### Management of the risk

To mitigate these risks, the firm has put in place a solution to monitor its e-reputation and protect its brand. It seeks advice on brand protection, e-reputation and crisis communications from experts in the area.

Wavestone has also implemented validation processes for all external communications, and a moderation process for social networks. The firm has engaged a service provider to securely release its various press releases and regulated documents to investors. The firm also provides its spokespeople with media training, and ensures that all employees adopt communication best practices on all media, networks and communication channels.

### 1.2.3. Risks related to acquisitions

#### Description of the risk

Wavestone's external growth strategy involves regularly acquiring new companies or businesses, in France or internationally. As part of this strategy, Wavestone is exposed to a number of risks, including carrying out unsuitable acquisitions or acquisitions in which the acquired company is not well integrated. In such situations, the value of the acquired company may fall significantly if a material percentage of its key employees leave the company soon after the acquisition, or if the company is unable to be efficiently integrated into Wavestone's operating model. As a result, it is important for Wavestone to consolidate its expertise, both in terms of assessing target companies, and in the resulting integration process.

#### Management of the risk

Wavestone engages specialist firms to screen potential targets. In order to limit the risk of a target being poorly evaluated, Wavestone's Strategic Development Department and General Management hold discussions with the target company's management team prior to the transaction. These discussions are aimed at determining the strategic and cultural alignment of the two companies.

At the time when the indicative officer is being prepared, Wavestone and the target company's management team produce a common rationale for the proposed acquisition. The purpose of this approach is to establish, from the very outset of the process, a mutual understanding between the stakeholders, and to define shared objectives for the acquisition. The approval of the Board of Directors is needed for any acquisition that exceeds certain quantitative criteria.

After the acquisition has been completed, and to limit the risks associated with the target company's consolidation, Wavestone does the following:

- involvement of directors and key employees in steering Wavestone's operations;
- group-wide target for integration into Wavestone's business model within 12 to 18 months;
- search for revenue synergies by focusing on applying the acquired company's know-how to Wavestone's existing clients;
- group-wide deployment of the firm's management tools within the new entity.

#### Q\_PERIOR situation – Risk description

As with any other acquisition, the combination with the Q\_PERIOR group which became effective in the 12/05/23 presents Wavestone with the same risk of considerably reduced value.

In particular, this combination could cause a large number of Q\_PERIOR employees to leave with significantly disrupted operations resulting in a decline in order intake as well as less successful customer service and an uptick in incidents affecting the company's administrative procedures.

#### Q\_PERIOR situation – Risk management

Because of its scale and financial structure, mainly through the exchange of shares, the combination with the Q\_PERIOR group which took effect in December 2023, represents a specific situation that calls for specific measures.

The general premise behind the combination rests on the notion of loose integration. Its purpose is to control changes while closely monitoring the post-acquisition consolidation plan. This is to ensure allocation of most resources to growth and value creation. In this context, efforts are geared toward three objectives:

- promote new business by combining the new entity's various skill sets;
- boost employee engagement regarding the proposed combination;
- lay the groundwork for a new company by cementing Wavestone's position in the market and leveraging capabilities to sell and deliver projects together while meeting legal and regulatory requirements (coordination, financial communications, risk management) and reaffirming the firm's set of HR values (updating the Positive Way).

What was not ostensibly transformed continues to operate as it did prior to the combination. In this spirit, there are no plans in the first year to amend Q\_PERIOR's risk management processes.

Due to their similar business activities, Q\_PERIOR and Wavestone SA have pinpointed comparable risks. This is particularly the case for risks related to the market, personnel, project development, liquidity fluctuations and clients defaulting.

#### 1.2.4. Risks related to relationships with third parties

##### **Risks related to client dissatisfaction and the handling of clients' complaints**

###### **Description of the risk**

In the consulting sector, building client loyalty is key insofar as winning over new clients requires a significant investment, which can last 6 to 18 months, and unit volumes sold are low. Selling new assignments to existing clients is therefore essential to monetize the initial commercial investment. As a result, a deficiency in the quality of the service, missed deadlines or exceeded budgets on flat-rate services may result in a client being dissatisfied, and have serious consequences, which may extend to losing the client or damage to Wavestone's reputation on the market. In addition, the ineffective handling of client complaints may result in increased dissatisfaction, loss of trust, and a deterioration in the firm's reputation.

###### **Management of the risk**

Wavestone has put in place a client satisfaction risk management system in order to galvanize all employees to manage this risk. A network of quality champions in each practice area or office serves to identify risks and monitor them until they are closed, and also ensures that teams are aware of client satisfaction, in particular through training sessions. Reports to the various management bodies identify suspected or proven risks, and monitor their resolution through the execution of specific action plans. Finally, the firm has set up a steering committee that meets three times a year, bringing together the Associate Director responsible for the area concerned, General Management, the Sales Department and the Human Resources Department.

At the end of each fiscal year, the firm carries out a satisfaction survey with all its clients and publishes the main results in its universal registration document. The firm also carries out quality assessments to evaluate the level of client satisfaction on a given mission.

Wavestone has put in place a rigorous project monitoring system to check potential overruns on flat-rate services, which represented 57% of revenue in 2023/24. The firm's management tools are used to support this monitoring activity. A project manager is assigned to each order, and is responsible for delivering the services and for managing the employees working on each assignment.

The project manager is responsible for regularly analyzing the expenses charged by each employee working on the assignment, and produces a new forecast of the work that remains to be carried out. On flat-rate assignments, this analysis serves to determine a rate of progress, the revenue recognized over the month and, where necessary, the number of days of overrun on top of the costs budgeted for the assignment. The results of this analysis are automatically reported to management in the first few days of the following month. This method makes it possible to identify overruns and implement any necessary corrective actions.

In recent years, average overruns have always been lower than 1% of the total number of days worked by productive teams, excluding vacations.

##### **Risks related to contractual commitments**

###### **Description of the risk**

Risks associated with contractual commitments refer to the risks related to the content of legal agreements entered into by Wavestone and its clients, suppliers, subcontractors or employees. These risks may include disputes concerning the interpretation of contractual terms and conditions, breaches of confidentiality obligations, quality defects, intellectual property issues, breaches of laws and regulations, or breaches of contractual terms. Wavestone may be financially liable for such breaches. Given the significant number of agreements entered into in connection with its consultancy activity, contractual risk is a major risk for Wavestone.

###### **Management of the risk**

To mitigate the risks related to contractual commitments, Wavestone has put in place:

- a checklist process, managed by the legal team, to review the contractual terms of commercial contracts in accordance with a pre-defined contractual policy;
- a centralized delegation policy at group level;
- campaigns to raise awareness among its employees on respecting confidentiality;
- recourse to a lawyer as soon as there is a suspicion of litigation;
- a public liability and professional indemnity insurance policy for its business activity (see Section 2 "Insurance") to cover losses for which Wavestone may be held liable.

These initiatives are gradually rolled out to acquired subsidiaries during their period of integration into the Wavestone model (which lasts, on average, 18 months).

#### 1.2.5. Risks related to human resources management

##### **Risks related to employee loyalty**

###### **Description of the risk**

To ensure that it is able to grow successfully, Wavestone must seek to build loyalty among its employees. If too many employees leave, the continuity of Wavestone's business will be disrupted and its growth plans will suffer setbacks. This risk is all the more important as employees with experience of working at a

consulting firm are highly sought after on the employment market. The main challenge faced by Wavestone lies therefore in managing staff turnover, with it targeting a rate of 15% over the long term.

#### Management of the risk

Firstly, Wavestone seeks to create a working environment that is conducive to the personal development of its employees. Wavestone was, for the second year running, first in the Great Place To Work® rankings for businesses in France with more than 2,500 employees. In 2024, all the firm's offices were awarded the GPTW label.

Wavestone also intends to introduce a human resources policy that offers all its employees career development opportunities to help unlock their full potential over time.

A turnover prevention system has also been introduced to identify risks of staff departures so that appropriate measures can be taken to keep them to a minimum.

Wavestone also incorporates, as far as possible, non-solicitation clauses into contracts entered into with its clients, suppliers and partners, and does everything it can to ensure that these clauses are properly applied.

Staff turnover is monitored by management and the HR team of each consultancy and functional team on a regular basis.

The turnover rate in the 2023/24 fiscal year was 14% (excluding Q\_PERIOR and Aspirant Consulting).

#### Risks related to recruitment

##### Description of the risk

The firm's success relies on the recruitment of a sufficient number of high-potential employees, so that it can ensure that its clients are satisfied and that the firm's growth targets met. Recruitment is a significant challenge for Wavestone given the intense structural competition it faces in hiring the employees it needs, namely young graduates from the best schools and universities. An inappropriate recruitment strategy in terms of volume, applications and practices would expose Wavestone to significant operational risk.

##### Management of the risk

To ensure success in this key area, Wavestone invests heavily in recruitment every year. In the 2023/24 fiscal year, the pace of recruitment was good, with around 800 new hires.

The firm manages its recruitment plan through specific meetings held at weekly, monthly or half-yearly intervals. These meetings serve to monitor key indicators such as the number of new hires, the number of terminations during trial periods and the conversion rate.

The recruitment team uses a tool called Smartrecruiter to monitor the recruitment process, and trains employees working in recruitment on ensuring that the process is carried out to the necessary level of quality. With a view to making continual improvements, candidates are systematically asked to rate their satisfaction with the recruitment experience via Happy Candidates. Lastly, the firm may, where necessary, engage external firms to help with its search for candidates, particularly for very experienced profiles.

As part of its employer brand strategy, Wavestone carries out communication campaigns, such as Wavestone Connect, to promote and strengthen the attractiveness of the promise it has made as an employer to its candidates. This promise, which extends beyond compensation, covers benefits such as career opportunities, a positive working environment, training programs and personalized monitoring by a manager.

#### Risks related to employees' health, safety and integrity

##### Description of the risk

Employees' health, safety and integrity may be compromised by certain working environments. As a consultancy firm, Wavestone is particularly exposed to psycho-social risks (PSRs). The French Ministry of Labor has defined a number of different types of PSR: stress arising from a sense of failing to meet expectations or requirements, internal violence committed by workers (major conflicts, harassment), external violence by persons outside the firm, and burnout.

PSRs may have an adverse impact on employees' health and well-being, and may have a significant knock-on effect on the firm in terms of productivity and legal costs associated with disputes. PSRs may also have an adverse impact on Wavestone's reputation and its ability to attract and retain talent. This risk is accentuated by the fact that Wavestone's employees regularly work in clients' environments which, by their very nature, are more difficult to control.

##### Management of the risk

To prevent these risks and provide a healthy and safe work environment for all its employees, Wavestone has an occupational risk prevention system in place, containing the following measures:

- a workload alert system, which can be accessed by all employees when inputting their monthly working hours;
- an anonymous whistleblowing system (Whispli) to employees to report any risk situations, together with a list published on the firm's intranet of persons they can contact if they have any difficulties linked to their working environment;
- specific training programs available to Wavestone's Career Development Managers (CDMs) on the prevention and handling of PSRs.

PSRs are managed using a system that relies on local HR representatives. Each representative is responsible for identifying and monitoring employees within their scope who pose a risk. Although standardized reports are used to centrally monitor and manage PSR incidents, personalized action plans are put in place for each relevant employee based on their specific circumstances.

### 1.2.6. Risks related to cash management

#### Risks related to exchange rates and hedging transactions

##### Description of the risk

Fluctuations in exchange rates may have a significant impact on the firm's financial results. This risk arises when Wavestone carries out transactions in foreign currencies, such as purchasing or selling products or services, or holds assets or liabilities denominated in a foreign currency. Hedging transactions are used to manage this risk, as they reduce the company's exposure to exchange rate fluctuations. As such, Wavestone is exposed to the risk of potentially subscribing to hedging instruments that are inadequate, ineffective or whose cost is not proportional to the risk being hedged.

##### Management of the risk

For the most part, Wavestone invoices its services to clients located in France or the euro zone. The revenue contributions from non-eurozone foreign subsidiaries accounted for 17% of revenue at 03/31/24.

Wavestone has a currency hedging policy in place to cover the main risks involved in foreign-currency sales of services and in intra-group current account advances denominated in foreign currencies.

The Finance Department is responsible for putting in place the appropriate financial instruments as soon as a significant foreign currency transaction shows signs of being a potential source of risk for the firm. During the 2023/24 fiscal year, Wavestone therefore entered into forward currency sales. In view of the technical nature of the transactions to be designed, Wavestone relies on external risk, debt and treasury experts when entering into hedging and foreign exchange instruments. A risk arises where the information required by these experts to carry out their work is not properly provided or if their instructions are misunderstood.

### 1.2.7. Risks linked to the operation and security of the information system and data protection

#### Risks linked to data protection, information systems and cybersecurity

##### Description of the risk

Wavestone, as a consulting firm and digital transformation player can be exposed to risk linked to protection of data and its systems but also those of its clients and sub-contractors. The possibility of

suffering damages, lost or compromised data owing to a breach of information systems could have major financial, operational and reputational consequences for the group and its stakeholders. The digital transformation context, teleworking, changes in regulations and even contractual commitments with our clients are the factors which reinforce and increase this risk.

##### Management of the risk

Wavestone focuses its efforts to guarantee control of these risks on four main pillars. The company has defined robust security measures based on a policy of securing its applications and infrastructure, significant awareness building of employees to data security challenges, a process of detection and processing of alerts and continuous controls of security measures and procedural compliance.

The Information Systems Security Department, in collaboration with the personal data protection measures implemented by the DPO (Data Protection Officer), manages a strict data protection policy for both internal and client data based on a general data protection policy with dedicated processing controls and registers. Regarding the management of access to systems, connections to Wavestone's resources involve a central authentication component, require the use of a second authentication factor and enable perfect traceability of authentications, and authorizations are managed on a least access basis. An encryption and workstation protection system has been adopted. Wavestone also frequently carries out crisis management exercises, internal audits of cybersecurity and has specific cybersecurity insurance.

The group carries out annual awareness-raising campaigns with employees covering client data protection and best practices in terms of data security and privacy. These campaigns are accompanied by charters and policies: the IS user charter, the administrator charter and the PSSSI (*Politique de Sécurité des Systèmes d'Information* - Information Systems Security Policy). Wavestone benefits from ISO27001 certification for the realization of audits and digital investigation services in France and the Cyber Essentials Plus certification in the United Kingdom, authorizing cybersecurity services.

### 1.2.8. Risks related to internal or external fraud

##### Description of the risk

Wavestone's business is decentralized. Each year, a large number of employees enter into commitments that are binding on the firm by drawing up sales proposals, signing contracts or overseeing projects. The firm is therefore exposed to the risk of fraud as part of its operations, whether involving breaches of its rules of engagement, of its revenue recognition rules, of commitments made to clients, or of the laws applicable to the services provided by Wavestone. The firm may also have to deal with situations in



which its employees or third parties (suppliers, service providers or clients) are implicated in active or passive cases of bribery, or subject to conflicts of interest.

Actions that may be carried out in exchange for a favor (a gift, invitation or a sum of money, etc.) and that may constitute an act of active or passive bribery include: breaches of confidentiality clauses, selection of a supplier or subcontractor, facilitating the award of a contract to a third party, bribery of public officers or influence peddling, and fraudulent manipulation of financial data.

#### Management of the risk

To mitigate this risk, Wavestone has defined rules of engagement and permanent controls, and carries out internal audit missions on a regular basis.

It has also introduced a number of prevention and control initiatives to raise employees' awareness of this risk:

- publication of a Business Ethics Charter, and adoption of the Middelnext anti-corruption Code of Conduct;
- employee training and awareness through mandatory e-learning and FAQs;
- setting up an alert system accessible to all to anonymously report any behavior contrary to this Code of Conduct, and more generally any unethical situation;
- signing of an anti-corruption appendix for certain suppliers;
- sales checklist for clients and subcontractors in accordance with a defined contractual policy;
- supervision of the accounting process by an external service provider, and annual certification of the accounts by the auditors;
- reconciliation of accounting data and management data;
- control procedure during the closing of accounts, with formal data validation meetings;
- carrying out internal audit campaigns in accordance with the three-year plan.

For further details, refer to paragraph 5.2 "Business Ethics" of the firm's statement of non-financial performance.

## 2. Insurance

Wavestone's business exclusively involves providing intellectual, consultancy and technical expertise services to large businesses. The group's companies are all insured with leading insurance companies, with cover tailored to this type of business activity. Accordingly, there are no material risks that are not insured or insured internally.

Coordinated by a market-leading international broker and supervised by the Finance Department, Wavestone's group insurance program seeks to:

- provide a sufficient level of cover to prevent risks;
- ensure compliance with prevailing local laws;
- standardize, optimize and rationalize pricing and contractual terms and conditions, as well as the cover available.

The insurance cover is reviewed every year and adapted based on changes to Wavestone's size, its business activities and the insurance market. This review is also based on the results of its risk mapping.

The insurance policy with the highest premium is the Operations and Professional third-party liability policy, which covers all the group's companies against physical injury, property damage and financial losses caused to third parties in carrying out their professional activities. The annual cap on cover under the master policy is €80m.

The group has also taken out other insurance policies to cover cyber risks, property damage, employees' business trips, fraud, employer liability, and directors' and officers' liability.

## 3. Internal control and risk management

### 3.1. Frame of reference and objectives of the internal control and risk management system

#### 3.1.1. Frame of reference and regulatory framework

In accordance with the requirements under the French Commercial Code for publicly traded companies, in 2007 the AMF published a reference framework for internal control, applicable to fiscal years starting on or after 01/01/07.

This reference framework specifies that all companies are responsible for their own organization and, consequently, their own internal controls. As such, the framework is not intended to be binding on companies, but rather to serve as a guide to help them monitor and, if necessary, develop their internal control procedures without imposing any directives as to how they should be organized.

In January 2008, the AMF, having decided that this reference framework had to take greater account of the specific characteristics of small- and mid-cap companies, drafted an implementation guide specifically for SMEs.

In July 2010, the AMF updated its reference framework on internal control for SMEs, notably to include a section on risk management, following the transposition into French law of European directives imposing new requirements on listed companies, particularly regarding the duties of Audit Committees.

In January 2015, the AMF published recommendation No. 2015-01 on the presentation of the Chairman's report, the description of internal control procedures and objectives, risks and risk factors.

AMF recommendation No. 2015-01 was withdrawn as of 10/26/16 and taken up in the guide to periodic information for companies listed on a regulated market (DOC-2016-05).

This report was drafted on the basis of this reference framework and implementation guide for SMEs, as well as interviews with General Management and the Chief Financial Officer, a review of the company's internal documents, and meetings with the Auditors. This report was also approved by the Board of Directors at its meeting on 06/03/24.

### 3.1.2. Objectives of the internal control and risk management system

To address the risks identified and described in paragraph 1.2 of this Chapter, Wavestone has introduced a tailored internal control and risk management system.

The main challenge for this system is being able to optimally anticipate the major risks to which the firm is exposed, which may, for example, be operational, financial or legal in nature, in order to predict how they might develop, and put in place appropriate prevention or action plans. Accordingly, this system contributes to the oversight of the firm's activities, the effectiveness of its operations and the efficient use of resources.

The risk management system relies on a set of measures, behaviors, procedures, actions and bodies tailored to the characteristics of each group company enabling management to keep risks at an acceptable level. All Wavestone's stakeholders are therefore involved in risk management.

As such, and in accordance with the AMF's reference framework, Wavestone has introduced a firm-wide internal control system aimed at ensuring, in a reasonable way:

- compliance with prevailing laws and regulations;
- the proper functioning of Wavestone's internal processes and operations, in particular those related to the protection of its assets and the reliability of financial information;
- the proper implementation by all the group's companies of the instructions, guidelines and rules set by General Management or by standardization bodies, seen in the form of financial and non-financial reports.

The internal control and risk management system is regularly updated with a view to it being continually improved and playing a key role in the conduct and oversight of the firm's various activities. This system can only, however, provide reasonable assurance, rather than an absolute guarantee, that these objectives will be achieved.

## 3.2. Scope

The company has put in place an internal control and risk management system adapted to its circumstances:

- the procedures used to prepare and process accounting and financial information are standardized throughout the firm, taking into consideration the characteristics and legal constraints specific to each country;
- risk management procedures, especially when it comes to oversight of operating activities, also apply throughout the firm, with oversight monitored in each practice area in exactly the same way;
- in effect, for recently acquired subsidiaries, Wavestone's risk management procedures are rolled out and standardized gradually, since risk management remains the direct responsibility of the Management team at each company;
- during the transition period, Wavestone's General Management ensures effective risk management at these subsidiaries.

## 3.3. Components of the internal control and risk management system

There are five components to the internal control and risk management system.

### 3.3.1. Control environment

The control environment comprises Wavestone's structure, clearly established rules on the allocation and division of responsibilities, documented policies and internal procedures, and a reliable, high-performing information system. This environment is common to all the group's companies.

**Structure:** Wavestone's control environment relies on an operational structure broken down by practice area, and a centralized functional structure. The implementation of the internal control and risk management system is strengthened by these two levels of checks on operations.

**Responsibility and delegations:** at Wavestone, responsibilities are allocated and divided in accordance with an international policy on delegations of signing authority, approved by General Management. The separation of tasks is the underlying principle applied to all the firm's key processes.

**Policies and internal procedures:** the policies and procedures are an integral part of the control environment. They are regularly updated and accessible by all Wavestone's employees on the firm's intranet, thereby improving the traceability and audibility of processes, and providing information and business continuity for the operational and functional teams.

**Information system:** Wavestone has a centralized IT team responsible for managing and coordinating all the systems, applications and infrastructure available to employees. This team is also responsible for the confidentiality and backup of data, the security of the information systems and the proper functioning of the IT continuity plan.

**3.3.2. Assessment of risks**

Wavestone's system for identifying and assessing risks is described in paragraph 1.1 of this Chapter.

**3.3.3. Control activities**

The control activities involve the application of operational processes that aim to manage risks. They are carried out manually by employees or automatically by information systems, and are aimed at preventing or detecting risks. In addition, these actions are carried out based on risk control levels (see paragraph 3.4).

Level 1 controls, carried out by consultants and functional teams, require systematic and ongoing processing, whereas level 2 controls are carried out by the internal control team based on samples and at regular intervals.

**3.3.4. Information and communication**

The group has effective procedures and systems in place to ensure that information is able to flow smoothly to all its employees. Accordingly, the allocation and division of responsibilities and the group's policies and internal procedures can be easily accessed by all employees. Regular meetings between employees, management and General Management allow information to be effectively shared.

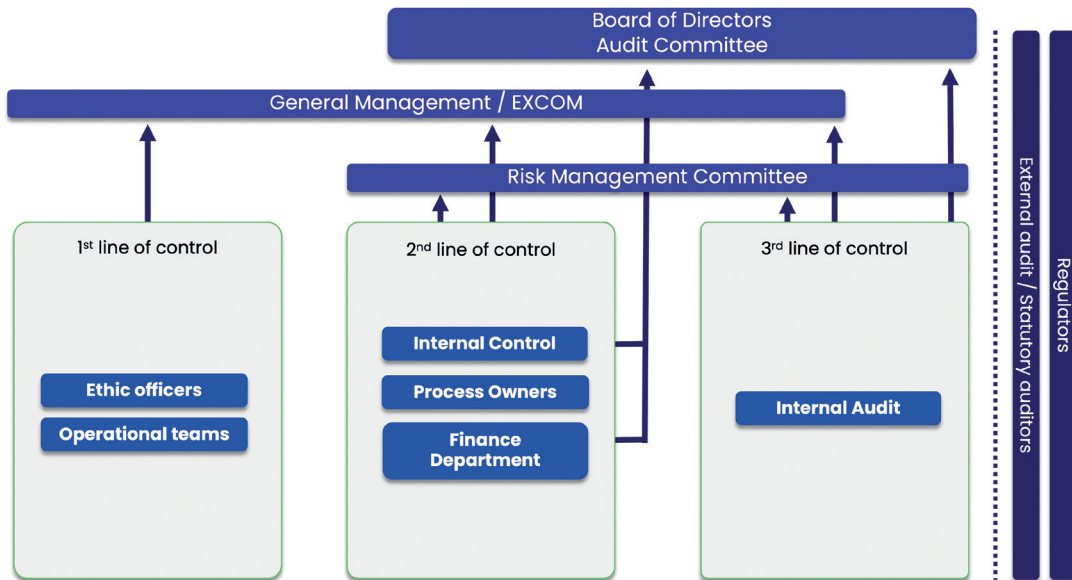
**3.3.5. Oversight**

Each year, Wavestone determines its internal control priorities, which are validated by General Management and the Audit Committee.

A number of indicators are used to ensure that the internal control system functions properly. These indicators are presented to General Management at regular intervals. This same approach is also used to monitor the handling of identified incidents.

**3.4. Persons involved in the internal control and risk management system**

Wavestone's governance model is based on three risk control levels:



### 3.4.1. Board of Directors and Audit Committee

#### Board of Directors

Every year, General Management reports to the Board of Directors on the key characteristics of the company's internal control and risk management system. As a reminder, the shareholders at the Extraordinary General Meeting held on 07/28/22 resolved to change Wavestone's mode of administration and management by establishing a Board of Directors.

The Supervisory Board's risk monitoring scope is extensive, covering strategic, operational, accounting and financial risks. For financial risks, it relies on the work of the Audit Committee. The Board of Directors may use its general powers as needed to carry out the checks and verifications it considers appropriate or take any other actions it deems necessary.

#### Audit Committee

As defined by law, the main purpose of the Audit Committee is to monitor issues relating to the preparation and verification of accounting and financial information. Thereafter, as defined by law, the Audit Committee is responsible for monitoring:

- the process of preparing financial information;
- the effectiveness of the internal control and risk management procedures;
- the independent auditing of the annual and, where applicable, consolidated financial statements by the Statutory Auditors;
- the independence of the Auditors.

The Audit Committee must include at least one independent member with specific expertise in accounting or finance.

The Audit Committee meets at least twice a year to review Wavestone's annual and half-yearly consolidated financial statements, and whenever it deems it useful, particularly when there are important events for the company.

In carrying out its duties, the Audit Committee may meet with the Statutory Auditors, the associate directors, the CFO, the Head of Treasury and the Head of Internal Control where necessary, without the company's officers being present.

A report on the work carried out at each meeting of the Audit Committee is drawn up and appended to the minutes of the Board of Directors' meetings held to review the Audit Committee's report.

### 3.4.2. General Management and Executive Committee (ExCom)

#### General Management

General Management is responsible for defining, implementing and monitoring the internal control and risk management system. It can implement action plans tailored to circumstances, business activities and the level of risk accepted by Wavestone with a view to rectifying any identified failings. General Management is regularly informed of any inadequacies in the system and, if necessary, refers them to the Board of Directors.

#### ExCom

The ExCom is made up of the members of General Management, the Directors and the Partners in charge of the firm's various entities. The ExCom sets and monitors the objectives for the company's operational activities and support functions. It delivers monthly reports on the status of ongoing projects.

### 3.4.3. Risk Management Committee

Monthly meetings of the Risk Management Committee are attended by General Management, the Chief Financial Officer, the Head of Internal Control, the Head of Internal Audit and the Chief Information Security Officer. The Risk Management Committee's role is to supervise the internal control and risk management system with a focus on three key areas: internal control, internal audit, and information systems security.

- The Head of **Internal Control**: reports on updates to the risk mapping, the results of level 2 permanent controls, the monitoring of the implementation of audit recommendations, the monitoring of remediation plans for incidents and corrective actions, and the monitoring of updates to the company repository.
- The Head of **Internal Audit**: presents the audit plan and arranges for it to be validated, presents the results of audit campaigns and arranges for the associated recommendations to be validated, responds to specific audit requests, and reports on investigations into incidents.
- The Chief **Information Security** Officer: presents their annual action plan and arranges for it to be validated, ensuring that the proposed measures comply with regulations and are consistent with the risk mapping and cyber security challenges, particularly in relation to data protection and storage; reports on the progress made on the various IT projects and their impact on the risks faced by the firm; presents the results of security audits carried out on the information system; and reports on the monitoring and remediation of cyber security incidents.

### 3.4.4. 3<sup>rd</sup> line of control

#### Internal Audit

Wavestone has a dedicated internal audit team run by the Head of Internal Audit.

Internal audit's scope extends to Wavestone's entire organization, including its subsidiaries in all countries. It covers all the firm's practice areas and processes.

The internal audit team carries out internal audit campaigns based on a three-year plan approved annually by the Risk Management Committee and the Audit Committee. The purpose of these internal audits is to verify that the firm's internal control procedures are relevant, and are being properly implemented by all the entities.

An audit assignment follows a tried and tested risk-based methodology:

- identifying the key stages of the process and analyzing how they function;
- identifying the potential risks or malfunctions associated with each stage of the process;
- identifying the controls in place for each stage;
- auditing the effectiveness of the controls;
- proposing remediation plans that incorporate recommendations and the corrective actions needed to address the internal control failures identified.

The remediation plans are then monitored by the internal control and internal audit teams. They ensure that the recommendations are properly implemented within the deadlines set for the departments concerned. Where necessary, they help the various departments to implement the corrective actions.

The progress made on the implementation of recommendations is shared monthly with the Risk Management Committee, and weekly with the Audit Committee.

### 3.4.5. 2<sup>nd</sup> line of control

#### Internal control

The internal control function is carried out by a dedicated team run by the Head of Internal Control.

The role of internal control is to:

- oversee the implementation of audit recommendations and remediation plans following incidents;
- introduce and carry out level 2 permanent controls on processes that represent a high risk for Wavestone;
- ensure that authorizations and delegations are properly monitored in accordance with the policy on the division of responsibilities;
- oversee the coherence and renewal of the insurance program;
- carry out an annual review of the firm's risk mapping;

- ensure that specific risk mapping, such as the mapping of bribery, influence peddling and duty of care risks, is coherent;
- produce an annual action plan aimed at continually improving the internal control and risk management system;
- supervise the rollout of new policies and procedures, ensuring that the firm's repository is consistent.

#### Process owners

Every process has a process owner, who is responsible for ensuring that the process is properly and effectively carried out, ensuring the continuity of their process by keeping and updating the appropriate level of documentation, and implementing the recommendations made by internal audit.

The process owner must ensure that rules and procedures are effectively applied within their scope. They are responsible for applying the internal control system within their remit by taking preventive action, in particular by carrying out level 1 controls. These controls are supplemented by level 2 controls carried out by internal control.

#### Finance Department

The Finance Department supervises the production of each entity's and the firm's accounting and financial data, and ensures that it is reliable. It also oversees the production of the management data and indicators provided to line managers and to the various management committees. Accounting functions are largely carried out by an external accounting firm. This external accounting firm verifies the consistency of the financial statements where it has not produced them itself.

### 3.4.6. 1<sup>st</sup> line of control

#### Ethics officers

Wavestone's ethics officers are the designated contact persons on ethical matters for all the firm's employees. They receive special training on the application of the law within this field. They are appointed by the Chairman of Wavestone's Board of Directors and are known for their skills, integrity, loyalty, and knowledge of the company.

Their role is to:

- ensure compliance with the rules defined in the Mollenex Code of Conduct;
- address questions from employees or third parties in terms of corruption, conflicts of interest and influence peddling to guide their decisions based on the Code of Conduct;
- assess the relevance of warnings communicated by internal audit teams;
- carry out checks to verify facts;
- communicate warnings to General Management and/or Human Resources in the event of confirmed cases of corruption;
- ensure compliance with benchmark documents relative to the Sapin II Law (anti-corruption) such as the Code of Conduct, the application guide and the corruption risk roadmap as well as related updates.

The ethics officers and the Internal Audit Department are committed to doing everything possible to guarantee confidentiality in the handling of queries and alerts. As such, they have all signed the Confidentiality Charter that is part of the Internal Alert System.

### Operational employees

All employees are provided with the appropriate level of information to properly implement the internal control and risk management system at their level, based on the objectives set for them. They are responsible for familiarizing themselves with and applying the guidelines communicated to them.

Their managers are responsible for effectively disseminating, sharing and applying the rules and procedures within their scope. They are responsible for applying the internal control system within their remit.

#### 3.4.7. Statutory Auditors

The Statutory Auditors' legal duties do not include participation in the internal control and risk management systems. They learn about these procedures, rely on internal audits, if carried out, to gain a better understanding of these procedures, and formulate an independent opinion as to their appropriateness.

They certify the financial statements, a process which may reveal material risks and major internal control weaknesses that could have a significant impact on the accounting and financial information. The Statutory Auditors submit their observations on the Board of Directors' Report – Risk Factors and internal control, on the internal control procedures for the preparation and processing of accounting and financial information, and certify the preparation of the other information required by law.

## 4. Procedures for the preparation and processing of accounting and financial information

### 4.1. Preparation of provisional budgets

Full-year and monthly budgets are drawn up for each group scope and at the consolidated level at the beginning of each fiscal year. Once completed, the budget is approved by the ExCom.

### 4.2. Managing our business

In Wavestone's industry, enterprise management is essential for monitoring activity. In Wavestone's industry, enterprise management is essential for monitoring activity. The firm's enterprise management software product (Wavekeeper), which is an open-source ERP tool.

These are the main functions:

- enterprise and order intake management;
- managing purchases for resale;
- monthly tracking of time spent;
- revised monthly project estimates (provisional expenses and schedules determined by the project manager);
- invoicing and expenses;
- management of own purchases.

This software program is accessible to all staff members, to varying degrees based on their levels of responsibility, via intranet and extranet. This software gives a consolidated real-time view of all information related to a given project, notably concerning:

- sales and contractual data;
- the number of business days devoted to the project, provisional expenses, the provisional schedule and project overruns;
- invoicing and what is still to be invoiced, unbilled receivables and deferred income.

### 4.3. Monthly budget tracking and reporting

Data produced by Wavekeeper (sales, purchases for resale, and own purchases) and by Salesforce (sales data) via a decision-making tool, Jedox, is used by Management Control to monitor and update, where necessary, the provisional budget on a monthly basis to take into account the latest known budget-related information and business projections.

This data is summarized in monthly reports at the individual practice or office level, and for Wavestone as a whole, providing the following management indicators that incorporate budget actuals and forecasts for the following items:

- revenue;
- EBIT;
- consultant productivity;
- headcount;
- order intake;
- sales price;
- order book;
- cash and cash equivalents;
- accounts receivable (tracking of overdue invoices and unbilled receivables);
- accounts payable (follow-up of overdue invoices—for Wavestone SA only).

The dashboards are reviewed on a monthly basis by the head of each practice area, and on a consolidated basis by General Management and the Finance Department, so that a decision can be made on the corrective measures to be taken, if any, so that they can be implemented. In addition, a quarterly report on Wavestone's activity is prepared and submitted by General Management to the Board of Directors.

#### 4.4. Financial reporting periods

For internal purposes, accounts are prepared in the first and third quarters. These accounts enable accounting and management data to be reconciled.

In addition, interim and annual financial statements are respectively examined and audited by the Statutory Auditors, reviewed by the Audit Committee, approved by the Board of Directors, and published in accordance with applicable legislation and regulations. The Statutory Auditors attend meetings of the Audit Committee and meetings of the Board of Directors that verify the annual and interim parent company and consolidated financial statements, at which the following topics may be discussed:

- the accounting principles applied;
- confirmation that all the information they need to carry out their duties, particularly in relation to the consolidated subsidiaries, has been provided;
- the state of progress of their work, with the knowledge that by the time the financial statements are reviewed by the Board, the Statutory Auditors are in the process of completing their audit work.

The same accounting principles are applied to the preparation of these financial statements throughout the group (recognition of revenue, provisioning rules, cost-price calculation, rules on cut-off dates, profit-share calculation and tax calculation).

At Board of Directors' meetings held to approve the interim and annual financial statements, General Management presents and comments on the following matters:

- the income statement;
- a table showing the management analysis of the income statement;
- the operating indicators underlying the income statement;
- the balance sheet;
- the cash flow statement.

#### 4.5. Methods for provisioning risks and disputes

At the close of every interim and annual period, the Management Control unit reviews all ongoing projects to identify any overruns compared with the provisional budget that may require provisioning. These provisions are determined based on the project manager's latest monthly revision of the total estimated project budget.

The Finance Department is also informed of any events that may require provisioning as soon as they occur, namely:

- risk of client bankruptcy (unlikely given that the company's clients are mostly large accounts);
- unusual recovery difficulties (monthly tracking of aging schedule);
- third-party disputes, particularly with clients, using a quality incident detection system applied by all the group's entities.

Risks involving quality, invoicing and recovery are reviewed at the close of every quarter by the Accounting Manager and the managers of the Management Control team. The findings of this review are submitted to the Chief Financial Officer and Wavestone's General Management in order to determine what provisions, if any, should be recorded.

#### 4.6. Consolidation of financial statements

The structure and procedures in place (as described in the paragraphs above) enable the parent company to verify its subsidiaries' financial statements. This includes:

- the Finance Department, which supervises the production of the accounting and financial data for Wavestone and each of its entities;
- ExCom, which uses the monthly dashboard produced by Management Control to monitor the achievement of the firm's objectives;
- a reconciliation between the accounting and management data of each of the firm's practice areas at the close of every quarter or interim period, under the responsibility of Management Control.

The financial statement consolidation process is carried out by an external accounting firm, in conjunction with the Finance Department, and covers the following controls and checks:

- the reciprocity of inter-company balances to be eliminated;
- the consistency of the accounting practices used for the financial statements;
- transmission of the financial statements by each of the companies in the format defined by the firm;
- a review of the provisions for pension obligations estimated by an independent actuary;
- the justification for and analysis of all consolidation adjustments, in accordance with applicable accounting rules.

#### 4.7. Cash and cash equivalents

A cash management tool is used to centralize cash outflows at group level, and provides a centralized real-time view of the cash position of every company in the group.

The Board of Directors receives quarterly reports from General Management on Wavestone's cash position.

#### **4.8. Monitoring of off-balance sheet commitments**

At the end of each half-yearly or annual accounting period, the Finance Department compiles the off-balance sheet commitments of all the firm's companies.

#### **4.9. Quality control of the financial and accounting information disclosed**

All financial disclosures are prepared under the direct control of Wavestone's General Management. The Finance Department is also responsible for identifying changes in financial disclosure requirements that could affect Wavestone's disclosure obligations. The requirements related to periodic accounting and financial disclosures to the market are explained in the enterprise repository.



# Board of Directors' Report

## - Statement of non-financial performance

This statement of non-financial performance describes Wavestone's Corporate Social Responsibility (CSR) approach, strategy and indicators.

Additional information can be found in Chapter 1 of Wavestone's Universal Registration Document, and on the company's website<sup>(1)</sup>.

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 otherwise stated, this report compares quantitative data for the past fiscal year - the 2023/24 fiscal year vs. the 2022/23 fiscal year.

Changes in the scope of consolidation are detailed at the end of the methodology note (section 8). Since 2013/14, the public CSR information from Wavestone is audited by an external independent body.

(1) <https://www.wavestone.com/en/who-we-are/commitments>.

## Wavestone x Q\_PERIOR

### Solid joint ESG foundations

Wavestone and Q\_PERIOR, one of the leading consultancies in the German-speaking market, joined forces in December 2023 to become the preferred partner of large companies undergoing major transformations.

With over 5,500 employees across Europe, North America and Asia, the new group has first-class sector expertise, supported by a portfolio of cross-sector expertise, enabling us to handle major transformations with a 360° approach. By 2025, the new firm aims to generate revenue of around €1 bn, excluding new acquisitions.

As long-standing partners Wavestone and Q\_PERIOR have shared foundations in terms of CSR. The new group will be a benchmark employer, and its financial goals will be coupled with a focus on human capital to enhance its appeal and attract and retain the best talent. One of the aims of the new group is to achieve top positions in the Great Place to Work® rankings in the main countries where it operates.

The firm also intend to be leaders in social, societal and environmental responsibility. It aim to be among the Top 5% of companies with the best CSR performance<sup>(1)</sup>.

The new entity will be phased in over the coming fiscal year, in parallel with the CSRD compliance process. This work will help to define a unified CSR vision, establish priorities and objectives, and design, deploy and manage joint action plans.

Initial joint action plans were agreed and will be implemented over the coming months on key ESG aspects, including gender equality and carbon footprint.

Q\_PERIOR's ESG report is available on the [corporate website](#).

The reported performance for 2023/24 and the targets set for the 2024/25 fiscal year within Q\_PERIOR's scope of consolidation are presented in section 1.2.3.

#### Clarification on reporting scope

Data for the 2023/24 fiscal year exclude PEN Partnership and Coeus Consulting (unless otherwise stated). The 2024/25 fiscal year will be one of transition for Wavestone, with the consolidation of Q\_PERIOR and the application of the Corporate Sustainability Reporting Directive (CSRD), prompting the firm to restate its CSR objectives and strategy. Until that time, targets for the 2024/25 fiscal year and beyond do not factor in Q\_PERIOR and Aspirant.

(1) Based on the annual results of Ecovadis and Ethifinance ESG Rating.

## 1. Introduction

### 1.1. Framework of Wavestone's activity

#### 1.1.1. 1.1.1. Business model

Wavestone's ambition is to be the preferred partner for major transformations in large organizations. Three challenges underpin these transformations: increasingly fierce competition, an acceleration in the digital transition and growing environmental awareness. To achieve this ambition, Wavestone intends to link its long-term growth objectives with its extra-financial commitments: to generate revenue of one billion euros by 2025, while remaining in the Top 5% of companies in terms of ESG performance.

To achieve this ambition, Wavestone is leveraging all its resources<sup>(1)</sup>:

- its intangible assets, combining leading sector expertise with cross-sector expertise able to handle 360° transformation programs;
- its financial capital (€571m in shareholders' equity);
- its human capital, with 4,479 employees based in nine countries, and 1,034 new hires<sup>(2)</sup> over the last fiscal year.

Three key pillars shape the way Wavestone is executing its mission: the Positive Way, the set of values on which Wavestone is founded, an ethics charter and a client satisfaction charter.

Wavestone seeks to make a positive impact for all its stakeholders:

- for clients, by helping them meet their sustainable challenges and transformations, and by responding to emerging business opportunities;

#### Our targets for 2025

- A Net Promoter Score<sup>(3)</sup> of 60 or more
- Continued development of our responsible consulting approach, in which all our employees are trained<sup>(4)</sup>
- 95% of employees to receive business ethics training

- for candidates and employees, by fostering commitment and well-being at work, by acting for diversity and inclusion and by fully involving employees in the company's success;

#### Our targets for 2025

- A staff turnover rate of 15% or less
- Employee engagement index of 70 or more
- 37% female managers
- 73 employees with disabilities supported in France<sup>(5)</sup>

- for the planet, by minimizing the impact of our activity on the environment;

#### Our targets for 2025

- A 21% reduction of CO<sub>2</sub> emissions in scopes 1 & 2 (in absolute terms) and a 30% reduction in scope 3 (per employee) vs. the reference year of 2019/20

- for shareholders and investors, by combining a commitment to transparency, dialogue, and proximity with the creation of sustainable shareholder value;
- for civil society, by making our expertise and resources available to initiatives led by charities, associations and foundations.

#### Our targets for 2025

- 1% of the firm's time allocated to projects that create value for society

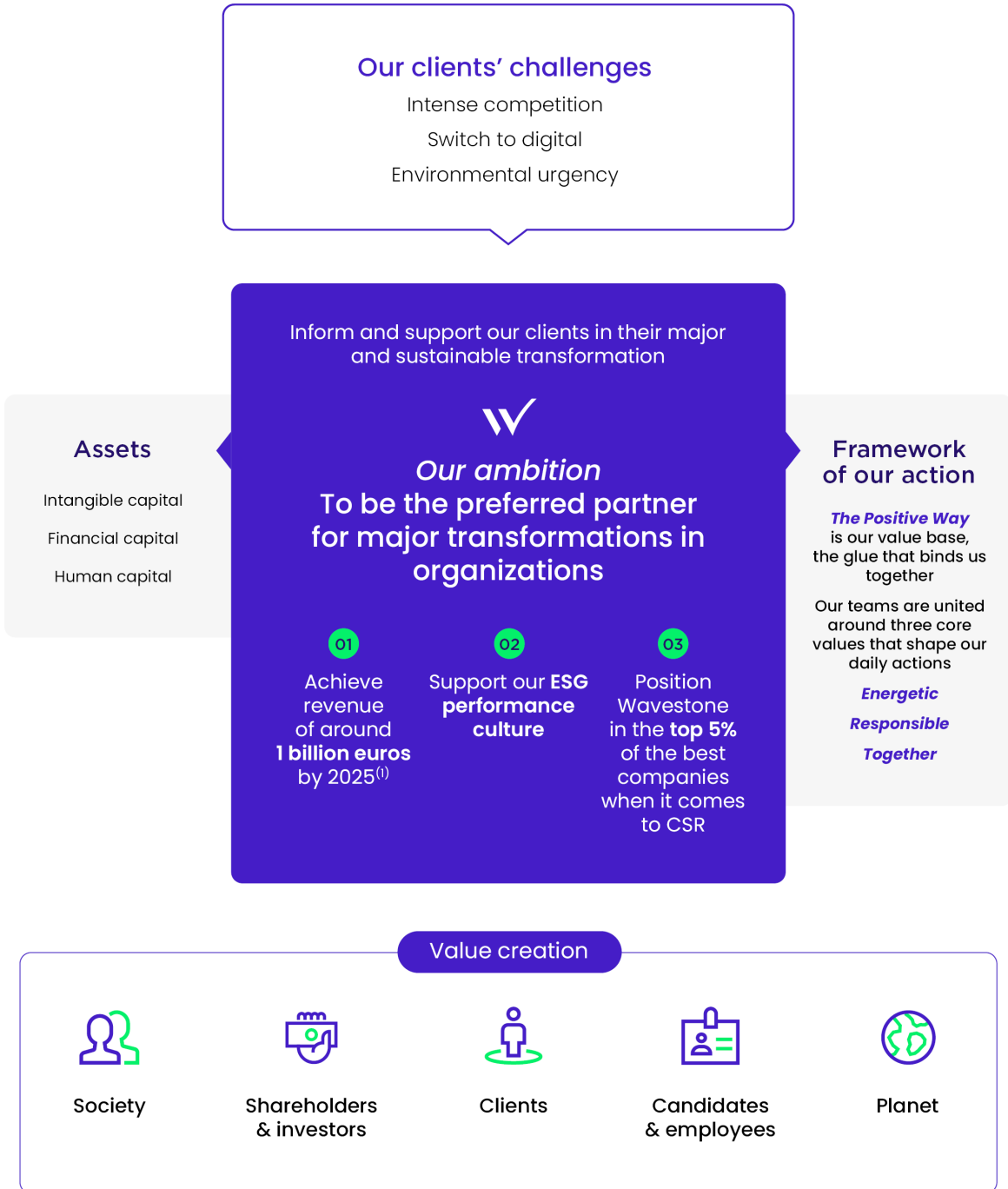
(1) Data as of 03/31/24.

(2) Gross recruitments, on permanent contracts, fixed-term contracts and apprenticeship contracts, excluding internal transfers and end of trial period, excluding Q\_PERIOR and Aspirant Consulting.

(3) NPS<sup>®</sup> is a registered trademark of Bain & Company, Inc., Satmetrix Systems, Inc., and Fred Reichheld. The NPS<sup>®</sup> (Net Promoter Score<sup>®</sup>) is an indicator that is commonly used to measure client satisfaction.

(4) During the 2024/25 fiscal year, the firm is developing its responsible consulting approach and is working on formulating a new objective.

(5) Employees with administrative recognition of disability



(1) For the 2024/25 fiscal year, Wavestone has set the objective of achieving growth in the range 3% to 5%, i.e. consolidated revenue between €972m and €991m.

### 1.1.2. Wavestone Governance and Corporate Responsibility

Wavestone is a company with a Board of Directors, of which Pascal Imbert is Chairman and Chief Executive Officer.

With the acquisition of 100% of the share capital of Q\_PERIOR, Wavestone's shareholders approved the appointment of two new directors, Karsten Höppner and Astrid Blechschmidt, respectively CEO and Partner of Q\_PERIOR, at the General Meeting of 12/05/23, to reflect the new division of capital and its global nature. The Board's level of independence is still high, with six independent directors at 03/31/24, out of fourteen members, including three employee and employee shareholder representatives.

Karsten Höppner has been appointed Chief Operating Officer, alongside Patrick Hirigoyen. Q\_PERIOR's key executive directors have joined Wavestone's management team to ensure that the firm's operational governance bodies reflect the new structure.

In keeping with best corporate governance practices, the Board of Directors has appointed Marie-Ange Verdickt as its Lead Director, responsible for ensuring that the Board operates properly. In particular, she oversees that communications between the governance bodies and the shareholders remain fluid, and ensures that Directors can carry out their work in the best possible conditions. A change of lead director is planned for the 2024/25 fiscal year, to comply with the independence rules of the Board of Directors.

Each of the Board's Committees (Audit Committee, Compensation and Nomination Committee and CSR Committee) is chaired by an independent Director. Two Employee Directors, appointed by the Social and Economic Committee, and one employee shareholder<sup>(1)</sup> representative, appointed at the General Meeting of July 2022, sit on the Board of Directors.

Wavestone's governance is described in the corporate governance report in the company's Universal Registration Document.

#### Definition and oversight of the CSR policy

Wavestone complies with the Mollenex Code of Corporate Governance. In application of this Code, the Board of Directors has held quarterly CSR Committee meetings since April 2022. This Committee includes four Directors (three independent) and is chaired by one of the independent directors, Marlène Ribeiro. It provides external insights into the company's social, societal, ethical and environmental performance and also monitors objectives and action plans.

Continuous development for members of the CSR Committee (see details in the Corporate Governance Report) aims to ensure the ongoing improvement of their ESG skills and knowledge of the regulations in force in this field. During the 2023/24 fiscal year, two directors took part in Mollenex's eight-day "CSR for real" training program, and all directors attended a three-hour CSRD training session organized for the Board of Directors.

The CSR Committee focused on the following issues in the 2023/24 fiscal year:

- approval of the non-financial performance statement;
- regulatory developments linked to taxonomy and CSRD compliance<sup>(2)</sup> (including approval of the overall compliance approach and audit strategy);
- monitoring near-term and net-zero carbon footprint reduction commitments (validated by the Science Based Target initiative);
- gender equality policy;
- responsible consulting approach;
- tracking of customer satisfaction action plan.

In light of the special circumstances surrounding the implementation of the CSRD, two additional CSR committees are planned for the 2024/25 fiscal year, so that the committee will meet five times during the year.

Wavestone's CSR policy is defined and managed by a quarterly Steering Committee comprising the Chairman and Chief Executive Officer, Chief Operating Officer, CSR Leader, Human Resources (HR) Development Director, Head of Recruitment, Chief Financial Officer, a Partner from the Sustainability practice and sponsors of specific CSR topics.

Wavestone's Executive Committee (ExCom) makes the key decisions on CSR strategy, targets and resulting action plans, and ensures that they are duly implemented through a quarterly CSR performance review. Wavestone's CSR Manager has been a member of the ExCom since September 2021.

#### Recognition of CSR performance criteria in the management team's compensation

For the 2023/24 fiscal year, the compensation of the Chairman and Chief Executive Officer (CEO) and the Chief Operating Officers (COOs) recognizes CSR performance criteria, which determines 20% of the Individual Performance Index.

As of the 2024/25 fiscal year, this system will change: Executive Committee (ExCom) member compensation, including that of the Chairman and Chief Executive Officer and the Chief Operating Officers, will recognize CSR performance criteria, accounting for 20% of the Collective Performance Index.

(1) Pursuant to French law, employee shareholders holding more than 3% of the firm's capital.

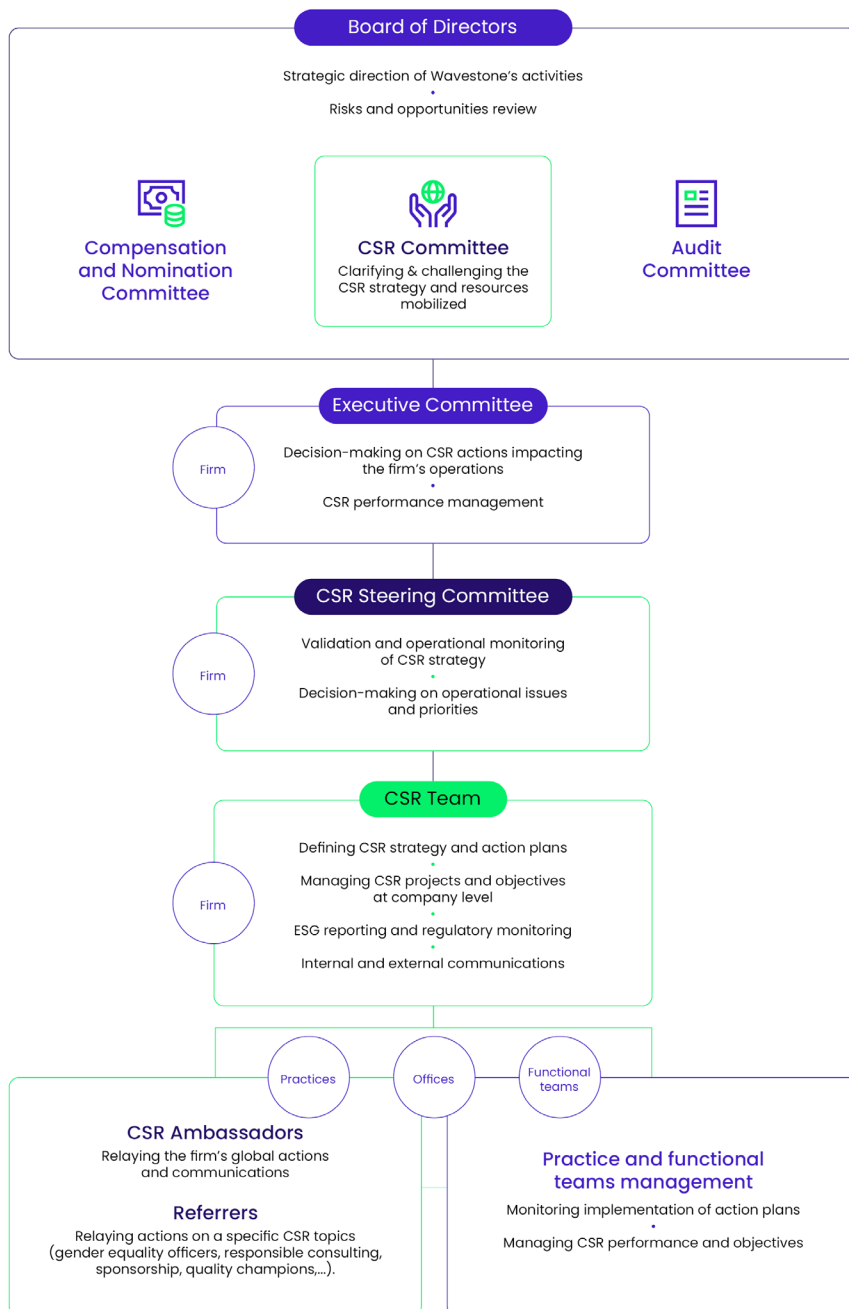
(2) Corporate Social Responsibility Directive.

### 1.1.3. Steering of the CSR policy

#### CSR team

Reporting to the HR Development Department, the CSR team oversees and implements the company's CSR policy from an operational perspective. Overseen by the CSR Manager, a dedicated team of 13 people is responsible for managing CSR objectives and performance, project management, internal and external communications and extra-financial reporting in the various areas concerned (social, societal, ethical and environmental).

The CSR team relies on internal contributors in the company's various departments (HR, Finance, Communications, IT, etc.), as well as on CSR ambassadors and key contacts appointed within each practice and office, responsible for coordinating and relaying the CSR policy within their scope. Employee volunteers can also contribute to the firm's projects and initiatives.



**Steering of CSR performance**

The firm oversees its CSR performance at a global and local scale, in each of its offices and practices, through:

- setting targets for each office and practice, for each of the firm's CSR commitments. These objectives are monitored by Performance Managers;
- monitoring of CSR performance indicators is incorporated into the firm's performance processes and bodies.

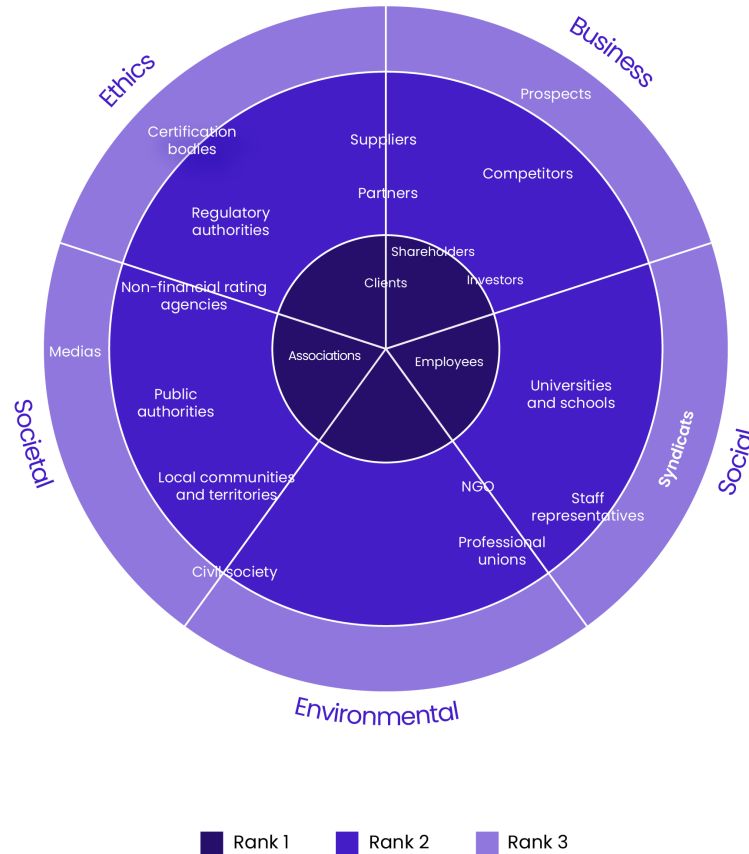
**1.2. Wavestone's CSR approach**

**1.2.1. Non-financial performance challenges**

Wavestone places CSR at the heart of its business strategy, to manage non-financial risks and to ensure sustainable performance.

**Stakeholder map and mechanisms for dialogue**

Wavestone has identified its stakeholders in order to determine which players are directly and indirectly involved in its activities:



As a responsible business, Wavestone is committed to having a positive impact on all its stakeholders through a set of actions that are designed to promote close dialogue with each and every one of them. With this goal in mind, the table below outlines the firm's main initiatives:

<p><b>CLIENTS</b></p>	<ul style="list-style-type: none"> <li>• Customer satisfaction system (customer satisfaction charter, annual survey, customer risk management, satisfaction feedbacks)</li> <li>• Thought leadership and expertise</li> <li>• Responsible consulting approach</li> <li>• Client CSR questionnaires and evaluations</li> <li>• Organizing and taking part in market events</li> </ul>
<p><b>EMPLOYEES &amp; CANDIDATES</b></p>	<p><b>EMPLOYEES</b></p> <ul style="list-style-type: none"> <li>• Great Place To Work® and Pulse@Wavestone annual surveys</li> <li>• Social dialogue at Wavestone offices in France, the United States, the United Kingdom and Luxembourg. Proposal to set up an international social dialogue body for the 2024/25 fiscal year</li> <li>• Local management and Wavestone Horizon course</li> <li>• Staff representatives and staff shareholders on the Board of Directors</li> <li>• Dialogue on Diversity &amp; Inclusion with the Wavestone For All internal network<sup>(1)</sup></li> <li>• Involving employees in defining and implementing the strategic plan</li> </ul> <p><b>CANDIDATES</b></p> <ul style="list-style-type: none"> <li>• Happy Trainees certifications</li> <li>• School activities and events</li> <li>• Mentoring (Villebon Institute, etc.)</li> </ul>
<p><b>SHAREHOLDERS &amp; INVESTORS</b></p>	<ul style="list-style-type: none"> <li>• Transparent shareholder and financial communication</li> <li>• Shareholders' Club and Individual Shareholder Consultative Committee</li> <li>• Investor roadshows and meetings</li> <li>• Responses to non-financial rating agencies</li> </ul>
<p><b>PLANET</b></p>	<ul style="list-style-type: none"> <li>• Dialogue with CDP and SBTi teams as part of the Net-Zero trajectory</li> <li>• Involvement in local initiatives (Planet TechCare, Boavitza, INR Charter, <i>Les collectifs, Pour un réveil écologique, Entreprise pour l'Environnement</i>, etc.)</li> <li>• Startup &amp; Innovation meetings at local events (Change Now, Pro durable, etc.)</li> <li>• Developing sustainability offers</li> </ul>
<p><b>PARTNERS &amp; COMMUNITY</b></p>	<ul style="list-style-type: none"> <li>• Associations supported through Powerday, skills sponsorship and the Corporate Foundation</li> <li>• Supplier dialogue as part of our responsible purchasing approach</li> <li>• Active involvement in the Middenext CSR working group</li> <li>• Participation in the CSR commissions of trade associations (Syntec Conseil, Numeum, etc.).</li> <li>• Involvement in local initiatives (Femme@Numérique, AFMD, <i>L'Autre Cercle</i>, Women's Forum, <i>Rencontres d'Aix</i>, charter for ethical AI, UN Global Compact, etc.)</li> </ul>

(1) Independent collective created by Wavestone employees with the aim of developing diversity and inclusion within the firm.



**Non-financial risk map**

Wavestone structures its risk mapping around the firm’s main processes (“selling”, “delivering”, “recruiting and developing employee potential”, etc.) and integrates non-financial risks. A non-financial risk is defined as a lack or absence of social and environmental concerns in a company’s strategy as well as how it conducts operations with its stakeholders. For each process, the firm identified and analyzed the criticality of these risks. Fraud and corruption risks are separately analyzed and monitored as part of the firm’s risk management policy.

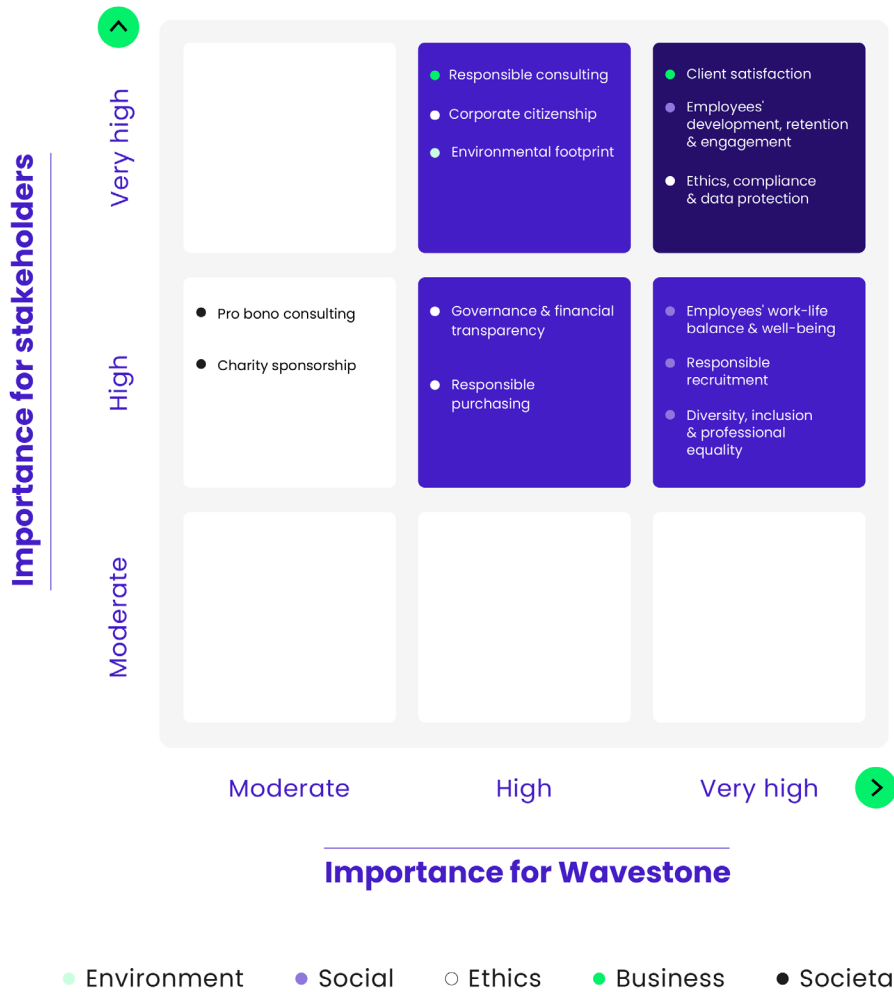
The CSR section of the risk map is jointly assessed by the CSR and Internal Control teams. This mapping is approved by the ExCom and, within the Board of Directors, by the CSR Committee in liaison with the Audit Committee.

Details of the risk factors identified by Wavestone can be found in the Board of Directors' Report – Risk factors and internal control.

**The materiality matrix**

The analysis of materiality enables the most relevant non-financial performance issues for Wavestone and its internal and external stakeholders to be identified and classified, in light of their importance and the related risks.

Thirteen issues have thus been identified:








As part of the CSRD, this analysis is currently being reviewed with the firm’s stakeholders, with a view to defining a new double materiality matrix to determine the external impacts (environmental and social) on the company, as well as the company’s impacts on its environment.

### 1.2.2. Wavestone's CSR commitments

Based on the most material issues identified, and in line with the firm's business model, Wavestone structures its CSR policy into five commitments.

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

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

### 1.2.3. Objectives and 2023/24 performance

The company aims to be in the Top 5% of companies with the best CSR performance, by 2025. Achieving this objective depends on the firm's CSR performance, which is assessed by two of the leading rating agencies, EcoVadis and Ethifinance ESG Ratings.

To make this strategic ambition a reality, Wavestone has made five CSR commitments, based on its most material challenges and consistent with its business model, together with quantified targets<sup>(1)</sup>, as shown in the table below:

Commitments	Indicator	2022/23 performance	2023/24 objectives	2023/24 performance <sup>(2)</sup>	
Improve client satisfaction and support clients in sustainable performance	Net Promoter Score <sup>(3)</sup>	45	50	73	
	Number of projects done under the responsible consulting approach*	119	300	387	
Promote employee commitment, well-being, and quality of life at work	Employee commitment index (out of 100)	74	74	71	
	Staff turnover rate	16%	15%	14%	
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	% of women in management <sup>(4)*</sup>	35%	34.5%	37%	
	Number of employees with a disability <sup>(5)*</sup>	49	58	61	
Be a corporate citizen that behaves ethically and responsibly	% of employees trained to apply the ethics charter <sup>(6)</sup>	96%	95%	96%	
	% of workforce time spent on social engagement	1.3%	1.0%	1.1%	
Minimize the impact of our activity on the environment	% reduction in carbon footprint by employee, compared with 2019/20*	Scopes 1 & 2 (In absolute value from 2022/23)	51%	17%	51%
	Scope 3 (Per employee)		27%	25%	27%

The 2023/24 fiscal year was productive in terms of Wavestone's social, environmental and societal performance. The firm achieved or exceeded nine of its ten objectives and remained in the Top 5% of the best-performing companies in terms of CSR<sup>(7)</sup>.

In terms of customer satisfaction, Wavestone has completely revised its evaluation approach, favoring more informative direct discussions with 1,300 clients and redesigning its online survey. The firm's Net Promoter Score<sup>®</sup> rose sharply to 73, well above its objective of 50.

Committed to the sustainable transformation of its customers, Wavestone has further extended its responsible consulting approach to 387 projects<sup>(8)</sup>, tripling the volume achieved in 2022/23 and exceeding the initial target of 300 projects.

On the social front, initiatives to foster employee commitment and retention enabled us to maintain our robust Great Place to Work<sup>®</sup> results (1<sup>st</sup> place in France, among the Top 25 UK Large Companies, certification of all our offices), and to stabilize the firm's turnover rate at 14%, below its normative target of 15%. Despite these

(1) Minimum performance targeted for each objective, except for staff turnover (maximum percentage)

(2) Data for the Net Promoter Score (NPS), employee engagement index, staff turnover and the percentage of the firm's time focused on societal and environmental commitments includes Coeus Consulting and PEN Partnership.

(3) The NPS<sup>®</sup> or Net Promoter Score<sup>®</sup> is a tool for measuring client satisfaction, ranging from -100 to 100 (NPS<sup>®</sup> is a registered trademark of Bain & Company, Inc., Satmetrix Systems, Inc. and Fred Reichheld).

(4) Management positions include operating management and/or hierarchical management.

(5) For employees on permanent contracts in France. For 2022/23 on 03/31/23. Target and actual 2023/24 based on DOETH for calendar year 2023 as of 12/31/23.

(6) Percentage of employees who receive annual training as of 03/31/24.

(7) Evaluation based on Ethifinance ESG Ratings and Ecovadis 2023 rankings.

(8) 392 projects including PEN and Coeus Partnership and Coeus Consulting.

\* Objectives defined for the purposes of the impact credit.

excellent results, the employee engagement index declined versus the target of 70 out of 100 – presumably owing to younger staff's increased difficulties in planning their medium-term future within the company. In response, the firm introduced HR initiatives with a view to forging closer ties and involving management teams.

Wavestone has pressed ahead with its initiatives to promote an inclusive working environment, focusing on its flagship commitments:

- in terms of gender equality, measures taken to manage female talent pools and increase the representation and visibility of women in key functions and roles have enabled us to increase the proportion of women in management positions by almost 2 points, to 36.9% vs. a target of 34.5%;
- in terms of disability inclusion, Wavestone has exceeded its target for the number of disabled employees (61 out of a target of 58), thanks to a comprehensive scheme based on a disability program, recruitment and HR teams, which currently support 130 employees (with or without administrative recognition) (+40 compared with last year);
- Wavestone also continues to promote the inclusion of LGBT+ employees (dedicated ExCom sponsor, HR team training, Proud@Wavestone testimonials, etc.) and to raise awareness of racism in the workplace (Black History Month, Across the Wave podcast, etc.).

In terms of social responsibility, Wavestone has exceeded its target, dedicating 1.1% of its employees' time to projects run by organizations with a social mission. Over 10,000 man-days were spent on consulting assignments as part of skills sponsorship, on the firm's global "Powerday" of solidarity, and on mentoring schemes. As a trusted partner of its stakeholders, Wavestone has maintained its commitment to training its employees in ethical practices (96% of employees trained) and responsible use of the data entrusted to us by our customers (100% of new employees trained).

Lastly, from an environmental standpoint, the firm exceeded its greenhouse gas emission reduction targets: -51% on scopes 1 & 2, and -27% on scope 3, as part of its decarbonization path aligned with the near-term (2026) and Net-Zero (2049) objectives endorsed by the SBTi initiative (1.5 °C global warming scenario). These results are the result of our efforts, particularly in scope 3: limiting air travel, reducing IT equipment purchases, and sourcing more responsible event services.

## Multi-year objectives

Wavestone takes a long-term approach to CSR, setting multi-year objectives for each of its commitments.

Commitments	Indicator	2023/24 performance <sup>(1)</sup>	2024/25 objectives <sup>(2)</sup>	2025/26 objectives	2026/27 objectives
	Net Promoter Score <sup>(3)</sup>	73	60	60	60
Improve client satisfaction and support clients in sustainable performance	Number of projects done under the responsible consulting approach <sup>(4)*</sup>	387	-	-	-
Promote employee commitment, well-being, and quality of life at work	Employee commitment index (out of 100)	71	70	70	70
	Staff turnover rate	14%	15%	15%	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	% of women in management <sup>(5)*</sup>	37%	37%	38%	39%
	Number of employees with a disability <sup>(6)*</sup>	61	73	90	-
Be a corporate citizen that behaves ethically and responsibly	% of employees trained to apply the ethics charter <sup>(7)</sup>	96%	95%	95%	95%
	% of workforce time spent on social engagement	1.1%	1.0%	1.0%	1.0%
Minimize the impact of our activity on the environment	% reduction in carbon footprint by employee, compared with 2019/20* Scopes 1 & 2 (In absolute value from 2022/23)	51%	21%	25%	29%
	Scope 3 (Per employee)	27%	30%	35%	40%

The multi-year targets associated with three indicators have been updated from those published in 2022/23:

- the NPS\* target has been raised to 60 (from 50 previously), in keeping with the new methodology for calculating customer satisfaction;
- the employee commitment target is now set at 70 (vs. 74 previously), an ambitious level based on benchmarks observed in the consulting sector;
- the target for the share of women in management has been raised to take account of the progress seen and benchmarks in the consulting sector.

With regard to responsible consulting, for the 2024/25 fiscal year, Wavestone is introducing a Responsible Consulting charter setting out the commitments it expects of all employees in their

work as consultants. The firm has set itself the target of ensuring that all its employees in France are familiar with and able to apply the Responsible Consulting Charter. At the same time, a new objective associated with this theme is still being formulated for the 2025/26 fiscal year.

### Sustainability-linked loan

To support the concrete implementation of its CSR commitments, Wavestone has, since 2021, 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 (additional clause signed on 12/12/22).

(1) Data for the Net Promoter Score\* (NPS\*), employee engagement index, staff turnover and the percentage of the firm's time focused on societal and environmental commitments includes Coeus Consulting and PEN Partnership.

(2) Objectives expressed excluding PEN and Coeus.

(3) The NPS\* or Net Promoter Score\* is a tool for measuring client satisfaction, ranging from -100 to 100 (NPS\* is a registered trademark of Bain & Company, Inc., Satmetrix Systems, Inc. and Fred Reichheld).

(4) Over 2024/25, the firm will carry out a review aimed at changing the wording of its responsible consulting objectives, with effect from 2025/26. These new targets will be published in the next Sustainability Report.

(5) Management positions include operating management and/or hierarchical management.

(6) Targets set for 12/31/24, 2025, 2026, for employees on permanent contracts in France.

(7) Percentage of employees who receive annual training as of 03/31/24.

\* Objectives defined for the purposes of the impact credit.

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

- to deploy Wavestone's responsible consulting approach in an increasing number of assignments;
- to increase the representation of women in management positions;
- to be an increasingly welcoming company with a growing population of employees with disabilities;
- to reduce the firm's environmental footprint using an avoid-reduce-compensate approach.

The value of these non-financial indicators is certified annually by the non-financial rating agency Ethifinance. Meeting or failing to meet these targets determines Wavestone's eligibility for a margin bonus applicable to all its credit lines. In the event that the bonus is awarded, Wavestone pays the full amount of the savings to the Wavestone Corporate Foundation.

An addendum signed on 05/15/24 sets targets for the 2024/25<sup>(1)</sup> fiscal year, and transforms the current system into a bonus/penalty mechanism for subsequent years. The targets applicable from the 2025/26 fiscal year for the period ending 03/31/28 will be defined before 09/30/25 as part of discussions between Wavestone and its banking partners.

**Assessment and targets specific to Q\_PERIOR's scope of consolidation**

Under the combination between Q\_PERIOR and Wavestone, CSR objectives were set for the 2023/24 fiscal year, based on shared issues with Wavestone. As such, areas for improvement were determined, with a focus on increasing women's representation in managerial roles and shrinking the carbon footprint. Most objectives were achieved, with action plans to be kick-started from 2024/25. The latter represents an initial milestone—laying the groundwork for recognition of this scope in the context of the group's CSR performance going forward.

Commitments	Indicators <sup>(2)</sup>	2023/24 objectives	2023/24 achieved	2024/25 objectives
Client satisfaction	Client satisfaction score (1 to 5)	-	4.5	4.2
Employee engagement and wellness at work	Employee engagement index (out of 100)	74	85	74
	Staff turnover rate	10%	11%	12%
Diversity and inclusion	% of women in management	Establish a quantified action plan	Establish an action plan, with progress targets	23%
Environment	Carbon footprint - Scopes 1, 2 & 3	Assess carbon footprint and establish a plan to reduce emissions	Determine carbon assessment and establish an action plan and targets to reduce emissions by 2024/25	Stabilize air travel emissions <sup>(3)</sup>

(1) At constant scope.

(2) Methodological details: Client satisfaction score calculated on the basis of a questionnaire sent to a selection of active clients | Employee engagement index calculated using a method similar to that presented in 3.3 (excluding ESPRIT AG) | Percentage of women in management calculated on the basis of all supervisory and/or line management positions (22% at 03/31/24) | Carbon footprint calculated using the PELT8 standard, for all regions.

(3) On an employee basis, factoring in the impact of the firm's annual agreement (approximately 11% of air travel emissions).

### 1.3. Assessing ESG performance

During the 2023/24 fiscal year, Wavestone won a number of awards in recognition of its CSR initiatives and performance.

The firm especially relies on the assessments carried out by two leading rating agencies, EcoVadis and Ethifinance ESG Ratings (formerly Gaïa Research), to validate the achievement of its strategic ambition to be ranked in the Top 5% of companies with the best CSR performance.



Ethifinance ESG Ratings (formerly Gaïa Research), which is the benchmark SRI (socially responsible investment) index, assesses and ranks 400 French SMEs and mid-sized companies based on their non-financial reporting and sustainable development performance. For the 15<sup>th</sup> year running, Wavestone featured in the rankings, placing 6<sup>th</sup> in 2023 among companies with revenue between €150m and €500m and scoring 78/100 to achieve a 'Gold' recognition level and rank in France's Top 5%. The firm was also ranked third in its sub-sector (software and services).



A leading rating agency, EcoVadis assesses over 100,000 companies worldwide, comparing their performance against international CSR standards. In 2023, Wavestone again achieved the Platinum level, with a score of 78/100. As a result, the firm placed in the jury panel's Top 1% of companies with the best CSR performance. The detailed score by theme is shown below:



The Carbon Disclosure Project (CDP) is a non-profit organization that sets the standard for corporate environmental performance with its annual assessment of over 23,000 companies around the world. In 2023, Wavestone received a score of B, placing the firm in the "Management" level category compared to its competitors and above average for its sector (rated C).



Having maintained a position in the Top 5 of the France rankings for several years, the firm was ranked 1<sup>st</sup> place for companies with more than 2,500 employees in France for the 2<sup>nd</sup> consecutive year. The London office was ranked 25<sup>th</sup> Best Workplace in the UK this year (among large companies). All Wavestone offices participating in the survey (France, Luxembourg, UK, USA, Switzerland, Belgium, Morocco, Hong Kong and Singapore) are certified.

### 1.4. Approach to implementing CSRD

With the European CSRD (Corporate Sustainability Reporting Directive)<sup>(1)</sup> due to come into force on 01/01/24, the firm has been preparing for compliance since summer 2023, with a view to publishing its first sustainability report at the end of the 2024/25 fiscal year. Sponsored by the CFO and CSR Leader (both ExCom members), the initiative brings together a project team and representatives of the firm's main departments, with the ongoing

support of CSRD experts from the Sustainability practice, who are helping major international accounts to achieve this major transformation.

These regulatory changes are an opportunity for the company to reassess with its stakeholders its vision of the impacts, risks and opportunities in its value chain, and its CSR strategy and policies. Wavestone plans to take a gradual approach to compliance, capitalizing on the solid foundation it has built up over the past 10 years.

## 2. Supporting our clients to generate sustainable performance

	2023/24 objectives	2023/24 performance	2024/25 objectives	2025/26 objectives	2026/27 objectives
Net Promoter Score*	50	73	60	60	60
Number of projects done under the responsible consulting approach <sup>(2)</sup>	300 <sup>(3)</sup>	387	-	-	-

### 2.1. Client satisfaction

At the firm level, a comprehensive customer satisfaction management process has been introduced, to raise awareness and train our teams (satisfaction charter, training courses, etc.), take action to improve customer satisfaction and, where necessary, deal with cases of suspected or actual dissatisfaction (satisfaction performance review, monitoring of dissatisfaction risks, etc.).

#### Thorough overhaul of the annual customer satisfaction survey

For many years, Wavestone has measured customer satisfaction using an annual email survey, the results of which are used to determine Wavestone's Net Promoter Score\* (NPS\*).

During the 2023/24 fiscal year, this approach was thoroughly overhauled. The annual survey is now carried out directly with customers. In addition to filling in the survey questionnaire, this new approach has enabled us to enter into a productive dialogue with our clients on the quality of our services and feedback on our collaborations. All told, over 1,300 direct exchanges were organized with customers in the space of three months.

These personalized, in-depth discussions on strengths and areas for improvement mean that Wavestone can more accurately draw up action plans. This new approach has also involved our teams, with more than 500 Wavestone employees taking part in these exchanges. All these factors help to make customer satisfaction even more central to Wavestone's relationship with its clients.

In addition to these direct exchanges, an online survey was conducted to reach clients who could not be interviewed in person. Thanks to this new approach, the firm's results are now based on 1,600 responses, compared with around 1,100 for the 2022/23 survey.

#### Wavestone's NPS\* up significantly to 73 (vs. 45 in the last fiscal year)

This increase is the result of:

- the result of actions taken in recent years to improve areas of weakness previously identified, with the main areas of focus in those years having been the management of rotations on customer assignments, support for junior consultants and the provision of expertise;
- the change in evaluation methodology (direct exchange vs. online survey). There is a difference of around 6 points between the NPS\* derived from direct exchanges conducted by Wavestone and that derived from questionnaires completed online by the firm's clients;
- the redesign and simplification of the online questionnaire, which had a positive impact on customer responses.

Survey respondents were also highly representative in terms of the breakdown of revenue by major customer and by assignment type.

Customer evaluations confirmed the firm's strengths: flexibility, quality of relationship, investment in assignments. However, this feedback also revealed areas for improvement. Firstly, Wavestone's ability to engage the right level of seniority at key moments in a project, to provide guidance, expertise and feedback.

(1) Order No. 2023 1142 of 12/06/23 on the publication and certification of sustainability information

(2) Over 2024/25, the firm will carry out a review aimed at changing the wording of its responsible consulting objectives, with effect from 2025/26. These new targets will be published in the next Sustainability Report.

(3) Data excluding PEN Partnership and Coeus Consulting, except NPS\*.



### NPS<sup>®</sup> target raised

This strong NPS<sup>®</sup> growth has prompted Wavestone to set a more ambitious target for the 2024/25 fiscal year than the previous one. Considering the lack of perspective with this new survey methodology, and the forthcoming consolidation of the historical Q\_PERIOR scope during the next fiscal year, Wavestone has set itself a new target to maintain a very good level of NPS<sup>®</sup> above 60 in the years ahead, which may be revised in the future.

## 2.2. Responsible consulting approach

Wavestone seeks to assist clients in delivering sustainable performance, by prioritizing CSR issues in its consulting. There are two aspects to this ambition:

- development of offers and expertise dedicated to sustainable development issues, supported by specialized sustainability teams (CSRD, CSR strategy, sustainable technologies, environment and climate, biodiversity, circular economy, responsible procurement...);
- proactive inclusion of CSR issues and impacts in recommendations to clients.

### 2.2.1. Development of business offers dedicated to sustainability

The creation of the Sustainability practice in 2022 crystallized the firm's determination to support its private and public sector customers in guiding and implementing their sustainable transformations, as well as their energy and ecological transitions. The practice has 140 consultants and leverages the expertise of Nomadéis, a consulting firm specialized in sustainable development, which joined Wavestone in April 2022.

The Sustainability practice focuses on five sustainable transformation priorities: strategy, transformation of corporate functions (HR, IT, Marketing, Supply Chain, Procurement, etc.), cross-functional initiatives (e.g. decarbonization, the circular economy, biodiversity), management and governance of sustainable performance (including CSRD) and change management.

The challenges of sustainable transformation are influencing all areas of expertise within the firm's practices, which are cultivating solutions to address sustainability issues including the green

supply chain, digital and energy sobriety. Successful sustainable transformation requires a cross-disciplinary strategy. To this end, Wavestone combines its expertise in business, technology and sustainable development.

In particular, Wavestone continues to expand its cross-functional "responsible digital technology" offering. It draws on the combined expertise of our various practices, to support our clients in achieving more sustainable digital transformations, based on methodologies that help reduce the environmental impact of digital technology and leverage digital technologies to meet sustainability challenges (CSRD tools, for example).

A total of 217 projects (representing over €19m euros in revenues) were carried out as part of these offers during the 2023/24 financial year. For example, the following projects were carried out:

- building a monitoring tool for accurate traceability of the quantities and categories of waste discharged and analyzing the potential for more environmentally friendly recovery (upcycling, renewable energy, etc.) within the collection and treatment channels for a tourism company;
- a study to define the skills needed in the bioeconomy to accelerate the ecological transition for an agricultural research institute;
- helping a luggage company to document and implement its CSR strategy. This approach was based on benchmarks, the *Bilan Carbone*<sup>®</sup>, a simple materiality analysis and resulted in the definition of strategic pillars.

### 2.2.2. Proactive inclusion of CSR issues and impacts in recommendations to clients

Responsible consulting involves integrating sustainability issues into the consulting profession, primarily by warning clients of the negative environmental and social impacts identified in projects, and then making practical recommendations to achieve positive impacts on these aspects, where relevant.

As well as providing expertise in sustainable transformation through its Sustainability practice, the firm wants to ensure that sustainability issues become a reflex for all its employees and sales teams, and are fully integrated into all offers, sales proposals and the execution of each assignment.

Given its areas of expertise, the company's priority is to focus on on three main ESG/CSR issues, which can be developed over time:

**ESG THEMES**



**CARBON EMISSIONS**

- Green IT : *Sustainable Tech, Responsible Data, Responsible AI, Sustainable Cyber*
- Responsible Procurement



**DIGITAL ACCESSIBILITY**



**PROTECTION OF PERSONAL DATA**

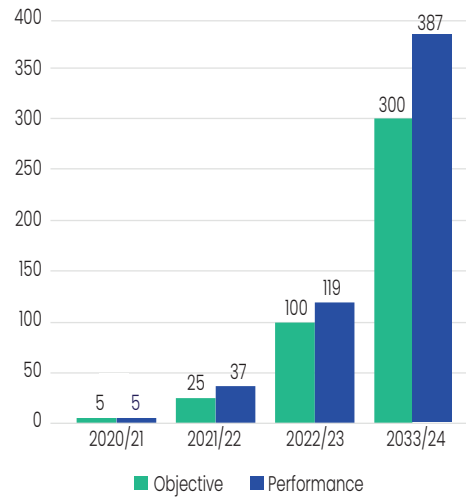
To this end, the firm uses a variety of resources:

- a mandatory nine-hour training course on sustainability issues for all employees, starting in 2022/23: My Sustainability Learning Journey developed by Axa Climate School (micro-learning modules to understand and take action on sustainable development), Climate Fresk, responsible consulting e-learning launched at the start of the 2023/24 fiscal year. The aim is to train all employees in consulting and sales roles by 2025;
- a network of ready Sustainability experts;
- standard acceleration tools (methods, tools, best practices, etc.) to support teams in their daily project work.

**A new tool to estimate and reduce the carbon impact of cybersecurity**

In partnership with Campus Cyber, Wavestone has developed a self-assessment tool to measure and reduce the carbon impact of security measures. ADEME (French Environment and Energy Management Agency) has joined the initiative, also identifying cybersecurity as a key area for action. The tool is intended to be integrated into all the firm's projects in this field.

The 2023/24 fiscal year saw an acceleration in the adoption of the approach within the firm, with 392 projects<sup>(i)</sup> carried out (compared with 119 the previous year), whether in connection with projects involving a Sustainability theme (212) or the proactive integration of a CSR aspect into our recommendations on standard assignments (175). For the latter, practical recommendations on a CSR aspect need to be translated into a deliverable and presented directly to the client.



For example, the following assignments were carried out:

- integrating eco-design principles into the design of a digital inventory management service that reduces data storage by 30% for a player in the luxury goods industry;
- introduction of a model to reduce the carbon footprint of a logistics program by optimizing and streamlining flows, to reduce carbon emissions by 10% for a car hire company;
- formulating responsible digital/green IT commitments around equipment reconditioning and data deletion as part of defining an IT security blueprint for a retail operator.

To take the responsible consulting approach a step further, the firm is drafting a charter setting out the commitments expected of all employees in their role as consultants, as well as a system to support and monitor its application, which will be deployed during the 2024/25 fiscal year. At the same time, a new objective associated with this theme is being formulated for the 2025/26 fiscal year.

(i) Including five projects carried out on the PEN Partnership and Coeus Consulting scope, not taken into account in the calculation.

### Wavestone partners with Ateliers PLANETE<sup>(1)</sup>

Wavestone remains committed to addressing sustainability issues through its involvement in industry initiatives (detailed in section 6.4). In this respect, Wavestone is involved in Ateliers Planète, an initiative of the Shift Project in the context of the French Economy Transformation Plan, and in collaboration with other consulting firms. Modelled on the Climate Fresk, these workshops aim to help organizations in key business sectors reduce their carbon emissions. Wavestone consultants helped set up workshops dedicated to the automotive industry and long-distance travel.

### Analysis of Wavestone's contribution to the UN's Sustainable Development Goals (SDGs)

The 17 Sustainable Development Goals (SDGs) provide a roadmap and a global call to action to overcome the challenges facing the planet and humanity.

Wavestone has been a signatory of the United Nations Global Compact since 2012, and wanted to show how the firm's business could work towards these goals, either through the business operated by its clients, or through the nature of the work carried out by the firm for its clients.

This approach, developed with the input of internal and external stakeholders, is to be updated each year, without setting a target for progress, due to uncertainties linked to developments in the various business sectors.

### Scope & calculation method

The scope applied covers all of the firm's activities, excluding acquisitions completed in the fiscal year under consideration; financial data are based on 2023/24 revenues to 03/31/24 (excluding Q\_PERIOR and Aspirant), and on internal management data.

Wavestone used the 169 targets set out by the United Nations<sup>(2)</sup>, which specify the content of the SDGs, to determine the proportion of its business that contributes to them (details of the analysis are given in section 9.1).





















The calculation is made in two stages:

- initially, revenues generated with clients from sectors that contribute to the SDGs by definition were taken into account: public sector, healthcare, sustainable mobility, renewable energy sectors;
- in addition, revenues generated by services considered contributing to the SDGs are taken into account: digitization of processes, cybersecurity and support for sustainable transformations—to avoid double counting, services provided for clients in sectors that are contributory by nature have been removed from the calculation base.

Certain sectors or clients have been excluded out of caution, due to the difficulty of isolating the purely contributory share of their total activity: insurance, service activities, construction and public works, agri-food, oil and gas.

(1) Ecological Planning for Economic Transformation.

(2) The 17 Sustainable Development Goals & their 169 targets (pactemondial.org).

Proportion of revenue	SDGs impacted	Revenue contributing to the SDGs
<b>1. Revenues contributing positively to the SDGs by business sector – €136m</b>		
Revenues related to the public sector <i>(Revenues generated for the public sector, not including revenues generated for government defense agencies)</i>	  	€58m
Revenues related to the transport sector <i>(Revenues generated for public transport and sustainable mobility clients)</i>		€30m
Revenues related to the pharmaceutical sector		€16m
Revenues related to the industry sector <i>(Revenues generated for industrial clients in the sustainable mobility and healthcare sectors)</i>	  	€6m
Revenues related to the energy sector <i>(Revenues generated by renewable energy and water management operators)</i>	 	€26m
<b>2. Revenues contributing positively to the SDGs by practices (subtracting revenues generated by the business segments shown in 1.) – €138m</b>		
Revenues of digitalization practice <i>(Revenues from practice minus revenue generated in the public, transport, pharmaceuticals and energy sectors)</i>	 	€58m
Cybersecurity practice revenues <i>(Revenues from practice minus revenue generated in the public, transport, pharmaceuticals and energy sectors)</i>		€65m
Revenues from sustainability practice <i>(Revenues from practice minus revenue generated in the public, transport, pharmaceuticals and energy sectors)</i>	      	€15m
<b>Total</b>		<b>€274m</b>
<b>Baseline revenues (excl. Q_PERIOR and Aspirant)</b>		<b>€587m</b>
<b>Contributory share of business</b>		<b>47%</b>

### 2.3. Qualiopi certification



Wavestone has been a Qualiopi-certified training provider since April 2023. This certification is proof of the quality of upskilling services that the firm provides clients.

## 3. Promote employee engagement and well-being at work

	2023/24 objectives <sup>(1)</sup>	2023/24 performance	2024/25 objectives	2025/26 objectives	2026/27 objectives
Employee commitment index (out of 100)	74	70	70	70	70
Staff turnover rate	15%	14%	15%	15%	15%

### 3.1. Promote employee engagement, well-being, and quality of life at work

#### 3.1.1. Human resources

##### Organization of the HR Development Department

The HR Development Department at Wavestone is in charge of defining and overseeing actions which contribute to the recruitment, integration, development and retention of talent. The heads of HR development, recruitment and CSR are all members of ExCom.

The management team is structured as follows:

- a global HR Development team, decentralized within the practices and/or offices. HR contacts are appointed in each environment to work closely with the operational teams. HR contacts foster employee commitment, support management teams and implement general policies. They are grouped into teams and led by an HR Leader, in charge of a set of practices. An HR Steering Committee, made up of HR Leaders, oversees the firm's HR operations and performance;

- a CSR team responsible for defining CSR policy, managing CSR performance and coordinating related actions;
- a Compensation & Benefits team, which is responsible for the application of Wavestone's compensation policy, the management of profit-sharing, shareholding and employee savings schemes and the management of payroll operations in France;
- recruitment teams organized by practice area/office/functional department, responsible for recruitment, in coordination with operations staff who play a key role in achieving annual objectives. A central team is responsible for Wavestone's recruitment plan.

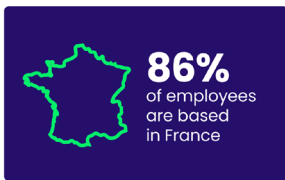
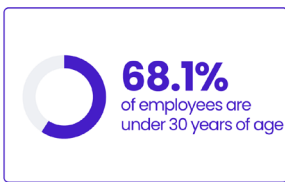
Wavestone's HR strategy is presented in the corporate profile of the company's Universal Registration Document.

(1) Data including PEN Partnership and Coeus Consulting.

**Breakdown of the workforce<sup>(1)</sup>**

On 03/31/24, Wavestone's total workforce was 4,479 employees (including 3,897 consultants), vs. 4,406 a year earlier (including 3,816 consultants), i.e. an increase of 1% from the prior fiscal year. The average age of all Wavestone employees at 03/31/24, has fallen slightly to 30.

The French teams are spread across four sites: Paris La Défense, and three regional offices: Paris, Lyon, Marseille, Nantes. Wavestone has eight offices outside France: Casablanca (Morocco), London (United Kingdom), Brussels (Belgium), Geneva (Switzerland), Luxembourg, the United States (New York and Dallas), Singapore and Hong Kong.



**New hires**

In 2023/24, 5,111 candidates for permanent positions started the recruitment process with Wavestone. These candidates come from various sourcing channels (relationships with educational establishments, candidate-referral campaigns, headhunted via LinkedIn and spontaneous applications).

During the 2023/24 fiscal year, Wavestone recruited 808 employees on permanent contract<sup>(2)</sup> (excluding end of trial period and internal mobility transfers) and two part-time employees in France, equating to 0.33 full-time employees (FTE).

The firms' new hires mainly come from major engineering schools, business schools and universities. As part of its preemployment strategy, in the 2023/24 fiscal year, the firm took on nearly 497 trainees (in the form of gap year and end-of-studies internships) and 29 work-study positions.

**Departures**

In the 2023/24 fiscal year, 891 permanent employees left the firm (including 613 resignations). The number of terminations during trial periods remained stable compared with a year earlier.

The breakdown of departures is presented in paragraph 9.3 of the appendices.

**3.1.2. Recruitment policy**

**General principles**

As a growth company, Wavestone recruits a large number of new employees each year.

Wavestone seeks to guarantee a positive experience for candidates, by training those involved in the recruitment process, but also by structuring its recruitment methods around four main principles, described in its Recruitment Charter:

- 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.

These four principles are applied by all the candidates' contacts during the recruitment process. This notably involves support provided by a dedicated recruitment representative, at each stage of the process. With a view to personalization and transparency, the recruitment representative presents to the candidate the expectations, terms and conditions of each interview, and then debriefs at each stage. The objective: to deliver a positive experience and give the candidate all the keys to a successful job application.

As part of its commitment to diversity and inclusion (detailed in section 4), the company has dedicated advisors within its recruitment teams, who are responsible for ensuring gender diversity and promoting the inclusion of candidates with disabilities in recruitment processes.

(1) Excluding Q\_PERIOR and Aspirant, practices acquired during the 2023/24 fiscal year.  
 (2) Net recruitments, excluding internal transfers and end of trial period, excluding Q\_PERIOR and Aspirant Consulting.

To guarantee the application of the recruitment charter and with the aim of making continuous improvements, Wavestone participates in the Happy Candidates satisfaction survey managed by the independent body ChooseMyCompany. This year, Wavestone ranked eighth in its category in France (companies with more than 1,500 employees).

**Recruitment Channels**

Wavestone applies an active partnership policy with schools to support students in their professional lives via the transmission of knowledge and know-how in consulting jobs (project management, client relationship management), but also in their personal development, by providing a variety of career coaching programs.

Every year, various initiatives are carried out on campus: job search and internship workshops, feedback from alumni, involvement in educational committees, conferences, round tables and course modules, school forums, etc. On an educational level, the company also maintains lasting relationships with the career departments and faculty bodies of its target schools.

Wavestone is also diversifying its recruitment channels to reach out to potential candidates, whether through job advertising platforms (JobTeaser, Welcome to the Jungle or LinkedIn), via the internal referral process open to all Wavestone employees, through our partner recruitment agencies, or thanks to ratings awarded by specialized organizations (Glassdoor, Happy Trainees, Happy Candidates).

In 2023/24, Wavestone will continue to develop its alumni network, in order to maintain links with its former employees, particularly with a view to enabling some of them to rejoin the firm. In April 2023, Wavestone launched the first ever Wavestone Alumni Meet-Up.

**2023/24 Results**

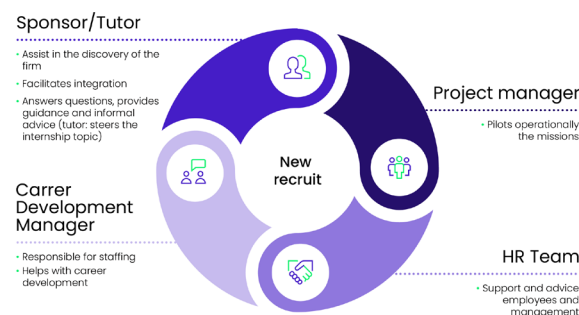
After 2022/23 saw a very high level of recruitment (1,375 for 11,000 recruitment processes<sup>(1)</sup>), Wavestone recruited 808 permanent contract<sup>(2)</sup> in the 2023/24 fiscal year (with 5,111 recruitment processes). For the 2024/25 fiscal year, the firm has set a target of around 1,000 new hires.

The majority of Wavestone's new hires are young graduates from leading engineering and management schools and universities (representing nearly 85% of permanent hires in the 2023/24 fiscal year).

Wavestone takes particular care to employ trainees and work-study students, with 497 and 29 respectively having been taken on over the last 12 months. These undergo a recruitment process that is as demanding and selective as the process for all new employees, and benefit from the same integration and support program. Ensuring they gain skills and responsibilities rapidly is therefore a key challenge for the firm.

**Integration program**

Wavestone has set up a local support system for its employees, with four main contacts during the induction phase. This model remains in effect throughout the employee's career, with the exception of the role of sponsor.



Each new employee joining Wavestone follows the firm's integration program, which consists of four main priorities: the discovery program, mentoring, managerial and HR support, and training.

**Discovery program**

The discovery program takes place during the first weeks following the arrival of new employees. It includes various discussions, workshops, presentations of the company, its different scopes and operating methods, as well as self-training sessions. The first day, led and coordinated by the HR team, marks the start of the discovery program. This day enables new arrivals to discover the premises, take charge of their equipment and familiarize themselves with the firm's operations through discussions with management and HR teams.

The discovery program then continues, alongside the start of the job and initial staffing, with various themed workshops (two or three one-hour workshops per week): career development path, CSR policy and focus on diversity & inclusion, business model, best practices in teleworking and time management, presentation of the CSE, workload plan (weekly assignment of consultants to missions).

(1) Process in which at least one interview was carried out.

(2) Net recruitments, excluding internal transfers and end of trial period, excluding Q\_PERIOR and Aspirant Consulting.

### Sponsorship program

Each new employee is allocated a sponsor who is active in the same area and has at least six months' experience with the company. The sponsor's experience and seniority are matched to the newcomer's seniority. The objectives of the sponsor are to support the new employee in learning about the firm, to share their experience of the job and to answer any questions to facilitate integration.

To fulfil their mission, the sponsors organize regular meetings with their sponsees: on their second day (introduction to their role, presentation of the premises, introduction of new arrivals to create a "promotion effect"...), then during the second week (informal follow-up meeting, presentation of new arrivals to the practice...), at the end of the first month (via a formal meeting) and then throughout the first year (via informal discussions).

### Management and HR monitoring

Each new employee receives special support during their first few months of work, through regular meetings with their Career Development Manager (CDM) and HR advisor (interns are also monitored by their internship tutor and recruitment officer).

This regular follow-up enables new employees to get feedback on the quality of their work and areas for improvement, and to discuss their development within Wavestone. During these meetings, the employee is also invited to take a step back from their first experience at Wavestone, to share their feelings, their surprises and their appetite for the next step.

### Initial training program

The initial training course is complementary to the discovery course. The discovery course consists mainly of workshops designed to familiarize new employees with Wavestone's culture. The initial training program addresses fundamental issues, and enables newcomers to acquire the key skills of a consultant, through practical training sessions lasting one or two days.

This final stage of the integration process begins with the Delivering in Wavestone training course. Provided within two to three weeks of their arrival, this training enables all new employees to become fully operational in their mastery of office automation tools needed to produce deliverables to Wavestone quality standards. Depending on their seniority and previous experience, employees are then invited to take part in other essential training courses: Consulting Behavior, Introduction to Project Management... In addition, a range of e-learning and face-to-face training courses on a wide variety of subjects (data protection, CSR...) are available.

### 3.1.3. Skills development

#### The Wavestone Horizon professional development tool

The Wavestone Horizon career path tool provides a guide to employees' professional careers, 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 their career within Wavestone.

These development paths are defined for the consulting, business and functional teams and are common to all Wavestone employees, regardless of their region.

#### Assessment mechanisms

##### Assignments and case studies

For our consulting staff, the assignments they carry out are opportunities to enhance their skills. At the beginning of every assignment, the project manager informs the consultants of the objectives involved and provides a detailed report and areas for improvement (or at regular intervals in the case of long-term assignments).

In addition, individual development objectives to develop new skills are taken into account in the consultants' situational choices. 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, consultants carry out assignments of between 6 to 12 months within the firm's functional departments (recruitment, communication, finance, CSR, IT, etc.).

##### Talent reviews and annual performance review

Every year, for all business lines, the career paths of employees are analyzed during the talent review process, which involves management, Career Development Managers and the HR team for the scope concerned. Talent reviews cover the main career development themes: the employee's current position on the Wavestone Horizon career path described above, performance over the year, development prospects over the next 12-24 months and associated development plan, salary progression and promotions. Talent reviews are also used to validate the individual share of bonuses awarded to those employees who have them.

At the end of the talent reviews, employees meet their Career Development Manager for an annual interview, to discuss the year in review, development prospects, training, remuneration and work-life balance. Each CDM within the firm has, among their objectives, that of promoting the development of the firm's employees. The annual performance review is a key moment for discussion in which the group's Career Development Managers receive special training.



A review of the individual portion of bonuses paid to all employees is carried out to ensure fair treatment.

Since 2023/24, employees and their CDMs have been using Workday to support their career development: self-assessment, annual appraisals, access and registration for training courses.

#### Employee retention

CDMs and HR teams regularly organize Engagement Catch-Ups, moments of bilateral exchange with an employee. Their main objective is to better identify employees' motivations and concerns. These discussions allow action plans to be drawn up to resolve frustrations or help employees to better project themselves within the company, fostering their commitment and increasing their loyalty. In addition, Practice Retention Review meetings are organized within the management team, to discuss the status of key indicators, help managers to reflect on their knowledge of their employees' professional fulfillment, and collectively consider how best to support them.

#### Special provisions for Associate Partners and Partners

Wavestone is particularly attentive to identifying and supporting its future Associate Partners<sup>(1)</sup> and Partners (the two most advanced grades in the Wavestone Horizon Consulting career path). A single body, the Partners' Committee, bringing together the HR department and members of the ExCom and practice leaders of the areas concerned, is charged with approving the promotion of new partners at the firm level, and discussing the career paths and potential of the employees who make up the pool of future Associate Partners and Partners. Various development support systems can be deployed according to individual needs: coaching, partner insight (immersion experience alongside a Partner for several months), mentoring.

#### Internal mobility scheme

Wavestone aims to offer its employees diversified development prospects. Internal mobility is one of the professional opportunities that enable them to enrich their career path.

All positions available under the annual recruitment plan are eligible for the scheme. 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 available. As in the case of external recruitment, internal mobility is a structured process managed by the company's HR teams. All Wavestone employee applicants receive a reply within three months.

106 employees took advantage of internal mobility opportunities in the 2023/24 fiscal year, with 13.2% moving to another office.

#### Compensation policy

Our compensation policy is based on three principles:

- a unique pay benchmark for each business line and country: including starting salary and pay package for each grade; These are published on the intranet for Wavestone's main offices;
- a competitive compensation benchmark: against a competitive backdrop where competition in relation to compensation is a key factor in attracting and retaining the best talents, Wavestone's benchmark is based on market practices in each country and area of business. To ensure competitiveness in each country, Wavestone regularly updates its salary benchmarks which lead to salary reviews when necessary;
- commitments to ethics and transparency: Wavestone is committed to treating all career development plans in a consistent manner, with the same compensation rules for the same level of experience.

A variable component is included in certain salary packages, according to rules specific to each country and business line (consulting, business development, functional). Around 29% of the firm's employees receive a variable salary<sup>(2)</sup> component. Wavestone employees also benefit from health insurance schemes in all regions. Some offices (in the USA, for example) also offer special retirement benefits, in line with local regulations and market practices. Salary policy and benefits by office are communicated to all employees via the intranet.

#### Decent wage

Wavestone pays special attention to the potential impact of inflation on the lowest salaries, which are discussed at the NAO (Annual Mandatory Bargaining) in France (union delegates and CSE). As an illustration, specific mechanisms for employees earning less than €30,000 were applied in 2022, 2023 and 2024 (general increase and/or minimum increase). As an indication, French employees earning less than €30,000 represent around 0.1% of the total.

#### Employee profit-sharing

Employee profit-sharing for Wavestone SA, calculated on the basis of the statutory formula, was €11,189,675 in the 2023/24 fiscal year.

(1) The Associate Partner grade was introduced in the 2023/24 fiscal year in the Wavestone Horizon Consulting career path. It marks the final step before promotion to Partner. The Director grade has been removed.

(2) Situations vary widely from one region to another, reflecting market practices. As such, around 20% of employees in France receive a variable component, compared with 100% of employees in the London office.

For more than 10 years, Wavestone's French employees have been able to acquire a stake in the company in the form of free shares awarded by the firm when profit-sharing entitlements are paid out. Accordingly, for each unit held in the Wavestone Actions fund, employees are awarded one free share two years later if they are still an employee of the company and have not sold their units in the Wavestone Actions Fund.

The employee shareholding scheme offers free shares and boosts employees' sense of pride in being part of the company.

Since 2021, Wavestone has offered all its employees in its international offices the opportunity to buy shares in the company under the ESOP (Employee Stock Ownership Plan), which offers the same employer contribution benefits as awards of free shares in France.

In addition, two individual employee shareholders sit on the Individual Shareholders' Consultative Committee, out of a total of four members. This committee ensures regular and constructive dialogue between Wavestone and its individual shareholders. It also enables to gather their perspective on the various aspects of shareholder communication, and to improve the quality of documents for shareholders.

#### Award-winning commitment to employee shareholding

Launched in 2007 as part of the firm's CSR ambition, the employee shareholding policy enables staff to become involved in Wavestone's long-term development. Around 6%<sup>(1)</sup> of Wavestone's capital is now owned by employees from all over the world, who are also represented by a director on the Board of Directors. This undertaking was awarded the *Grand Prix 2023 des ETI, PME ou startup* by the *Fédération Française des Associations d'Actionnaires Salariés et Anciens Salariés* (FAS).

#### Training programs

##### "Learning at Wavestone": overhaul of training provision and tools

Wavestone's training offer is designed to foster the long-term skills development (upskilling) of all the firm's employees. In the interests of simplicity for employees, all cross-disciplinary training initiatives have been grouped under a single name since summer 2023: "Learning at Wavestone".

As part of the Talent Management project, changes dedicated to training have been implemented in Workday. They respond to three main needs: to provide all employees with an exhaustive directory of all training courses, to simplify the training registration process, and to facilitate the organization and management of the firm's training programs.

##### Training courses marking career milestones

Each important stage in the career of Wavestone employees has its own dedicated training program, especially for new arrivals, new project managers and newly appointed CDMs:

- new employees: staff joining Wavestone follow a dedicated four-day training course during their first year with the firm. 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 (practice areas, functions, offices, etc.). The training program varies according to the profession, and takes place throughout the year. Each new employee attends at least three training sessions during their first year;
- management fundamentals: Wavestone allows its employees to rise rapidly in responsibility. To support them, staff who have reached three years' experience attend a three-day training course to acquire the basics needed to fully assume the role of project manager: attitude towards the client, delegation of tasks, formulation of feedback or role in business development;
- CDM onboarding program: completely overhauled for the 2023/24 financial year, this three-day program provides new CDMs with the tools they need to fully exercise their role as local managers, from integrating new employees to psychosocial risk management, including appraisals and the firm's compensation policy.

##### A wide range of training courses to customize career paths

Wavestone's training institute offers a wide range of introductory and more in-depth training courses, focusing on the key skills required for each of our businesses (business development, delivery, etc.) as well as on key technological or sector-specific skills.

The firm also offers its employees access to certification courses, such as ITIL Foundation V4 or Lean Six Sigma. A coaching offer also covers the individual support needs of certain employees. The entire offer is accessible to all employees via the Workday portal.

(1) Ownership situations specifically mentioned in Article L225-102 of the French Commercial Code. As a result, Wavestone shares held by the Wavestone Actions FCPE are included in the calculation, as are shares issued under stock option plans (free share allocation plans, stock options) still held in registered form by their current or former beneficiaries. Other shares held by employees are not included in this calculation.

### An e-learning offer to expand knowledge

Wavestone's e-learning offer is further complemented by nearly 500 training courses accessible to all employees online (from Workday), and hosted on different platforms:

- Edflex, platform offering digital content on topics related to Wavestone's challenges and businesses: articles, podcasts, certification courses and videos...;
- Sequoia, an in-house tool offering fun educational content, created by Wavestone employees to develop and disseminate skills and know-how. Each training program takes the form of several episodes, delivered in an offbeat tone, and result in badges and certificates on completion;
- My Sustainability Learning Journey, developed with Axa Climate School, and devoted to training in sustainability and environmental and climate issues.

These platforms are accessible to all countries and all employees (across all practices and departments).

Nine e-learning modules have also been incorporated into the mandatory training courses taken by all employees, on topics of interest to the firm: data protection, business ethics, gender equality, responsible consulting, etc.

### Learning Factory

Wavestone has significantly ramped up investment in employee training via a new asset: the Learning Factory. Set up at the beginning of 2023, this team works to invigorate and accelerate the firm's training activities, and offer cross-disciplinary training on areas of expertise. During the 2023/24 fiscal year, it enabled a large number of employees to receive training in two key areas for the firm: data (300 employees) and agility (200 employees).

A number of developmental projects supported by the Learning Factory will be completed in the 2024/25 fiscal year:

- the creation of a business training path for consultants, organized by grade and based on Wavestone Horizon skills;
- the formalization of the firm's ambition for 2026 in terms of training, to achieve Wavestone's goal of becoming the best training school for consultants;
- a systematic approach to feedback on major training programs, to replicate key success factors in future projects.

### Summary of training courses completed during the fiscal year

On average, Wavestone employees received 12.5 hours of training in 2023/24, compared to 19 in the the previous fiscal year. The total number of training days delivered was 6,281 (vs. 8,551 in 2022/23). 3,510 employees were trained over the 2023/24 fiscal year (compared with 3,158 in 2022/23).

Despite an increase in the number of employees trained, there was a drop in the volume of training in 2023/24. This is mainly due to the 21% drop in recruitment in 2023/24 compared with the previous year, which has had a direct impact on the firm's four-day integration program and on the business and sector-specific training provided directly by the practices to new recruits. The completion of the Workday rollout in the 2024/25 fiscal year should also make it possible to simplify and improve the administrative tracking of training carried out, and to have a more exhaustive measurement of expertise training carried out locally in each practice.

## 3.2. Employee well-being and development

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.

The attention paid to employees' work-life balance is part of a more comprehensive approach to quality of life at work at Wavestone, sustainable with continual improvements. This approach encompasses both measures to improve the quality of career paths (see section 2.4.1), but also the workspaces within Wavestone's offices, flexibility in the organization of work through initiatives such as remote working or co-working, parental support and all types of initiative that enable employees to be involved in the company's vision.

### 3.2.1. Working environment and work-life balance

#### Working time

Wavestone, of course, complies with the legal framework applicable to each of the countries in which it operates.

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

### Taking paid leave

Taking time off regularly is also part of the work-life balance equation. All Wavestone's 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 (CDM) throughout the year, and which are, notably, covered during the annual performance review.

### 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 its employees, in keeping with its corporate culture:

As an example, in France, it breaks down as follows:

- a switch-off time slot applies to all employees, from Monday through Friday, from 8:30 p.m. to 8:00 a.m.;
- a sanctuary time slot has been set at 1:00 p.m. to 2:00 p.m.;
- a standard timeframe for holding internal meetings between 9:00 a.m. and 7:30 p.m.

These provisions vary for each country, to align with its local practices.

To ensure that everyone exercises their freedom to organize their working time while also respecting the freedom of others, a set of rules and best practices have been introduced, 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 achieve a work-life balance.

A discussion of work-life balance is a compulsory part of every annual performance review.

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

#### Work organization methods

Smartworking@Wavestone allows everyone to choose, at any given moment, the most appropriate ways of working for them, taking into account their current activities and assignments, their clients, their work team, as well as the stage they have reached in their career. It is based on a framework of mutual trust between employees and their management team.

The initiative has three objectives:

- to work more efficiently, especially for Wavestone's clients and by leveraging synergies between the firm's teams in different geographical regions;
- to strengthen the commitment of employees and the attractiveness of the firm to candidates through a better work-life balance;
- to reduce the firm's carbon footprint.

In France, this new framework was defined by an internal working group (members of the Economic and Social Committee (ESC), practice leaders, sales and functional team managers). A new teleworking agreement has been in force since 09/01/22. It applies to all Wavestone offices.

This framework is based on five key principles:

- client satisfaction;
- flexibility;
- responsibility;
- collective mindset;
- health and well-being at work.

#### Remodeling our premises

At the same time as the firm rethinks its ways of working, Wavestone is modernizing its premises to fully cater to the new expectations of employees and its CSR commitments. These new features include the creation of new spaces for socializing, leading to hybrid layouts.

Wavestone also inaugurated new spaces in Paris at the end of March 2023, with the addition of better-equipped meeting rooms, more and larger social spaces, as well as furniture designed to boost interaction. These developments will inform plans for the firm's future offices: in London from April 2024, then as part of the relocation of the Paris office, a fundamental project of the firm which has been under preparation since summer 2023.

### 3.2.2. Supporting parenthood

Taking parenthood into account is part of an approach that respects professional gender equality and work/life balance. Wavestone is committed to take practical steps to support parents and commits to:

- changing perceptions of parenting in the company by raising awareness with HR teams and managers;
- developing a favorable workplace for employees who are parents, by adapting working conditions and by fostering a better work/life balance;
- respecting the principle of non-discrimination as part of the professional development of employee-parents by identifying and eliminating discriminatory practices.

In an endeavor to implement this commitment, the company has implemented several measures at the local level. Employees in France can sign up to the schemes below, as outlined in Wavestone's parenting guide accessible to all.

#### Corporate Parenthood Charter

Wavestone will pursue its commitment to change the perception of parenthood in the workplace and advocates the principle of non-discrimination of employees with children. In this respect, since 2013, Wavestone has been a signatory of the Corporate Parenting Charter from the Quality of Life at Work Observatory.

#### Nursery service

In France, Wavestone provides nursery service to help employees with children/who are expecting a child to find nursery places in the *Babilou* and *Maison Bleue* networks, and more recently in LPCR (*Les Petits Chaperons Rouges*), which represent over 7,000 nurseries in France. In the 2023/24 fiscal year, Wavestone financed an average of 80.8 cribs per month for its employees' children in France, i.e. a total of 140 cribs over the fiscal year.

In the United Kingdom, Wavestone also grants preferential access to a network of more than 800 nurseries, through its "Enjoy Benefits" scheme.

#### Childcare leave

In France, if a child (up to and including age 12) falls ill, parents are entitled to three days' paid absence per child per year. These "sick child" days can be taken in one or more instalments during the relevant period (the leave period: June 1/May 31). The number of days is increased to five if the child is less than one year old, or if the employee is responsible for three or more children (aged 15 or under).

#### Parenting conferences and workshops

Wavestone offers its French-speaking employees conferences led by specialists in the field of parenting (coaches and associations) on a variety of topics, such as "Handicap, sexism, racism, LGBTQ+ – how to educate our children away from stereotypes", "How to prepare for preschool" and a conference on the risks of cyber-pedocrime. Individual coaching is also offered remotely, and a pilot workshop on "How to manage overwhelming emotions" was held in March 2024.

#### Maternity leave support

In France, the Smartworking@Wavestone scheme gives pregnant employees greater flexibility. A second computer can also be installed at home so as to reduce the need for carrying loads.

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

Special attention is paid to parental leave of up to six months, so as to eradicate any negative impact on the promotion decisions of employees eligible for promotion.

#### Paid maternity, paternity and adoption leave

In France, 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. Wavestone has also implemented a subrogation scheme for its employees to ensure that they do not suffer a shortfall in cash flow while awaiting the payment of their social security benefits.

#### Progressive return to work after maternity, adoption or parental leave

In France, full-time employees can work part-time (4 days out of 5) for two weeks following their return from maternity, adoption or parental leave, with 100% pay.

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

### 3.2.3. Social relations

Wavestone aims to establish and develop a constructive social dialogue with its personnel representatives. This dialogue addresses issues related to corporate strategy, economic and financial policy as well as the firm's HR policy.

Wavestone's aim is to establish social dialogue bodies in each of its geographical regions. These include:

- an Economic and Social Committee (ESC) in France, a regulated body whose missions are outlined below;
- Sounding Boards in the United States and United Kingdom, comprising management and employee representatives from the firm's various functions, to discuss any strategic topic for the office;
- the *Délégation du Personnel in Luxembourg* (Luxembourg Employee Delegation), appointed every five years by employees, acts as a mediator between the employer and employees to defend employees' interests as well as their working conditions. The delegation also has a limited consulting role, advising the company on its decisions.

Each body has different targets and approaches that reflect their countries' respective regulatory frameworks.

Wavestone also intends to set up an international body dedicated to social dialogue during the 2024/25 fiscal year.

#### Organization of social dialogue in France

The mandate of the current CSE began in April 2022, for a four-year term. The committee consists of 25 full and 25 deputy members. The CFE-CGC trade union is the representative union and has appointed two specific representatives.

The CSE manages the firm's social programs. These are mainly sporting and cultural activities. For instance, every year, the ESC organizes skiing and summer weekends 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, theater, cookery, investment, etc. The company has also established a partnership with Gymlib that provides employees with access to more than 200 activities in more than 2,000 sports centers around France.

21 meetings, including ten exceptional meetings, were held with the ESC in the 2023/24 fiscal year. The following topics were discussed, for information or consultation:

- relocation plan;
- report of gender balance – review and action plan;
- presentation of the CSR action plan;
- annual review of working hours;
- takeover of Q\_PERIOR.

Mandatory annual negotiations led to an agreement signed on 05/09/23. An agreement on gender equality, quality of life at work and the right to disconnect was also signed.

### 3.2.4. Health and Safety

#### Health, Safety and Working Conditions Committee (HSWCC)

In France, the ESC has a Health, Safety and Working Conditions Committee comprising eight members. In the 2023/24 fiscal year, this Committee organized four meetings, with the participation of the occupational health.

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 contributes to drafting and updating:

- the Single Professional Risk Assessment Document (DUERP);
- an annual report on health, safety and the workplace;
- reflections and preventive action plans in terms of psychosocial risks (PSRs) presented on a half-year reporting basis.

Training sessions on the prevention of risks are organized by Wavestone:

- managerial training to pinpoint and prevent PSRs;
- awareness sessions on ordinary sexism;
- stress management to improve well-being and performance;
- overload situation training module on best practices to adopt to avoid work overload situations;
- first aid in the workplace training;
- fire drill training (superintendent, fire officer). All Wavestone's sub-contractors are systematically invited to take part in fire evacuation training and a copy of the prevention plan including information relative to safety, first aid and fire evacuation procedures is provided to them;
- workshop on close screen work and prevention of musculoskeletal disorders.

A full-time occupational nurse is present (Monday through Friday) at the company's head office, who works alongside the occupational doctor. She arranges appointments for information and prevention meetings with new employees.

Wavestone offers a mandatory group health insurance regime to all its employees. This regime covers employees and their children and provides optional coverage for spouses.

### Absenteeism

Wavestone's absenteeism rate in France was 2.1% for the 2023/24 fiscal year, down year-on-year, and attributable 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, occupational and commuting accidents, Wavestone's absenteeism rate was 2.8% for the 2023/24 fiscal year.

### Prevention and treatment of psychosocial risks (PSRs)

Wavestone has adopted a local management approach, based around the role of CDM (with a ratio of one CDM for 10 to 15 employees), supported by a decentralized HR team. This approach ensures that staff stress-related issues can be detected well in advance.

However, employees who experience stress, incivility, harassment or discrimination of any kind can turn to a number of trained contacts: HR teams, members of the CSSCT, occupational doctor, nurse or the support unit. The support unit is on hand to assist employees who may be experiencing a difficult period, whether professionally or personally. All conversations are strictly confidential and the unit can be reached by phone or email, in French and English.

An external anonymous reporting tool, Whispli, was also 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.

When validating their assignments at the end of each month, employees can use a checkbox to alert their management and HR team of an overload situation.

All managers (CDMs, project managers, managers of business development and functional teams) are systematically trained in the prevention and treatment of psychosocial risks as part of the new managerial program deployed for all Wavestone's managers. This training course includes an e-learning module and a day of face-to-face training dedicated to real-life examples and case studies. Wavestone has also developed a training module focused on the prevention of sexism in the workplace, which is mandatory for all managers. Workshops on "Take action against sexism in the workplace" and e-learning modules on ordinary sexism are offered to all employees. Lastly, the ESC has appointed a specific point of contact in relation to sexual harassment and sexist behavior.

### 3.2.5. In-house actions

To promote strong cohesion within its teams, Wavestone has adopted an operational mode whereby management regularly consults all teams to receive their feedback on initiatives to improve the day-to-day running of the company, but also to contribute to development and strategy. As such, Wavestone organized its 2023 "Bridges" event on 10/06/23, around the fundamental question of the impact of artificial intelligence on the consulting sector. 3,500 participants took part in almost 500 workshops on the day, in all the firm's regions. This process allows new initiatives to emerge regularly, creating value for the firm and its employees.

The life of the firm is punctuated with many encounters and opportunities for exchange: Wavestone Inside, annual parties, team meetings, practice seminars, etc. These informal events foster cohesion within teams and also open up further opportunities to develop internal networks.

Convivial social events take place throughout the year: free breakfasts every Monday and Friday or for special occasions, afterwork meetings, team dinners, etc. Team meetings are also organized in different formats depending on the event (management seminar, discussion meetings, team meetings, etc.) always with the goal of enabling teams to meet up and share common objectives.

Wavestone also hosts a wide range of cultural and sporting activities run by France's ESC.

### 3.3. Assessment of quality of life in the workplace

#### Methods for measuring employee commitment

Since 2021, Wavestone has deployed a system to measure the firm's employee engagement, drawing on the results of the annual Great Place to Work® (GPTW®) survey. It can be supplemented by one or two annual Pulse@Wavestone surveys if the firm feels the need to take a measurement during the year. A Pulse@Wavestone survey was organized in June 2023.

The engagement index is calculated based on positive answers to four engagement questions included in the Great Place To Work® survey:

- I am proud to work at Wavestone;
- I would gladly recommend Wavestone as a company that is great to work for;
- I rarely think of leaving Wavestone;
- I still see myself working at Wavestone two years from now.

In the 2023/24 fiscal year, Wavestone's Great Place To Work® (GPTW®) survey engagement index stood at 70 out of 100 (with a target of 74), down four points on the the previous fiscal year. This decline was presumably owing to younger staff's difficulties in planning their medium-term future within the company. In response, the firm introduced HR initiatives with a view to forging closer ties and involving management teams as well as fostering their commitment and loyalty.

### Great Place To Work®

As part of the anonymous Great Place To Work® survey, employees throughout the firm can express their views on the quality of working life at Wavestone, by answering around sixty questions based on five aspects: credibility, respect, fairness, pride and conviviality.

In November 2023, 76.5% of employees responded to the GPTW® questionnaire (up 2.5 points on 2022), 83% of whom consider Wavestone a good company to work for, down slightly on the previous year (88%). However, these results are still well above the industry average. All Wavestone offices that took part in this survey (France, Luxembourg, United Kingdom, the United States, Switzerland,

Belgium, Morocco, Hong Kong and Singapore) were awarded the GPTW® label based on their results for the 2<sup>nd</sup> year running.

After appearing on the Best Workplace for Women List® and Best Workplaces Europe® (for companies with over 500 employees) in 2023, Wavestone France took 1<sup>st</sup> place on the Best Workplaces France list in March 2024 among companies with over 2,500 employees, for the 3<sup>rd</sup> year running.

Meanwhile, Wavestone's UK office is ranked 25<sup>th</sup> in the Large category of Best Workplaces in Consulting Sector® and Best Workplace for Wellbeing® in 2023.

This survey is above all a tool to measure and improve the employee experience within Wavestone. On this basis, Wavestone has set itself a series of priorities for action over the coming years to promote engagement and retention:

- better celebrate successes and value individual contributions;
- better support employees with between two and six years' experience in their career with the company;
- increase management's presence alongside teams;
- and finally, to improve the experience of employees in the workplace.

### Other labels and certifications

As detailed below in this section 1.3, during the 2023/24 fiscal year, Wavestone obtained the following labels and certifications:



This independent label works with a demanding set of criteria to measure the satisfaction of interns/trainees and work-study students. In 2024, Wavestone was awarded the Happy Trainees label for the tenth consecutive year in France, scoring a total of 4.09/5 with a recommendation rate of 84.3%. Wavestone is now in 1<sup>st</sup> place in the ranking of companies taking on between 500 and 999 interns and work-study students.



Wavestone retained the Happy Candidates label (managed by the independent ChooseMyCompany) in 2024. The label is awarded to the companies that show the most respect for job candidates, and was calculated on the basis of 2,600 responses to this year's survey. The firm placed seventh in its category for France (companies with more than 1,500 employees). Wavestone has won awards internationally: World, Europe, France, Switzerland, Luxembourg, Morocco, United Kingdom and the United States.



The firm also ranks 8<sup>th</sup> in its category in France (companies with over 1,500 employees) with a 70.7% recommendation rate, up four points since 2021.



Since 2009, Glassdoor's Best Employers awards have distinguished the companies that are most liked by their employees. Participating for the first time, Wavestone placed 14<sup>th</sup> in a ranking of the 25 Best Employers in France for 2023. This ranking is exclusively determined by anonymous comments posted on the platform by current and former employees.



Wavestone has been a Qualiopi-certified training provider since April 2023. This certification is proof of the quality of the upskilling services that the firm provides to its clients.



In February 2024, with five stars out of five, Wavestone was ranked 1<sup>st</sup> in the Humpact ranking for the Technology sector, and 7<sup>th</sup> out of 295 companies assessed.



## 4. Acting for diversity and inclusion

	2023/24 objectives	2023/24 performance <sup>(1)</sup>	2024/25 objectives	2025/26 objectives	2026/27 objectives
Percentage of women in management <sup>(2)*</sup>	34.5%	37%	37%	38%	39%
Number of employees with a disability*	58 <sup>(3)</sup>	61	73	90	-

In line with its commitment to being a responsible employer, Wavestone strives to strictly comply with the principles of ethics and equal opportunities. Wavestone's social and societal policy is reflected in its program to promote diversity and non-discrimination.

As with all the firm's CSR policies, ExCom validates the firm's commitments to diversity and inclusion, and ensures that they are properly implemented.

### 4.1. Gender equality in the workplace

As part of its action plan to promote equality in the workplace between women and men and achieve its objectives, Wavestone has identified five main performance drivers (the last two of which are described in section 3.1.3):

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

Wavestone aims to continually increase the representation of women in management positions (manager grade and above, and CDM role), to bring it closer to that of the workforce as a whole. This year, Wavestone exceeded the target set for the 2023/24 financial year by almost 1.5 points, with 37% of women in these positions (vs. a target of 34.5%)<sup>(4)</sup>.

The company is also committed to ensuring a gender balance in its governance bodies, in compliance with the relevant legal requirements. As such, on 03/31/24:

- the percentage of women on the Executive Committee (ExCom) was 33% in line with the quota required from 2026 onwards under France's Rixain Law; this drop of four points compared to 2022/23 is explained by the change in its composition with the integration of Q\_PERIOR members;
- women represent up 45% of the Board's Directors, thereby aligning the firm with the French Copé-Zimmermann Law.

On 03/01/24, 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), representing a decline from 2023.

### Recruitment

Wavestone pays particular attention on gender diversity in recruitment, with a commitment to applying an inclusive recruitment policy. Recruitment teams include "Diversity & Inclusion" ambassadors who are responsible for monitoring key performance indicators (KPIs) and introducing awareness-raising initiatives for campus managers, recruitment officers, recruitment agencies and schools.

### Careers

Wavestone seeks to guarantee the most equitable career pathways possible for women in each of its practice areas and offices, by focusing on:

- proactive initiatives to increase the representation of women in key internal roles at all levels, such as the management of progress targets and key HR indicators by gender, the management of the female talent pool, "engagement catch-ups", coaching and training, support for parenthood and awareness-raising among management;
- the application of a policy to prevent potential slowdowns in the program due to the absence of a parent (of the order of 6 months);
- the representation and visibility of women, with a view to raising the profile of female role models. To achieve this, Wavestone holds a series of quarterly Women@Wavestone meetings, during which women and allies share their personal experiences.

In 2023/24, Wavestone continued to apply local approaches across all its practices. These set their own targets for increasing the proportion of women in management, and implement action plans to support the firm's initiatives.

(1) Data excluding PEN Partnership and Coeus Consulting.

(2) Management positions include operating management and/or hierarchical management, excluding PEN Partnership and Coeus Consulting.

(3) Disability target for 12/31/23.

(4) Corresponding to 363 women out of a total of 983 people in management positions.

\* Objectives defined for the purposes of the impact credit.

## Fighting sexism

The fight against sexism, harassment and sexual assault is reflecting in a series of initiatives, including training:

- since 2022, an e-learning program created by the #StOpE initiative on ordinary sexism has been in place, with 94.7% of employees trained as of 2023;
- inclusive management training, mandatory for all managers (now including a broader introduction to diversity and inclusion);
- organizing workshops on topics such as “How to be a diversity advocate” and “How to respond to sexist comments”, as well as on imposter syndrome and assertiveness;
- launch of a dedicated intranet page and communication across escalation reporting channels.

## Partnerships and external commitments

Wavestone is extending its commitment by supporting several organizations working to promote professional equality. The company has also partnered with the Women's Forum since 2017, regularly publishing white papers that summarize the event program. Wavestone also provided social media coverage for the 2022 and 2023 events.

Since 2018, Wavestone has paired up with *Fondation Femmes@Numérique* (France's Foundation for women working in digital and tech) as a founding member and through skills-sponsorship consulting assignments. This initiative aims to bring together a strong group of economic, social and public players to increase women's representation in digital professions.

Since 2018, Wavestone has also worked with the French Association of Managers of Diversity, which brings together French companies around the promotion of diversity and inclusion. Since 2021, the firm has supported the association through skills sponsorship on a number of topics such as cybersecurity, RGPD regulations, as well as leading the #StOpE initiative – “Stop ordinary sexism in business”, which Wavestone joined in January 2022. It aims to tackle sexism in the workplace and share best practices on this topic.

## 4.2. Inclusion of people with a disability

In keeping with its commitment to the inclusion of disabled people, and benefiting for the first time from an approved agreement (2023-2025), Wavestone has stepped up the development of its disability policy, focusing on four key areas:

- recruitment;
- supporting people with disabilities;
- raising employees' awareness;
- social commitment to the disabled.

As part of its approved agreement, the firm has made a more ambitious commitment to gradually increasing the number of

employees recognized as having a disability, through the recruitment of new employees and the declaration of disability status by existing employees.

These commitments are supported by a Disability Initiative, created in 2017 and made up of four female employees, supported by an external expert. The aim of the Disability Initiative is to offer every employee the same opportunities to fulfill their potential, whatever their health situation. It is gradually enhancing the firm's disability policy and working to provide an inclusive working environment that helps employees to remain in work. The Disability Initiative works closely with HR and management teams, primarily in France.

## Recruitment

Wavestone is stepping up its recruitment initiatives for candidates with disabilities, and making it easier to identify such situations in its usual recruitment channels. The firm also makes every effort to accommodate, support and listen to candidates with disabilities, from the outset of the recruitment process. To meet these objectives, the Disability Initiative and those in charge of recruitment work closely together:

- support from a dedicated team within the recruitment department, responsible for identifying and monitoring candidates declaring a disability, responding to any layout needs and raising awareness of the disability policy and initiatives among all candidates in the process;
- increased use of specialist recruitment agencies, participation in dedicated recruitment forums and partnerships with partner schools to raise the profile of our opportunities;
- raising the awareness of all those involved in recruitment, so that they can inform candidates of the firm's policy, avoid any discrimination and allow any candidate who so wishes to share their health status.

These actions have enabled ten new people with recognized disabilities to join the firm in 2023, seven of them on permanent contracts.

## Support

The Disability Initiative works daily to ensure the successful integration of those whose health impacts on working life, with or without official recognition. In 2023/24, nearly 130 employees received one-off or long-term support in various forms:

- material or organizational adjustments to workstations, in conjunction with occupational health and HR teams. This system has been redesigned to make it smoother and extended to include new services, such as adapted commuter transport;
- active listening and increased support in administrative recognition procedures;

- creation of an inclusive working environment, through regular exchanges with CDMs and HR teams and deployment of a mandatory three-hour training course in managing people with disabilities;
- increase in additional leave (from four to five days) available without need for justification for those whose disability has been officially declared;
- a new external coaching service, offering people with official recognition support at key moments in their careers (team relations, stress, etc.).

These actions enabled 11 additional employees to obtain and share administrative recognition of their disability status in 2023, with a further ten or so applications currently being processed. The year also saw eight resignations of employees recognized as disabled (unrelated to their health situation), highlighting the need for support during the offboarding phase.

### Raising awareness

Raising internal awareness of disability issues is a key factor in achieving Wavestone's ambitions. The Disability Initiative is therefore working to make these issues widely known:

- mandatory attendance by all new recruits at a one-hour diversity and inclusion awareness session and presentation of the firm's policies;
- quarterly round tables and exhibitions on a variety of themes, combining the personal experiences of employees with contributions from outside experts, whether on the subject of dysfunction (dyslexia, dysorthographia, dyscalculia, etc.), hidden disabilities or cancer in the workplace;
- raising awareness of disability issues in all French environments through presentations at practice and team meetings.

As a result of these actions, many employees with health problems have contacted the Disability Initiative, some of whom have applied for official recognition. To take this further, the Disability Initiative will be working in 2024/25 on building an e-learning program to give every employee the means to contribute in their own way to the inclusion of disability within the company.

### Societal impact

To highlight its commitment to the inclusion of people with disabilities in the workplace, in 2023/24 Wavestone continued its involvement in a number of initiatives:

- involvement in the Manifesto for the Inclusion of People with Disabilities, alongside other committed companies, with Wavestone focusing on the international development of disability policies;
- partnerships with leading schools (emlyon, *Grenoble Ecole de Management*, etc.) to organize awareness-raising events and support students;
- increased procurement from the protected and adapted sector, symbolized in particular by the signing of a partnership agreement with the Linklusion platform in September 2023;
- and always at the heart of its consulting activity, the support of associations working in favor of the disabled (*APF France Handicap*, *Handicap International*, etc.).

### Assessment of the first year of the approved agreement

Signing an approved agreement has enabled Wavestone to build on its success in the field of disability, through the comprehensive approach the firm is developing in this area. As of 12/31/23<sup>(i)</sup>, a total of 61 employees on permanent contracts (as well as three work-study students or interns) had official recognition, compared with 44 a year earlier (i.e. seven new hires and eleven new declarations). The target of 58 permanent employees was therefore exceeded.

In line with the commitments made in the agreement, the Disability Initiative has conducted its first survey to measure the satisfaction of employees receiving support. The results revealed a satisfaction rate of 88%, based on 55 respondents (or 60% of employees supported). The qualitative results of this barometer have been used to enhance the 2024/25 action plan.

(i) Declarations relating to the French legal framework applicable to disability refer to the calendar year.

### Wavestone For All

In 2017, a group of employees took the initiative to create an independent network, Wavestone For All, with the aim to promote diversity and inclusion of this diversity within the firm. Network members include diverse people within the company (LGBT+, racialized communities, people with disabilities, etc.) and committed supporters, all of whom volunteer as individuals acting freely and independently of Wavestone. The collective aims to spur action in favor of inclusion.

The network focuses on three priority actions:

- actively listening to employees, whether collectively through workshops, surveys and events, or individually through informal discussions;
- make practical suggestions to management to raise awareness, provide training and improve internal processes;
- collaborating and coordinating with management and the CSR team, to implement proposals that align with all diversity initiatives.

In 2023/24, the network led the following initiatives:

- joint facilitation (with the CSR team) of mandatory inclusion and diversity awareness sessions for all new arrivals;
- fun activities for an inclusive Wavestone environment (board games, quizzes, etc.) throughout the year;
- the expansion of actions to include LGBT+ employees, through regular employee testimonials during Proud@Wavestone webinars, training sessions for HR teams or the organization of Pride Month;
- Wavestone also participated in the "2024 LGBT+ in the workplace barometer" survey in collaboration with L'Autre Cercle and market research firm, IFOP, on the perception of inclusion of LGBT+ people at Wavestone;
- raising awareness of the issues raised by racism (publication of podcasts on the theme of Black History, regional educational exhibitions on racism, facilitating the *Fresque de l'Antiracisme*).

#### 4.3. LGBT+

Based on a recommendation made by Wavestone For All and following the initial signing in 2019, the firm re-signed the LGBT+ Commitment Charter of *L'Autre Cercle*. The Charter seeks to ensure the inclusion of LGBT+ communities in their workplace. By signing this charter, Wavestone commits to:

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

In keeping with the results of the 2022 survey, Wavestone is pursuing its inclusion initiatives around three priorities: training, the Wavestone For All community and the distribution of recruitment resources.

On the subject of racism, priority is given to raising awareness, in particular through round table discussions and testimonials.

#### 4.4. Senior employees

Wavestone undertakes to support its senior employees. As of 03/31/24, employees aged over 50 accounted for almost 6.2% of the firm's total workforce. In France, specific actions were

implemented to meet their expectations 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 scheduled for all employees as of their fiftieth birthday to provide them with an overview on retirement in France and present key information;
- 100% financing of a preventive health check-up, as well as an individual retirement check-up to verify rights acquired, determine the age for reaching full retirement and estimate the amount of the retirement pension;
- upon request, employees aged over 50 with more than five years 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.

Wavestone has also made additional commitments to senior employees for the 2024/25 fiscal year:

- ensure that all later career measures are properly applied and communicated to all employees concerned;

- set up a career management committee that can meet at the request of the HR leader or CDM of employees over 50, to support and advise HR and management teams in preparing for the career development of these employees, especially those who need to benefit from an adapted career path.

#### 4.5. Diversity and social inclusion

##### Social diversity

Wavestone is aware of the role it should play as an employer in promoting social diversity in the consulting sector. The attendance of Pascal Imbert, Chairman and CEO of Wavestone, at the "Connecting generations" round table at the Rencontres économiques d'Aix-en-Provence in July 2023 is very much in keeping with this spirit.

Wavestone has been working for many years at a societal level to promote equal opportunities for young people in its different regions. In order to make tangible progress on this subject within its own teams, the firm aims to achieve the following in the coming years:

- improve social diversity in the consulting sector in France in particular, by working on the sourcing strategy and relationships with schools, and by identifying new relevant partnerships;
- continue and strengthen its support for initiatives to promote the professional and social integration of young people through mentoring, skills sponsorship and the Wavestone Foundation.

##### Developing social integration through consulting services

Wavestone's clients, particularly in France, are also increasingly interested in the social integration of people who are less likely to find work. With this heightened focus increasingly taking the form of contractual commitments, the firm decided to structure its approach in 2023/24: an integration unit was set up to monitor and build relevant integration schemes with partners (network of companies in the adapted sector, such as Linklusion, public bodies responsible for the integration of school dropouts, integration associations, etc.), and to closely monitor the commitments made by Wavestone as part of its services and ensure that they are properly implemented.

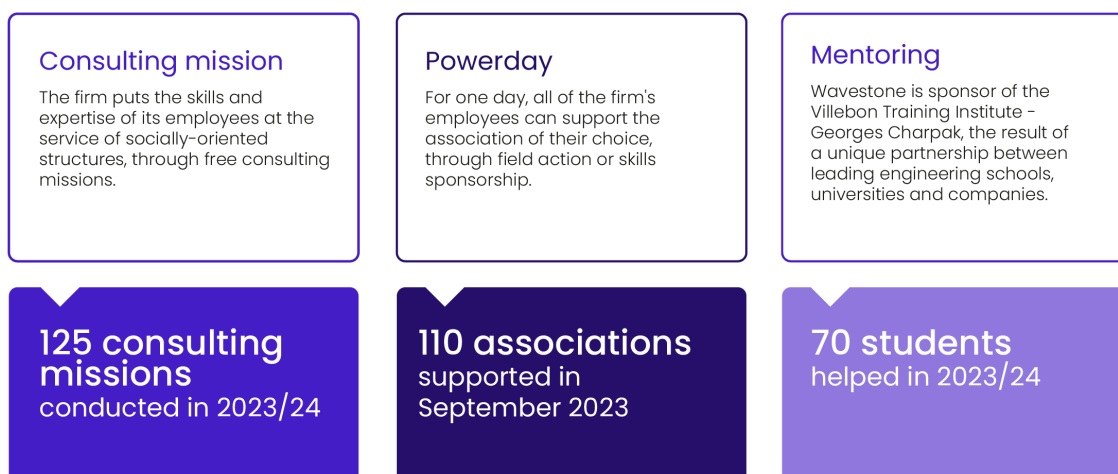
For example, in partnership with the Mission de Lutte contre le Décrochage Scolaire (MLDS), the firm has developed and tested with a young person a comprehensive, modular program offering trainees who have dropped out of school the chance to discover all the firm's business lines.

## 5. Being a corporate citizen that behaves ethically and responsibly

	2023/24 objectives <sup>(1)</sup>	2023/24 performance	2024/25 objectives	2025/26 objectives	2026/27 objectives
Percentage of employees trained to apply the ethics charter <sup>(2)</sup>	95%	96%	95%	95%	95%
Percentage of workforce time spent on social engagement	1.0%	1.1%	1.0%	1.0%	1.0%

### 5.1. Societal action

#### 5.1.1. Skills sponsorship



Wavestone is committed to supporting projects that create social value and to offering them its expertise, by allocating 1% of staff time to them. In 2023/24, the firm surpassed this objective again, allocating 1.1% of employees' time to skills sponsorship. A total of 10,199 days were devoted to such projects. This commitment illustrates the firm's commitment to getting involved with major causes, such as sustainable development, workplace integration and the fight against poverty—and to getting its employees involved as well. To meet this objective, Wavestone is stepping up its skills sponsorship efforts.

#### Consulting assignments completed in the form of skills sponsorship

The firm offers the skills and expertise of its employees to associations with a societal vocation, with pro bono consulting assignments. These engagements require the same level of skill and methodology, the same added value, and the same targets to achieve client satisfaction as Wavestone's regular consulting assignments. These assignments are given the same weight as regular assignments in the employee's career path. This initiative is backed by a network of contacts both for support functions

and in practice, whose role is to liaise with employees and associations.

The skills sponsorship program meets the twofold challenge of making a firm, long-term commitment to key stakeholders (French Red Cross, Make.org Foundation, Femmes@Numérique, and *Solidarités Internationales*), while making its services available to support a diverse range of partners (AFMD, APF *France Handicap*, *Fonds pour l'Arbre*, *Ferme d'Equancourt*, *MerTerre*, etc.).

Wavestone supports its partners in their innovation and transformation endeavors. The firm's partner associations include:

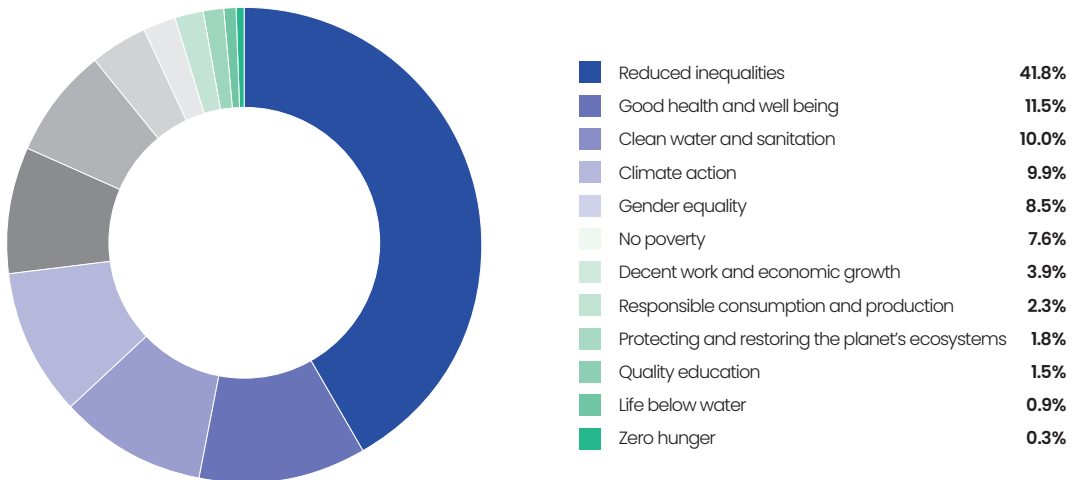
- French Association of Managers of Diversity (AFMD): help AFMD develop its #StOpE to fight casual sexism in the workplace;
- Emmaüs United Kingdom: assist in the selection of new management software and the outsourcing of IT services through a competitive bidding process;
- Share.IT: as part of a long-term partnership, accelerate the impact of the *Des Enfants et des Arbres* association, enabling young citizens and their teachers to play an active role in their future by planting trees as part of an agro-ecological project;

(1) Data excluding PEN Partnership and Coeus Consulting, except percent of workforce time spent on social engagement.  
 (2) Percentage of employees who receive annual training as of 03/31/24.

- *Femmes@Numérique*: Wavestone supports efforts to promote women in digital careers. Over the past four years, 45 consultants have worked on digital projects and communication strategies under this initiative;
- *Solidarités Internationales*: develop digital apps that can be used to manage logistics actions in the field. This assignment coincided with the creation of Hulo, the humanitarian logistics cooperative.

The 2023/24 fiscal year was characterized by very strong incoming demand for skills sponsorship. Wavestone's commitment benefited 54 associations, with 125 consulting assignments completed (excluding Powerday) and contributions from 304 employees for a total of 8,684 days. Skills sponsorship initiatives outside France were stepped, notably with inaugural projects in the United States and Geneva, and continuing efforts in London and Luxembourg.

**Breakdown of the 10,199 days worked, based on the UN's sustainable development goals**



**Powerday, Wavestone's annual global solidarity day**

Each year Wavestone organizes an annual solidarity day on which all employees are invited to lend their support to an association or charity. They volunteer at an association of their choice for a day, either as part of a grassroots endeavor or via skills sponsorship. The associations are committed to a variety of causes. These include the environment, health and disabilities, child welfare, workplace integration, education and citizenship, as well as sports and culture.

The 7<sup>th</sup> Powerday, which was held on 09/01/23, across all offices (with a few projects occurring a bit later in Asia and the United States), saw 1,555 employees participate. The 110 assisted associations indicated they would like to participate in the 2024 edition. They were especially impressed with the quality of the discussions between the association and the Wavestone teams and the high levels of motivation among participating employees.

Wavestone's employees were involved in an array of initiatives, including:

- building an app for an association that wants to educate children in the Greater Paris region (France) about digital topics and career paths;
- help set up and roll out a training program on environmental protection and sustainable development in Loire-Atlantique (France);
- engage in strategic thinking with an organization in Lyon (France) that promotes cycling to redesign its service offers for members and its business model;
- prepare meals for people in Dallas (USA) facing with food insecurity;
- participate in the organization of showering opportunities at a drop-in center for the unhoused by providing clothes and personal care products in Brussels (Belgium);
- build shelters and repair pens for dogs, horses and donkeys in Luxembourg;
- assist an association specializing in second-hand to collect and refurbish items for resale in Geneva (Switzerland).

### Mentoring initiative: the Villebon Institute – Georges Charpak

Since 2012, Wavestone has been a sponsor of the Villebon Training Institute – Georges Charpak, as part of a partnership with major engineering schools, universities, and companies. The institute prepares students for a science degree from the Paris Saclay University, enabling high-potential graduates to achieve excellence even though they are not part of the traditional French higher education system.

The institute applies an experimental and interdisciplinary approach that fosters teamwork in project mode. This serves to disseminate best practices and innovative teaching methods in the university environment.

This educational approach was awarded the Excellence in Innovative Education (IDEFI) label and its success has been illustrated by the achievements of every year groups since the first graduating class. The vast majority of students continued their studies at university level (Paris Cité, Paris-Saclay, etc.), *Ecole Normale Supérieure Paris-Saclay* or engineering schools (*AgroParisTech, Institut d'Optique Paris Tech, Télécom Paris, etc.*).

Over a three-year period, this equal opportunity project supports year groups of around 30 to 36 students in obtaining their science degrees and preparing for competitive exams at engineering schools, all the while guaranteeing social, cultural and intellectual diversity. In 2023/24, 94 students joined the program, including 39% on social scholarships and 30% with disabilities. Around 85 employees sponsored students from Villebon Institute, allocating a total of 30 days to workshops during their working hours.

Wavestone's contribution to the development of the institute and assistance to students takes various forms:

- financial aid for the course (€100,000 over five years);
- active contribution to the definition of school strategy;
- assistance with workplace integration through student sponsorships across all year groups, organizing annual professional workshops and hosting student internships so that students can discover the world of consulting.

Wavestone renewed its partnership as a financial sponsor and mentor through June 2024.

### 5.1.2. 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 particularly focused on developing long-term development projects and upholds the principle of empowering its beneficiaries.

With the Foundation's mandate due to expire in January 2024, the Board of Directors decided on 09/12/23, to extend its existence for a further five years from 01/17/24. New strategic guidelines were agreed in advance of the extension:

- reaffirmed focus on underprivileged children;
- long-term commitment to associations addressing local issues through a dedicated program;
- thematic international calls for projects with a multi-year scope.

Since 2009, support has been given to 207 socio-educational projects, primarily in Africa and Asia. Some 28 emergency projects have also been funded: war in Ukraine, earthquakes in Turkey, Syria and Morocco, etc.

During the 2023/24 fiscal year, around 51 employees were involved in the Wavestone Corporate Foundation, maintaining the link with associations, and participating in selection committees that make decisions about the new projects to be financed.

To cover the foundation's operating costs, in December 2023, the company Wavestone SA decided to reallocate funds to the foundation so it could implement its initiatives for the 2023/24 fiscal year:

- €200,000 to cover the 2023 call for projects and works-in-progress, to be paid in two installments. The first installment of €150,000 was to be paid in January 2024 and the second for €50,000 in March 2024;
- supplemental disbursements were also made for the 2023/24 fiscal year for a total amount of approximately €69,550 (related in particular to the attainment of CSR goals associated with an impact credit).

The charter of the Foundation and all activity reports for the previous years are available on the Foundation's website<sup>(1)</sup>.

### Earthquake in Morocco: emergency aid in 2023

During the night of Friday, September 8, to Saturday, September 9, 2023, a magnitude 6.9 earthquake struck Morocco in a mountainous region south of Marrakech. With a business footprint in Casablanca, Wavestone was especially sensitive to the needs of the population. The firm's staff and their families were safe and sound, but some young employees were in shock. Wavestone set up a crisis counseling unit to support them.

Meanwhile, the foundation issued emergency aid to help associations with which it had established partnerships. Thus, two payments of €20,000 each were made to *Handicap International* and *Solidarités International* to cover basic needs.

(1) [www.fondation-wavestone.com](http://www.fondation-wavestone.com)



Having joined Wavestone in 2022, PEN Partnership finances and manages its own charitable endeavors through PEN Trust. Established in 2017, this organization supports three charities seeking to help young people from underprivileged backgrounds or living in disadvantaged circumstances. In 2023, the trust contributed over £100,000 to fund mentoring activities and investments (including the purchase of a minibus and the renovation of a center).

In the 2024/25 fiscal year, the entity will change its name to Wavestone UK Trust, while maintaining a similar level of funding.

## 5.2. Business ethics

Wavestone is committed to complying with a high standard of business ethics. The firm enforces a zero-tolerance policy as regards any breach of its ethics or human resources policies (conflicts of interest, corruption, influence peddling and all other kinds of fraud or unlawful behavior).

The Wavestone ethics policy is coordinated by a network of ethics officers under the responsibility of the Board of Directors' CSR Committee.

### Framework of Wavestone's activities



As a signatory of the United Nations Global Compact (UNGC) since 2012, Wavestone is committed to align its activities with the Sustainable Development Goals (SDGs) and annually communicates its progress on topics such as human rights, labor rights, the environment and the fight against corruption in its scope as well as that of its stakeholders.

Wavestone strives to uphold the fundamental principles and rights of the United Nations Universal Declaration of Human Rights, and promotes the OECD Guidelines, which encourage multinational companies to make a positive contribution to economic, social and environmental progress. These principles address corporate responsibility, covering issues such as human rights, labor rights, competition, taxation and the environment.

Wavestone also undertakes to uphold ILO standards as regards compensation, working conditions (including the elimination of discrimination related to employment and occupation) and social benefits (including freedom of association and the right to collective bargaining). Wavestone undertakes to pay a living wage that enables employees and their families to meet their basic needs and to provide adequate social protection to all its employees.

Although the consulting and localization activities of its office do not expose it directly to these issues, Wavestone refuses to accept the use of child labor or forced labor, as stipulated in the

fundamental conventions of the International Labour Organization (ILO), including in relations with its suppliers. Wavestone is also committed to the fight against slavery within the firm and its supply chain via the UK Modern Slavery Act, one of the most advanced laws on the subject of slavery, applicable to companies operating in the United Kingdom.

Within the scope of its activity, Wavestone is not involved in any financing, contributions or donations to political organizations or politicians in any of the places where it does business. The Internal Audit team carries out an annual review of any potential conflicts of interest of the members of the Board of Directors.

### Business ethics charter

Wavestone has had a business ethics charter since July 2021, which can be viewed by external stakeholders on its website. It sets out the key principles which guarantee that Wavestone is a trusted partner while also defining a clear framework regarding acceptable behavior and situations in terms of business ethics. This ethics charter was updated in 2024 to cover additional topics, such as conflicts of interest, gifts and invitations, that raised doubts among employees. It applies to all Wavestone's stakeholders. All employees must be aware of these principles and undertake to comply with them. There are provisions for sanctions if it is proven that the firm's ethical principles have been breached.

### Whistleblowing system and the role of the Ethics Officers

Wavestone has rolled out a whistleblowing system to allow employees to report on any behavior that is not compliant with the firm's ethical commitments. An external platform called Whispli is always available (web or mobile app) for all the firm's stakeholders. This platform 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, anti-competitive practices, fraud, money laundering, sensitive transactions, influence peddling, non-compliance with information system rules as well as situations of harassment or all forms of discrimination (based on gender, race, sexual orientation...). Furthermore, alerts can also be submitted via HR and managerial staff and employee representative bodies, or directly to ethics officers. Wavestone enforces a strict zero tolerance against these types of behaviors.

In the 2023/24 fiscal year, Wavestone brought its whistleblower system into compliance with Directive (EU) 2019/1937 on the protection of whistleblowers and its transposition into French and Belgian law. At the same time, Wavestone reiterated its commitment to protecting whistleblowers against any attempt at reprisal.

The firm's seven ethics officers are the standard-bearers of ethics for all Wavestone's stakeholders and are employees appointed by the Chairman-Chief Executive Officer for their skills, integrity, loyalty and company knowledge. Together with the internal audit department, they are committed to do everything possible to guarantee confidentiality in the handling of queries/alerts and have all signed the confidentiality charter that is part of the whistleblowing system.

Ethics officers are responsible for assessing the admissibility of alerts, ensuring that they are followed up and processed and answering questions. Whenever possible, they may contact the employee who raised the alert to obtain details of the facts and, if necessary, conduct further investigations, with the support of internal audit and the functional department concerned.

The Executive Committee (ExCom) ensures that the ethics charter is effectively applied and, in this respect, may be mobilized by the ethics officers to rule on matters.

In the 2023/24 fiscal year, the ethics officers handled 45 alerts or questions (100% of alerts and questions received), of which:

- 36 questions;
- 10 alerts deemed admissible and closed as of 03/31/24.

Most of these situations relate to the risk of conflicts of interest, as well as the risk of non-competitive behavior, leak of confidential data or gifts and invitations. The rise in the number of situations reported compared with the previous year can be explained by employees' greater familiarity with whistleblowing channels, as a result of the awareness-raising and visibility campaigns carried out within the firm.

#### Anti-corruption

Wavestone adopted the anti-corruption Code of Conduct published by Mollenex in December 2017. The Code establishes the principles to be followed by all employees in the performance of their duties, irrespective of their position or location. It also applies to anybody acting on behalf of the firm.

As explained in the paragraph on business ethics, the anti-corruption application guide was transformed into a FAQ, available on intranet. It is restricted to employees and uses real-life cases and questions received by the ethics officers. It is regularly updated in line with new alerts and questions raised.

A mapping of corruption-related risks is updated annually and helps to identify the populations most exposed to risks and to plan prevention and awareness initiatives. In the the previous fiscal year, this mapping of corruption-related risks was incorporated in the firm's overall risk mapping.

These risks and ways of preventing them are outlined in the Chapter "Risk factors and their management", in Wavestone's Universal Registration Document.

#### Business ethics training and awareness

A mandatory e-learning training module on business ethics has been rolled out firm-wide covering all topics of the ethics charter: anti-corruption, anti-competitive practices, protection of client data and conflicts of interest. In the 2023/24 fiscal year, 96% of employees who had worked at the firm at least for a year completed the course (vs. a target of 95%).

In addition, the employees most exposed to corruption risks were trained by an external provider in applying the relevant legal framework in the 2023/24 fiscal year. During the year, two ethics officers, representatives from the internal audit and control departments, and employees in purchase to pay received training.

Lastly, "ethics coffee breaks" are scheduled for the entire firm. Hosted by an ethics officer or member of the internal auditing team, these breaks aim to obtain feedback from participants on an actual case inspired by real-life events and to share best practices.

#### Tax fraud and evasion

Wavestone oversees compliance with the regulations in force in the countries in which the firm operates and ensures that it files all tax returns and pays all taxes due within the deadlines.

### 5.3. Data protection and cyber-resilience

As a responsible economic player in its environment, Wavestone is committed to protecting data across its value chain.

Data protection matters are managed at the highest level of the firm. They are coordinated within the Executive Committee by a partner sponsor of processes linked to Wavestone's information system. Dedicated governance for cybersecurity and data protection is deployed at a more operational level. In the 2023/24 fiscal year, this governance was integrated into the Information Systems Direction. Moreover, a cybersecurity risk control process was established by the firm's Risk Committee.

### Data protection measures across the value chain

Wavestone's core business is to assist its clients in the definition and implementation of their most critical projects. With this in mind, each day, the firm processes a substantial amount of data entrusted to it by its clients. As a trusted partner, Wavestone has made data protection its priority, and painstakingly complies with the regulations in force everywhere it does business.

That is why, in recent years, the company has reviewed and strengthened its information system protection measures to ensure maximum protection against the growing number of cyber threats (Endpoint Detection and Response – EDR, protection of email systems, Active Directory protection...). To protect against any incident that could impact the brand image, business and financial health of its clients but also of Wavestone, a range of functional and technical measures have been implemented throughout the firm. This means that each information system user plays a pivotal role in preventing cyber-risks.

To reflect the importance of the issue for Wavestone, the Executive Committee and the Audit and Risk Steering Committees, in the 2022/23 fiscal year, drafted and validated a new data protection policy applicable to all information processes and systems at the firm. Deployed to all of Wavestone's geographical regions in the 2023/24 fiscal year, it addresses two concerns:

- to increase the confidentiality of client data by further restricting access to documents created by consultants during assignment and automating the deletion of client documentation upon completion of any given assignment; and
- to reduce our carbon footprint by deleting non-final versions of documents.

Wavestone implements best-in-class market practices:

- provision of classification and file protection tools (encryption, etc.) to all employees;
- a secure document hosting platform and client data flows (access management, encryption...);
- detection of data leaks (transfers of unusual data, publication of sensitive files...);
- certifications and external audits of information system components that host critical client data (PASSI – Information Systems Security audit providers, PRIS – Security incident response providers, ISO 27001, Restricted Access...).

### Personal data protection

Wavestone maintains a high level of data protection across all its processes and information systems, in all its geographical locations. The firm scrupulously complies with legislation

regulating the use, access, modification and deletion of data in effect in its various geographical locations (GDPR in the European Union, Data Protection Act in the United Kingdom, etc.), particularly in terms of the collection of personal data from third parties (customers, partners, etc.) and retention periods. Wavestone regularly audits business units that collect, store and process large volumes of important or critical personal data, in order to verify the data protection and/or privacy programs used by suppliers and business partners are compliant.

Wavestone is committed to ensuring that third parties process personal data in a transparent manner. The firm only processes its customers' personal data for the purposes agreed with them. In particular, the firm does not lease, sell or otherwise supply personal data to third parties for purposes other than the provision of services within the scope of its consulting services.

Wavestone's ethics charter, which sets out the principles of responsible data use, also applies to the firm's subcontractors.

### Cyber-resilience

In the 2021/22 fiscal year Wavestone conducted an internal audit of its cyber-resilience capabilities and a crisis exercise involving the Information Systems Department and General Management, which led to the gradual implementation of corrective actions. Wavestone has harnessed the capabilities of its information system (IS), which is mostly Cloud-based, to develop an effective cyber-resilience strategy:

- a "red button" system has been introduced to isolate compromised components of the IS and to limit the scale of any cyber-attack;
- if the IS experiences downtime as a result of a cyber-attack, Wavestone is able to automatically reboot the system. Annual tests are performed to ensure that backup and recovery systems are working properly;
- the firm has designed communication channels that are isolated from the rest of the IS to guarantee a response in the event of a crisis that shuts down normal discussion channels.

### Raising awareness of IT security issues

In order to educate its employees on cyber-risks, Wavestone created a dedicated program called Trust in 2019. In support of existing tools (confidentiality agreement, user agreement, dedicated Intranet page), the firm introduced more dynamic communication channels:

- mandatory cybersecurity awareness course for all new employees, which blocks access to work tools until it is completed;

- organization of an annual e-learning campaign for all employees. After tackling the protection of one's digital life (2019), phishing (2020), protecting client data (2021), and security rules and a phishing test (2022), the 2023/24 campaign focused on personal data protection;
- creation of an awareness videos featuring Information System Security Managers (ISSMs) from some major corporate clients as well as members of Wavestone's General Management team, and animated videos to simplify the use of data protection tools; and
- organization of events to meet employees (cyber-coffee quizzes) and creation of comics to share best practices and cyber news.

The firm set a target to train 100% of new employees in data protection. This objective was achieved in the 2023/24 fiscal year.

**ISO 27001**



Wavestone received ISO 27001 certification for its Information Security Management System for the first time in September 2014. This certification was renewed for a three-year period in February 2021, covering security audits and digital investigations of information systems at the Paris and Nantes sites.

**Cyber Essentials**



As is the case every year, Wavestone's UK office received the Cyber Essentials Plus certification, confirming the high level of security of its systems in protecting against standard cyber-attacks. This certification is issued after an annual external review conducted by a qualified expert.

**5.4. Responsible purchasing and building relationships of trust with suppliers**

**The firm's commitment to responsible purchasing**

Wavestone aims to fully align its purchasing policy with its CSR commitments. This goal is being achieved through the widespread adoption of more sustainable purchasing practices, and through the development of trust-based partnerships with suppliers.

Wavestone's purchases cover all the investments necessary for the firm to run smoothly: offices, information systems, communication and events, hiring, etc.

The vast majority of Wavestone's operations take place in countries with progressive national legislation on the environment, labor law and human rights, which applies to both the company and its suppliers. To take things further, Wavestone is committed to meeting the highest international ethics standards and, in its relations with suppliers, to carrying forward its initiatives that promote social progress and economic development in a spirit of continuous improvement.

As such, Wavestone adheres to the United Nations Global Compact, and follows the OECD Guidelines for Multinational Enterprises and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.

**Deployment of sustainable purchasing practices**

Since 2019, Wavestone has been adopting responsible purchasing practices, by sourcing services from the sheltered employment sector and workplace reintegration companies, and by seeking suppliers who produce locally or who are committed to limiting their environmental or social impact.

The firm continued these efforts in the 2023/24 fiscal year to extend this approach to all types of purchasing through concrete actions:

- in France, establishment of partnerships to promote working with service providers from the sheltered employment sector especially with Linklusion. These partnerships cover the firm's direct purchases and are also used by our consulting teams;
- starting in the fourth quarter of the fiscal year, an assessment of bidders' CSR performance will be included in calls for tender, and will count for 15% of the final score;
- systematic integration of CSR criteria in the selection and furnishing of new offices (notably for the new London facilities); and
- distribution of a responsible event planning guide to all employees, with recommendations on location, accessibility, giveaways and catering.

### Bridges 2023: a large-scale, sustainable event

On 10/06/23, Wavestone organized Bridges. This annual day devoted to collective intelligence and thought on a topic of strategic importance to the firm brought together 3,500 employees in every country this year, a real challenge in terms of sustainability. And yet, by applying the concrete recommendations of the dedicated planning guide, this large-scale event was indeed sustainable, thanks to choices like a committed service provider in Paris with ISO 20121 certification, all-vegetarian meals, no single-use plastic or giveaways, selective sorting, and reusing stage props and furniture.

### Building a relationship of trust with suppliers

Wavestone applies a variety of measures to maintain quality relationships with its service providers:

- simplification of the steps in its purchasing process at every stage, and adaptation of the supplier setup process to take account of supplier diversity and the associated risk;
- raising the awareness of everyone involved in the purchasing process, so that each person is aware of their role and responsibilities;
- reorganization of the purchasing division to enhance end-to-end process control and improve supplier payment times.

In addition, as part of its carbon reduction plan, in the 2023/24 fiscal year Wavestone continued its thorough analysis of its purchasing and the CSR maturity of the firm's Top 25 suppliers (through a maturity questionnaire and a qualitative interview). Combined with an effort to streamline the number of suppliers, this approach should ultimately encourage sourcing from the best-performing suppliers.

More broadly, these changes are part of the firm's drive to comply with regulatory requirements (Sapin II, Due Diligence, etc.).

### Priorities for the 2024/25 fiscal year

The firm has selected two priorities:

- continue to streamline and monitor the supplier portfolio, particularly with regard to CSR performance; and
- expand and continuously improve responsible purchasing practices, in line with the firm's plan to reduce its carbon footprint.

### Outsourcing arrangements

As part of its consulting services to large corporations, Wavestone may occasionally outsource some of the services it provides to other specialist firms, particularly where a specific skill that does not fall within Wavestone's own area of expertise is needed to complete the project. In such cases, outsourcers and subcontractors undertake to comply with Wavestone's business ethics charter.

This means that subcontractors and suppliers, as well as all the firm's internal and external stakeholders, have access to Wavestone's ethics alert system.

### 5.5. Support for military reserves policy in France<sup>(1)</sup>

Wavestone has a long-standing consulting relationship with the French Ministry of the Armed Forces. Indeed, for many years the firm has had an internal community of exchange and expertise dedicated entirely to this field, known as Defnet.

Some of the firm's employees are personally involved as reservists in the French National Guard. Wavestone is careful to ensure that these personal commitments can be combined with the employees' work responsibilities.

(1) New provision introduced by the Military Programming Act of 08/03/23.

## 6. Minimizing the impact of our activity on the environment

Greenhouse gas emissions	Baseline year 2019/20 <sup>(1)</sup>	2023/24 objectives	2023/24 performance <sup>(2)</sup>	2024/25 objectives	2025/26 objectives	2026/27 objectives SBTi near-term	2049 objectives <sup>(3)</sup> SBTi net-zero
Scopes 1 & 2 emissions (In absolute value)	637 tCO <sub>2</sub> e	-17%	-51% 312 tCO <sub>2</sub> e	-21%	-25%	-29%	-90%
Scope 3 emissions (Per employee)	1.46 tCO <sub>2</sub> e/employee	-25%	-27% 1.06 tCO <sub>2</sub> e/employee	-30%	-35%	-40%	-97%

### 6.1. The environment in Wavestone's strategy

Wavestone factors environmental issues into its strategy by making concrete commitments throughout its value chain: assisting clients and focusing on its own activity.

Since the 2021/22 fiscal year, Wavestone has analyzed its environmental risks and opportunities on the basis of recommendations issued by the TCFD (Task Force on Climate-Related Financial Disclosures) and the TNFD<sup>(4)</sup> (Taskforce on Nature-Related Financial Disclosures). This analysis, which follows the firm's materiality matrix, covers direct operations, purchases and use of goods and services. It helps to define the following material environmental issues for Wavestone:

- providing assistance to clients in managing environmental issues;
- mitigating Wavestone's Impact on climate change;
- managing waste;
- contributing to the protection and restoration of biodiversity and ecosystems.

The definition and management of the environmental strategy, and the analysis and recognition of risks and opportunities are all fully integrated into the firm's CSR governance (see section 1.1.2). By way of example, in spring 2023, the Executive Committee approved decisions on the near-term and net-zero commitments put forth by the Science-Based Targets initiative (SBTi).

In 2022, Wavestone created a Carbon Steering Committee made up of representatives from all relevant functions (CSR, Information System Division, Purchasing, Real Estate, etc.) reporting to the firm's overall CSR governance. The role of the committee is to coordinate the firm's environmental roadmap and its trajectory for reducing greenhouse gas (GHG) emissions.

### 6.2. Supporting clients in managing environmental issues

In response to the environmental and climate emergency and as part of its strategic plan, Wavestone continues to develop its eco-friendly solutions to meet the challenges faced by its clients as they embark on the environmental transition and sustainable transformation. In parallel, the firm proactively incorporates (social and) environmental challenges in its recommendations, focusing on three areas in particular: reducing greenhouse gas emissions, transitioning to a circular economy and biodiversity (see section 2.2).

In the years ahead, Wavestone intends to step up its sustainability work, by capitalizing on the strategic transformations it already supports. These include the following projects:

- assisting with conducting a double-materiality analysis (CSRD) for an international insurance company, including an analysis of the current situation in light of new regulations and the creation of a methodology to assess the impacts, risks and opportunities associated with the company's ESG challenges;
- defining a strategy for a major international bank's transition to sustainable agriculture, by leading a working group involving all the client group's entities; and
- carrying out a quantitative study of water resources in the vicinity of the production sites operated by an international industrial leader, and analyzing future scenarios to anticipate the impact of global warming.

(1) Carbon footprint calculated using the GHG Protocol method as part of the SBTi net-zero Standard pledge (see section 6.3.1).

(2) Data excluding PEN Partnership and Coeus Consulting.

(3) Once it has met the 2049 target, Wavestone is committed to contributing to global carbon neutrality by offsetting its residual emissions.

(4) The TCFD was created in 2015 by the Financial Stability Board. The market-led Task Force on Nature-Related Financial Disclosures (TNFD) is a science-based organization backed by governments and philanthropic institutions.

### 6.3. Climate change mitigation

#### 6.3.1. Carbon accounting context and methodology

To better understand Wavestone's climate policy, it is important to understand the different scopes in which greenhouse gas emissions are measured. Three scopes are analyzed to calculate a carbon footprint.



Wavestone is transparent about the volume of its emissions and is promoting the adoption of virtuous practices in its industry. This approach is reflected in the more extensive coverage of material indirect emissions (scope 3) and annual updates to the emissions tracking methodology (see sections 6.3.4 and 8.3).

Wavestone calculates and communicates its carbon footprint on an annual basis and has published a *Bilan Carbone*<sup>®</sup> (Carbon Audit) report in the Greenhouse Gas Emissions Assessment (BEGES) format since the 2012/13 fiscal year. In the 2022/23<sup>(1)</sup> fiscal year and in keeping with its SBTi commitment, Wavestone adopted the GHG Protocol methodology.

An explanation of these two methodologies is given in section 8.3, along with a table comparing their differences and similarities.

#### 6.3.2. Climate commitments and targets

##### SBTi commitments and analysis of results achieved

At the start of the 2022/23 fiscal year, Wavestone decided to step up its contribution to the climate challenge by committing to reducing its greenhouse gas emissions in line with the net-zero Standard of the Science-Based Targets initiative (SBTi) and with the Paris Agreement to limit global warming to 1.5 °C.

Wavestone chose the 2019/20 fiscal year as the reference year, which offers the most recent representative data before the impact of the COVID-19 pandemic. The firm's near-term emissions reductions for 2026 (2026/27 fiscal year) and the net-zero goals for 2049 (2049/50 fiscal year) were approved by SBTi in May 2023.

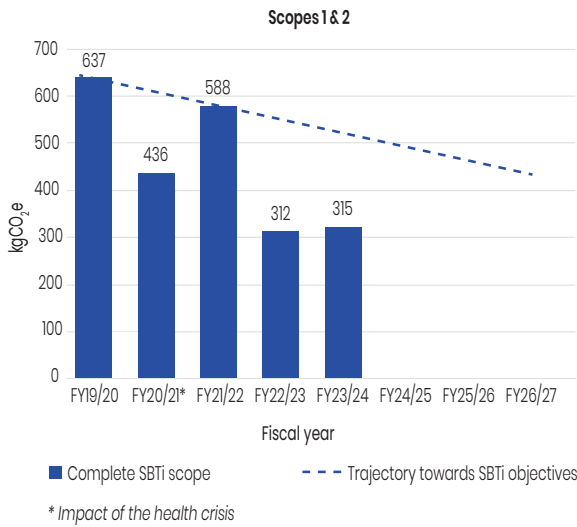
Once it has met the 2049 target, Wavestone is committed to contributing to global carbon neutrality by offsetting its residual emissions.

Within the scope of the SBTi<sup>(2)</sup> objectives, Wavestone's total carbon footprint amounted to 4,991 tCO<sub>2</sub>e in 2023/24 compared with 4,908 tCO<sub>2</sub>e in 2022/23. The reasons for this slight increase are presented in section 6.3.3.

(1) Practice extending beyond regulatory obligations, which require a GHG Audit (scopes 1 & 2) to be published every four years.

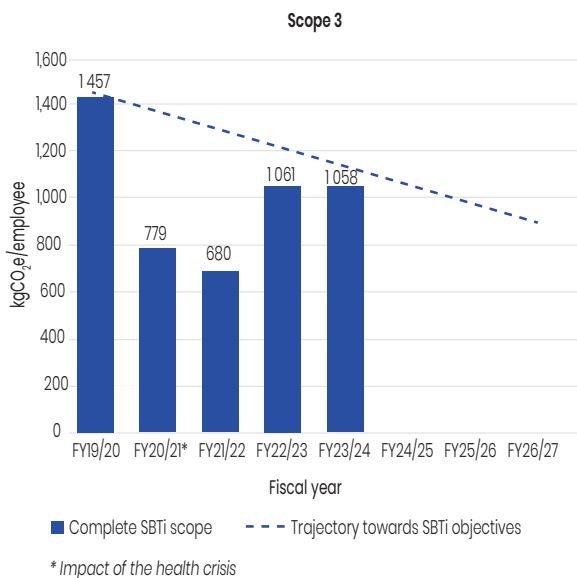
(2) In calculating scope 3 of Wavestone's near-term and net-zero SBTi commitments, optional emissions under the GHG Protocol (hotel expenses, remote working for employees and external use of sites) are not recognized.

**Change in scopes 1 & 2 emissions since 2019/20**  
(SBTi scope)



Wavestone's carbon footprint for scopes 1 & 2 totaled 312 tCO<sub>2</sub>e (market-based), of which 64 tCO<sub>2</sub>e for scope 1 & 248 tCO<sub>2</sub>e for scope 2. These scopes 1 & 2 emissions were down 51% vs. 2019/20, which is well in line with the firm's 17% reduction target, as approved by SBTi for the 2023/24 fiscal year.

**Change in scope 3 emissions since 2019/20**  
(SBTi scope)



Wavestone's carbon footprint for scope 3 (SBTi scope) totaled 4,679 tCO<sub>2</sub>e (1.06 tCO<sub>2</sub>e per employee), representing a 27% fall from 2019/20 (1.46 tCO<sub>2</sub>e per employee), in line with the 25% reduction target, as approved by SBTi for the 2023/24 fiscal year.

Since the health crisis in 2020, ways of working have changed (increased frequency of remote working and the deployment of digital tools). As a result, compared with 2019/20, scope 3 emissions from business trips have fallen while those from Cloud-based technology have increased.

In 2023/24, Wavestone developed a carbon trajectory modeling tool to help it achieve its short-term objective for 2026/27. The tool incorporates reduction levers to estimate the firm's GHG emissions over the next few years, and adjust its strategy accordingly.

**Impact credit and achievement of objectives**

Since 2021, Wavestone has chosen to link its financing and its ESG performance, by integrating environmental, social and societal criteria into its existing credit lines (SLLs). Four objectives embodying the firm's priorities were defined. One of these targets is to reduce the carbon footprint per employee (scopes 1 & 2 and business travel) by at least 40% in the 2023/24 fiscal year compared with fiscal year 2019/20<sup>(1)</sup>.

For this scope, Wavestone's carbon footprint in 2023/24 was 1,712 tCO<sub>2</sub>e, or 0.39 tCO<sub>2</sub>e per employee, compared with 0.79 tCO<sub>2</sub>e per employee in 2019/20. As a result of this 51% reduction from 2019/20, the firm achieved its target 40% reduction for the 2023/24 fiscal year, without any offsetting activities.

An amendment was signed in May 2024 between Wavestone and the banking pool, to set out transitional conditions for the 2024/25 fiscal year, and new conditions for the entire group scope to apply from the 2025/26 fiscal year (including Q\_PERIOR) are due to be defined this year.

**6.3.3. Wavestone's carbon footprint in the 2023/24 fiscal year**

The carbon footprint presented in this section covers all the group's CO<sub>2</sub> emissions, including optional emissions according to the GHG Protocol (hotel expenses and energy consumption for remote workers), and including acquisitions made up to the 2022/23 fiscal year<sup>(2)</sup>.

(1) Under the impact credit, the scope of CO<sub>2</sub> emissions includes scopes 1 & 2 emissions as well as business trips, under the GHG Protocol and excluding acquisitions since 03/31/21 (start date).

(2) Q\_PERIOR and Aspirant are therefore not taken into account.

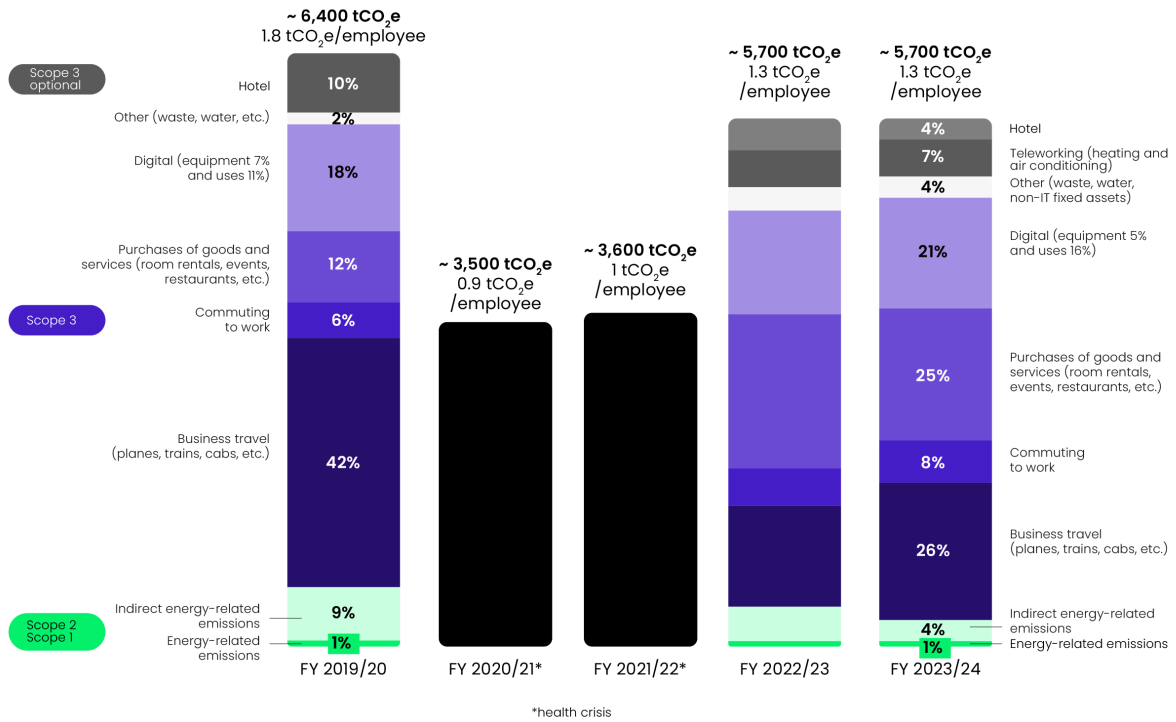


**Overall trend**

Wavestone's carbon footprint for the full scope of the firm's direct and indirect emissions (scopes 1, 2 and 3) was 5,698 tCO<sub>2</sub>e<sup>(1)</sup> in the 2023/24 fiscal year, vs. 5,695 tCO<sub>2</sub>e in 2022/23.

The main GHG emissions categories were, in decreasing order: business trips (1,919 tCO<sub>2</sub>e), purchases (1,638 tCO<sub>2</sub>e), digital technologies (1,195 tCO<sub>2</sub>e), energy consumption (718 tCO<sub>2</sub>e) and non-digital fixed assets (172 tCO<sub>2</sub>e).

**Change in Wavestone's carbon footprint since 2019/20 by category in absolute value**



Wavestone succeeded in stabilizing its carbon footprint in 2023/24 compared to the the previous fiscal year. Indeed, despite the rise in emissions associated with business trips and purchases, the decrease in emissions from digital technologies and remote working helped maintain the overall carbon footprint at 1.3 tCO<sub>2</sub>e per employee.

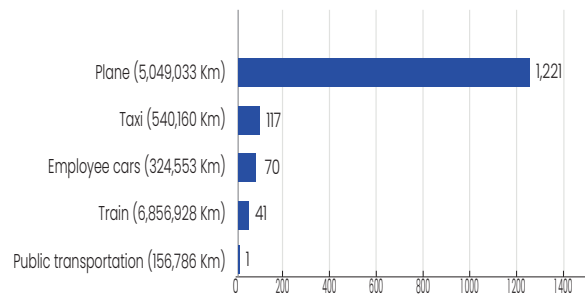
**Travel and transportation**

Travel is Wavestone's biggest source of greenhouse gas emissions. Thus it is a priority area of action for the firm's reduction efforts.

**Business trips**

In the 2023/24 fiscal year, the carbon footprint attributable to business trips was 1,450 tCO<sub>2</sub>e, or 25% of the firm's total carbon footprint, vs. 1,381 tCO<sub>2</sub>e in 2022/23. This increase is due in particular to the expansion of Wavestone's business activities outside France, resulting in more air travel.

**Breakdown of emissions linked to business trips in tCO<sub>2</sub>e (total: 1,450)**



In the 2022/23 fiscal year, the firm implemented an initiative to reduce emissions in this category:

- monthly oversight of the carbon footprint linked to air travel: reducing trips by airplane is a priority for the firm. Since 2023/24, the firm has been monitoring travel by practice and offices

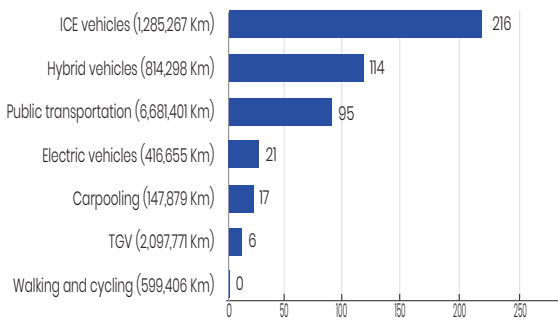
(1) Wavestone's total carbon footprint as per GHG Protocol, including all scopes and optional emissions (hotel expenses, remote work and external use of sites), including acquisitions except those carried out in the 2023/24 fiscal year.

that use this mode of transport the most, with reduction targets set by the carbon ambassadors. A monthly committee meeting brings together these ambassadors and the environment team to analyze flights, and to anticipate and optimize travel to reduce the use of airplanes;

- review of business travel policy: in November 2023, Wavestone began updating its travel policies applicable in all geographic regions (starting with France). For example, the firm banned its French employees from taking a flight if the trip can be made by train in under four hours;
- responsible traveler's guide: an awareness-raising document for employees that was written and disseminated to carbon ambassadors. In particular, it offers a decision tree to help employees think about the pertinence of a trip, along with tips to work productively on a train.

**Commuting to work**

**Breakdown of emissions to daily work commutes in tCO<sub>2</sub>e (total: 469)**



To measure GHG emissions arising from daily work commutes, Wavestone conducts an annual survey of its employees. The 2023/24 survey garnered 1,075 responses, or 24% of all staff. To minimize the variability of responses based on the number of respondents, the 2023/24 carbon footprint was calculated on the basis of the average results from the last three surveys (2021/22 to 2023/24).

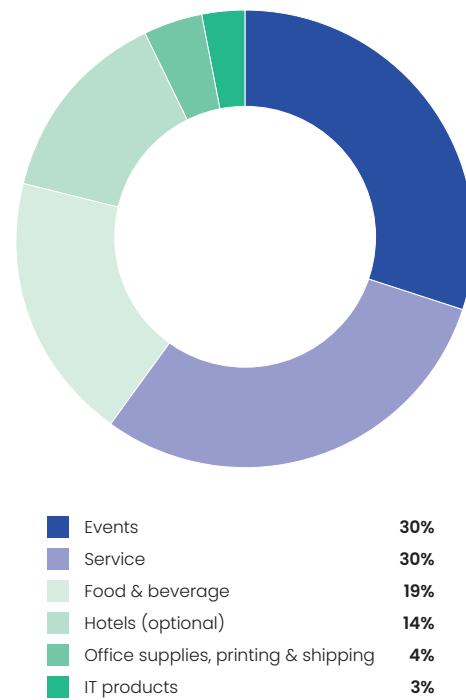
In the 2023/24 fiscal year, the carbon footprint attributable to daily commuting was 469 tCO<sub>2</sub>e, or 8% of the firm's total carbon footprint. The corresponding figure in 2022/23 was 337 tCO<sub>2</sub>e. This increase is mainly due to a more comprehensive measurement than in the past (new transport options in the annual employee survey) of the various types of commutes, including TGV train travel for employees who live outside their office's home region. In addition, the emission factors have been updated to incorporate the latest sources from the French Environment and Energy Management Agency (ADEME), such as trains, TER service and the metro, and to select the most appropriate ones (hybrid and electric cars).

Wavestone is taking steps to encourage its employees to use active modes of transport. In France, for example, the firm reimburses 50% of the cost of subscribing to a bicycle sharing service (which can be combined with the 50% reimbursement of public transport costs). In Switzerland, Wavestone covers 100% of public transportation passes.

**Purchases**

In the 2023/24 fiscal year, the carbon footprint attributable to purchases (excluding digital spending) 1,638 tCO<sub>2</sub>e, or 29% of the firm's total carbon footprint. The corresponding figure in 2022/23 was 1,635 tCO<sub>2</sub>e. The amount of purchases rose sharply, but the carbon impact remained constant, thanks in large part to the efforts made to organize more sustainable events.

**Breakdown of the carbon footprint of purchases in 2023/24 (1,638 tCO<sub>2</sub>e)**



Wavestone is careful in the selection of its suppliers, and strives to develop ethical partnerships with them and to promote responsible purchasing practices (see section 5.4). Environmental (and more broadly, CSR) considerations are built into the decision-making process to give preference, as often as possible, to suppliers who produce locally and/or are committed to limiting their environmental impact.

Because event organization is the biggest source of emissions within purchasing, in 2023/24 Wavestone formalized a guide to best practices for organizing events responsibly, suggesting, for example, increasing the proportion of vegetarian meals or

limiting the purchase of goodies. To obtain an accurate calculation of the carbon footprint of its events, Wavestone now requires its main event vendors to complete an information sheet detailing the food consumed, the energy used, and the activities offered (see section 8.3). This calculation method recognizes the efforts made and enables us to develop a single monetary emission factor, applicable to all the firm's events.

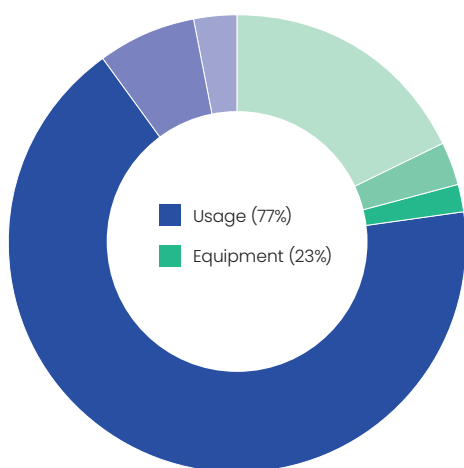
Significant efforts were made to reduce the carbon footprint of events, which fell to 491 tCO<sub>2</sub>e in 2023/24, down from 990 tCO<sub>2</sub>e in 2022/23. This marked decline illustrates the effectiveness of the alternatives adopted and opens up new possibilities to adapt future editions.

In the 2024/25 fiscal year, Wavestone wants to expand its carbon reduction work to other purchasing categories and educate the people involved in purchasing decisions. The scope of the categories taken into account will also be revised (see section 6.3.4).

**Digital technologies**

In the 2023/24 fiscal year, the carbon footprint attributable to digital purchases was 1,195 tCO<sub>2</sub>e, or 21% of the firm's total carbon footprint. The corresponding figure in 2022/23 was 1,443 tCO<sub>2</sub>e. This substantial decrease is the result of allocating reused IT equipment to new employees, enabling a significant reduction in digital purchases.

**Breakdown of carbon emissions from digital purchases in 2023/24 (total: 1,195 tCO<sub>2</sub>e)**



Computers	18%
Smartphones	3%
Other equipment (audiovisual, network, etc.)	2%
Microsoft O365	67%
Web browsing	7%
Azure	3%

The firm is pressing ahead with a series of initiatives to address this challenge.

**Efforts around computers (PCs):**

- laptop computers purchased must have a Gold or Silver rating from the Electronic Environmental Assessment Tool (EPEAT)<sup>(1)</sup>;
- the logistics chain and distribution rules for the PC fleet were overhauled in 2023/24, resulting in improved inventory management, more efficient and rapid reuse, and better forecasting of purchases to be made. All these actions led to a significant decrease in the volumes purchased during the fiscal year, with a 39% drop from the previous year. This reduction also carried through to the carbon impact of PC purchases, which was cut by 50% (from 473 tCO<sub>2</sub>e in 2022/23 to 213 tCO<sub>2</sub>e in 2023/24);
- furthermore, the PC replacement policy aims to extend the life of PCs for as long as possible: equipment is replaced if it is more than five years old or out of order, and repairs are made during the first three years of operation (only if the equipment is still under warranty). The average period of use of a computer by an employee is around four years.

**Efforts around mobile phones:**

- the logistics chain and distribution rules for mobile phones were also revised. Combined with a decrease in the number of new hires, these changes led to a 50% drop in mobile phone purchases from 2022/23 to fiscal year 2023/24;
- since November 2022, the replacement campaigns that were once carried out every three years have given way to the processing of requests as and when they are made, which gives employees the ability to keep their phones longer. Repairs are considered on a case-by-case basis depending on the damage;
- corporate communications for employees are gradually evolving to encourage more virtuous behavior, and in particular to promote the use of a single telephone for both business and personal use.

**Efforts around digital practices (Cloud, Internet, etc.)**

The energy efficiency plan Wavestone deployed in 2022/23 includes digital usage. To limit data storage, which has a major impact on the firm's digital footprint, the SharePoint platform is purged regularly to document versions that have not been edited in more than six months.

At the end of the 2023/24 fiscal year, the firm convened its responsible digital experts to work on an in-house assignment to improve measurement techniques and identify new opportunities to reduce the digital carbon footprint.

(1) An environmental assessment tool for electronic products that takes into account all phases of the product life cycle.

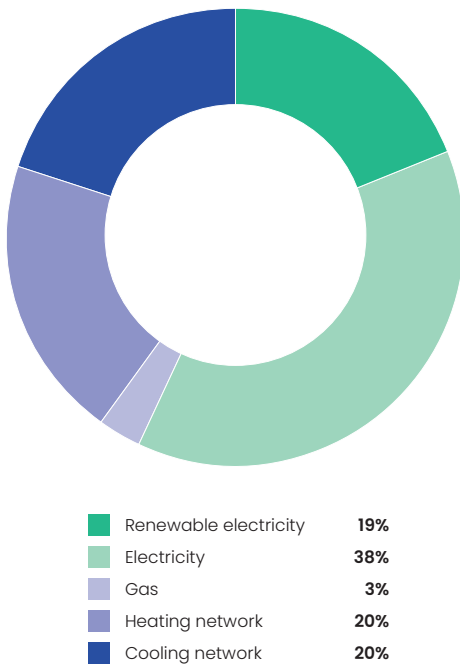
**Building and energy management**

**Energy consumption by offices**

The energy consumption by Wavestone's offices accounted for 5% (i.e. 304 tCO<sub>2</sub>e, market-based) of the firm's carbon footprint in 2023/24, i.e. 2.378 GWh of energy consumed over the year. The corresponding figure in 2022/23 was 292 tCO<sub>2</sub>e.

The slight increase between the two fiscal years can be put down to an expansion of office space in Lyon and Hong Kong, partly offset by the contracting of renewable electricity in Brussels and actions to reduce energy consumption as part of the energy efficiency plan.

**Breakdown of energy consumption by offices in 2023/24 (total: 2,377,857 kWh)**



Since the 2023/24 fiscal year, a CSR team representative has been systematically assigned to teams in charge of managing office relocation projects. Their role is to guide the selection of new offices according to specifications that include environmental and social criteria, in order to gradually align the entire real estate portfolio with the firm's GHG emissions reduction trajectory. For example, in 2023/24, these criteria were factored into the choice of the new London office, with the chosen building receiving the Very Good rating from BREEAM (Building Research Establishment Environmental Assessment Methodology). Gold-level SKA (Sustainable Knowledge Alliance) accreditation is also being sought.

In addition, the renovation of the Lyon office was initiated by the building's owner in order to improve energy performance, thereby reducing Wavestone's energy consumption while enhancing workplace comfort for employees.

Finally, Wavestone has adjusted its electricity contracts to supply all offices where possible with electricity generated from renewable sources. As at 03/31/24, five offices (Paris, Geneva, Luxembourg, Brussels and London) had renewable electricity contracts, covering almost 88% of the group's workforce. The other offices are not currently eligible, as the energy contracts are not managed directly by Wavestone or because there are no electricity contracts with a renewable option.

Since 2022/23, as part of its energy efficiency plan, Wavestone has been implementing measures to curb its energy consumption:

- reducing energy consumption in common and private areas (setting a maximum heating temperature of 19 °C and a minimum air conditioning temperature of 26 °C), installing presence detectors to reduce lighting, and partial and occasional closure of the premises when they are lightly occupied (during the holiday season);
- optimizing digital usage by removing dynamic display screens from social spaces and optimizing Cloud storage space;
- raising employee awareness via the WaveWatchers app (see section 6.4.1).

**Energy consumption linked to remote working**

Energy consumption linked to remote working was down slightly, from 442 tCO<sub>2</sub>e in 2022/23 to 401 tCO<sub>2</sub>e in 2023/24. As part of the ongoing energy efficiency plan, Wavestone also shared with employees a guide to eco-friendly practices when working remotely (using Wi-Fi rather than 4G, for example).

**Non-digital fixed assets**

Fixed assets (construction work, new furniture and leased vehicles, excluding digital) generated 172 tCO<sub>2</sub>e in 2023/24, or 3% of the total carbon footprint. The corresponding figure in 2022/23 was 75 tCO<sub>2</sub>e. The increase in emissions came from construction work and furniture purchases for the new London offices. Special efforts were made to limit the associated carbon footprint, notably by reusing over 40% of the furniture from the previous offices, and by favoring the purchase of products sourced in the UK.

**Other categories**

Wavestone's other categories for GHG emissions account for slightly more than 1% of the total carbon footprint (i.e., 70 tCO<sub>2</sub>e). These comprised fugitive emissions (12 tCO<sub>2</sub>e, scope 1), waste (13 tCO<sub>2</sub>e, or 57,013 kg, see section 6.5), energy consumption from Wavestone's vehicles (44 tCO<sub>2</sub>e, scope 1) and water consumption (0.6 tCO<sub>2</sub>e, scope 3).

### 6.3.4. Priority reduction actions in 2024/25

For the 2024/25 fiscal year, Wavestone has set reduction targets in line with its SBTi trajectory, namely -21% on scopes 1 & 2 in absolute terms, and -30% on scope 3 in intensity compared with its 2019/20 baseline year.

To enhance the management of this trajectory, the firm has decided to introduce carbon budgets for 2024/25 for the most significant emissions categories in the firm's footprint. For scopes 1 & 2, a dedicated budget is allocated for each move and overseen by the project team. For scope 3, there are three categories with a carbon budget, which covers 68% of the scope's emissions:

- business trips by airplane managed by carbon ambassadors in the practices at each office;
- events organized by Wavestone, managed by the HR and communication teams; and
- digital, managed by the ISD.

These budgets will be tracked in the financial budget management units of the affected practices and functions and monitored by the firm's CSR committee. This new mechanism seeks to further involve the practices and functional teams and spur them to include environmental issues in the firm's key decisions.

#### Changes planned for the 2024/25 fiscal year

In 2024/25, Wavestone intends to revise its scope of commitment in line with SBTi guidelines, to incorporate recent structural changes (detailed below) that have resulted in a variation of over 5% in the emissions initially reported for the 2019/20 baseline year. The purpose of this process is to ensure the accuracy of the initial data and confirm that the approved reduction targets are still relevant and realistic.

The first phase will focus on the changes in carbon accounting methodology. The most recent emission factors will be taken into account (according to the latest recommendations issued by the French Environment and Energy Management Agency) and calculation methods will be adjusted, including digital usage, in order to assess as accurately as possible the greenhouse gas emissions associated with Wavestone's activities.

The second phase will involve the inclusion of additional scopes (daily work commutes, new purchasing categories such as banking-insurance and professional services, teaching, participation in external events and SaaS platforms), with a view to continuously improving the comprehensiveness of the 2019/20 carbon emissions measurement.

The third phase will take into account the acquisitions made by Wavestone since the SBTi objectives were approved: Nomadéis, PEN Partnership and Coeus Consulting in 2022/23, and Q\_PERIOR and Aspirant in 2023/24.

## 6.4. Environmental actions and initiatives

### 6.4.1. Employee training and commitment

To bolster its efforts to reduce its carbon footprint, Wavestone is committed to involving its employees in training and awareness-raising sessions to help them refine their skills and act individually to advance environmental topics.

#### Mandatory training for all employees

In the 2023/24 fiscal year, the firm continued to roll out the mandatory training curriculum, "My Sustainability Learning Journey", consisting of more than 20 micro-learning modules, five of which are required. The training, which adds up to six hours in all, has two goals: understand climate change and inspire concrete actions to make a sustainable transformation. In the 2023/24 fiscal year, some 2,011 employees (45% completed the mandatory modules).

Since 2022/23, all employees have been required to participate in a Climate Fresk workshop<sup>(1)</sup>. As of 03/31/24, a total of 2,513 employees (56%) had done this training, including 187 outside France. The firm currently has 70 Climate Fresk trainers. Reflecting its commitment to the cause, Wavestone became Climate Fresk-certified. In 2024/25, the Climate Fresk will be integrated into the standard training process in all Wavestone offices, and the firm has set itself the target of training 80% of all its employees<sup>(2)</sup>.

#### Training for consultants who work on Sustainability projects

The firm would like to offer a distinctive sustainable development training program for its consultants and clients, in line with their needs for skills enhancement and those of the sustainable transformation market. The training curricula offered in the Sustainability catalog focus on different subject areas: sustainable performance, resources, HR, change and sustainable tech.

In the 2023/24 fiscal year, two training capsules were developed in-house to address major CSR regulations and carbon accounting. Other topics are currently in development, notably CSRD (a major ESG reporting regulation), for which our Sustainability practice has developed a sustainable performance offering.

In addition, external training courses enable employees to acquire skills in methodologies and processes recognized by the market and our clients, such as *Bilan Carbone*<sup>®</sup> (BMC1/BMC2) and the GBS methodology (Global Biodiversity Score).

(1) Fun workshops to raise employees' awareness of climate change; for more information, go to [fresqueducimat.org](https://fresqueducimat.org).

(2) Taking into account employee departures and arrivals.

### Awareness-raising efforts

A number of internal initiatives help to involve employees in the firm's initiatives. Examples include:

- a PowerApps application called WaveWatchers was developed in-house, to enable each employee to take responsibility for his or her own work-related carbon footprint. Users enter their transportation and eating habits, then receive an estimate of their carbon impact by emissions category and can sign up to challenges to reduce their footprint. They can also access resources (articles, book and video recommendations) to brush up on the different environmental topics.
- Digital Fresk sessions<sup>(1)</sup> are also organized at the firm by a network of 17 trainers who have trained 282 employees as of 03/31/24. In addition, 79 employees took part in Biodiversity Fresk sessions<sup>(2)</sup> led by four in-house trainers;
- an internal Sustainable Tech Week was organized to promote digital responsibility in November 2023. Twenty speakers led a dozen workshops, highlighting hot topics such as the environmental impact of AI and the lifecycle of IT equipment. More than 320 employees took advantage of the content offered.

At the same time, the Paris office held a Digital Clean Up that made it possible to collect 80 kg of personal digital equipment, avoiding 17 tCO<sub>2</sub>e of emissions.

Furthermore, in response to a frequent request from clients, an in-house tool has been developed to measure the carbon impact of consulting services. The Carbon Calculator makes it quick and easy to estimate the carbon footprint of a consulting assignment, based on Wavestone's latest carbon footprint report and on travel assumptions linked to the assignment.

#### 6.4.2. Policy of contributing to carbon neutrality

Wavestone aims to contribute to global carbon neutrality beyond its value chain, which is why the environment is a guiding principle in its sponsorship actions and at Shake'Up, its startup incubator. In the coming years, the firm intends to further develop its strategy of contributing to global carbon neutrality, in particular by financing carbon capture and storage projects.

In 2023/24, the firm contributed 1,009 days of skill sponsorship (i.e. 10% of total sponsorship activities) to Sustainable Development Goal 13, which aims to support actions in favor of the climate

(excluding Powerday), with projects such as revamping the GoodPlanet Foundation's carbon calculator, developing fuel poverty scenarios<sup>(3)</sup> for the *Stop à l'Exclusion Énergétique* association, and defining the needs of the French Red Cross to adopt a carbon footprint measurement platform.

Shake'Up, Wavestone's startup accelerator, supported startups with projects specializing in sustainability issues with a focus on four verticals: circularity of consumer goods, sustainable mobility, digital responsibility and energy-efficient buildings. A total of four companies received assistance:

- *Néolithé*, a startup that transforms non-recyclable waste into mineral aggregates for use in the construction sector;
- *Bibak*, specialized in the reuse of containers for events, mass catering and fast-food restaurants;
- *UMotion*, which has developed a utility vehicle designed for last-kilometer (last-mile) deliveries to transport the capacity of a standard van at the cost of a cargo bike;
- *Smart & Connective*, which aims to transform the technical management of buildings and the very architecture of automation solutions, enabling companies to make large-scale energy savings.

The Wavestone Foundation provided financial support for community projects, some of which address environmental issues. For example, the NGO *Lumières Pour Tous* received €4,000 to supply electricity to a school compound in Togo. *Electriciens sans Frontières* was awarded €10,000 to set up a photovoltaic power production facility in a region of Burkina Faso.

#### 6.4.3. How Wavestone contributes to sector initiatives

Wavestone takes part in a number of sector initiatives, including the following actions:

##### Planet Tech'Care & Green Tech Forum

Wavestone participates in the Planet Tech'Care 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. At the Green Tech Forum in November 2023, Wavestone experts gave talks at the conference and co-hosted a workshop with a major insurance company about adopting the right tools for a successful Digital Responsibility program.

(1) Fun workshops to raise awareness of environmental and social digital challenges; for more information, go to [climatefresk.org](https://climatefresk.org).

(2) Fun workshops to increase awareness of biodiversity protection and conservation; for more information, go to [fresquedelabiodiversite.org](https://fresquedelabiodiversite.org) (the "Biodiversity Collage").

(3) Fuel poverty scenarios: analysis of situations in which a household has difficulty securing access to basic energy services, such as heating, lighting or hot water, due to financial constraints or inadequate housing conditions.

**Institut du Numérique Responsable (INR)**

Wavestone signed the Responsible Digital Charter of the *Institut du Numérique Responsable* (INR – France’s Responsible Digital Institute) in 2021, embodying the firm’s commitment to lead by example in this area, and to devote time to promoting and adopting responsible digital practices.

**Boavizta**

Wavestone is involved in an inter-organizational working group to co-develop solutions that measure the impact of digital technologies in organizations. As part of this initiative, Wavestone attends bi-monthly workshops on how to measure the digital sector’s impact and helped formalize a methodological guide on best practices in measuring the carbon footprint of information systems.

**Cybersecurity’s environmental impact**

Building on the firm’s work on cyber resilience strategy, Wavestone and Campus Cyber launched an initiative, as part of the Cyber4Tomorrow working group, to develop a methodology for calculating greenhouse gas emissions linked to cybersecurity<sup>(1)</sup>. This approach, which is now backed by ADEME aims to identify the controls that generate the most emissions, and to offer strategies to reduce them.

**EpE (Entreprises pour l’Environnement)**

In 2023 Wavestone joined the EpE association, a partner of the World Business Council for Sustainable Development, whose membership is made up of around 60 large French and international companies from all business sectors that are involved in the ecological transition. In December 2023, for the launch of the *Etape 2030 de la Transition Ecologique* study, Pascal Imbert, in his capacity as Chairman and CEO of Wavestone, joined a coalition in which, for the first time, 60 CEOs of major companies rallied around shared views on the ecological transition and, in an opinion column<sup>(2)</sup> called on businesses to accelerate their efforts to transform into a more sustainable economy and society.

**6.5. Transition to a circular economy**

**Waste management**

The main waste-related challenges facing Wavestone center on IT equipment (laptop computers, peripherals, screens, servers, etc.) and office waste (paper, organic waste, packaging and ink cartridges, etc.). Wavestone has implemented policies and procedures to enable a reduction in digital waste (notably in the French offices, accounting for nearly 86% of the headcount), including:

- implementation of a policy aimed at giving IT equipment a second life and systematically recycling it: leasing computers

back to suppliers, responsible recycling of directly purchased computers, telephones and other equipment (see section 6.3.3);

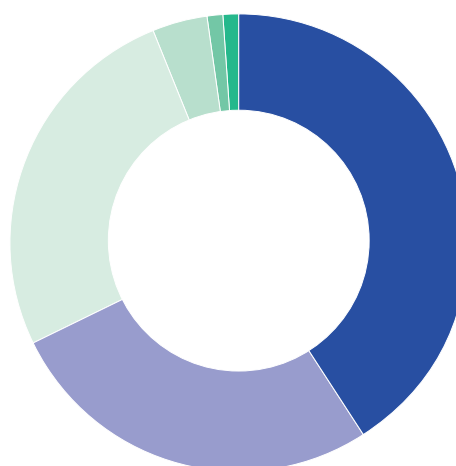
- the treatment of waste electrical and electronic equipment (WEEE<sup>(3)</sup>) through the clean disposal of hazardous components and the recycling of recyclable materials by certified companies.

Parallel to this, Wavestone seeks to actively reduce office waste and increase recycling by teaming up with a recycling company to optimize waste sorting in the Paris, Nantes, Marseille, Brussels and London offices, and in Lyon where waste sorting is already set up.

Waste management was a key aspect of the relocation of the London offices: some 40–50% of existing furniture was reused, and all materials discarded during the fit-out were recycled wherever possible (the site’s recycling rate is 96%).

Despite the policies and procedures put in place by Wavestone to reduce waste production and to decouple waste production from workforce growth, the amount of waste generated by Wavestone in the 2023/24 fiscal year increased (from 23 metric tons in 2022/23 to 57 metric tons of waste). The higher figure is due in part to the relocation of the Marseille and London offices, which resulted in furniture and materials waste, and in part to more accurate data collection (which nevertheless makes it possible to limit assumptions and extrapolations).

**Breakdown of waste in 2023/24 (total: 57 metric tons)**



(1) <https://www.wavestone.com/fr/insight/cyber-sustainability-methodologie/> <https://www.wavestone.com/fr/insight/cyber-sustainability-methodologie/>.

(2) *La Tribune* article from 11/26/23: “COP28: 60 CEOs of major French companies call for a faster ecological transition”.

(3) Waste electrical and electronic equipment (WEEE). 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.

### Impact on food waste and food poverty

Wavestone fully understands its role in tackling food waste and food insecurity as well as promoting responsible, fair and sustainable nutrition. The firm is improving its management of quantities to avoid overproduction and biowaste. A case in point is the firm's systematic redistribution of leftover food to associations as part of its Bridges event.

## 6.6. Protection and restoration of biodiversity and ecosystems

### Biodiversity

Wavestone has used the recommendations of the TCFD (Task Force on Climate-Related Financial Disclosures) and the TNFD (Task Force on Nature-Related Financial Disclosures) to identify two categories of biodiversity risk related to the provisioning of services to clients and to facilities management.

Wavestone referred to the Act4Nature International<sup>(1)</sup> initiative to articulate its biodiversity protection and restoration actions around three objectives:

- mobilizing and training employees and raising their awareness by including biodiversity in training courses for employees of the firm;
- assisting clients with assignments centered on biodiversity issues. Examples:
  - auditing and developing recommendations for local governance of sensitive coastal, island and marine environments;

- assisting a community farm in defining a CSR strategy to promote the preservation of biodiversity;
- supporting the "Biodiversity – post-glyphosate" program as project manager for a railway company;
- reducing the impact of the firm's biodiversity activities and stepping up actions to protect and restore biodiversity:
  - offering skills sponsorship for associations taking climate action: last year, 179 days were devoted to Sustainable Development Goal 15<sup>(2)</sup>. For example, the firm advised the association "On the Green Road" on its external communications strategy, and the "Tree Fund" on the creation of a digital platform;
  - assessing suppliers' biodiversity performance using a CSR questionnaire (see section 5.4).

Furthermore, Wavestone's activities do not have a direct impact on animal welfare.

### Pollution and waste management

Information related to the group's water consumption mainly concerns the domestic water supply used for sanitary and cleaning purposes, and air conditioning systems. In the 2023/24 fiscal year, each employee consumed an average quantity of water estimated at 0.99 m<sup>3</sup>, a slight decrease from the amount consumed in the two the previous years. Wavestone's total annual water consumption is estimated at approximately 4,443 m<sup>3</sup>.

Owing to the nature of its activities, Wavestone does not discard hazardous substances into the air, water or ground.

## 6.7. Labels and environmental certifications



The Carbon Disclosure Project (CDP) is a non-profit organization that sets the standard for corporate environmental performance with its annual assessment of over 18,000 companies around the world. In 2023, Wavestone received a score of B, placing the firm in the "Management" level category compared to its competitors and above average for its sector (rated C).



In France, Wavestone has been "Climate Fresk" certified since February 2023. This label rewards the firm's high-quality and professional rollout of the Fresk, which is gradually taught to all the firm's employees since 2022.

(1) Act4Nature International is a voluntary commitment initiative promoting biodiversity, and targets international French companies to mobilize them on the issue of their direct and indirect impacts, their associates and the potential for nature-based actions.  
 (2) SDG 15: Protecting and restoring the planet's ecosystems.



## 7. European Green Taxonomy

### Entry into force of the European (EU) Taxonomy

European Regulation 2020/852 or the “European Taxonomy” entered into force on 01/01/22. It aims to accelerate the European Union’s transition to a sustainable economy, against a backdrop where climate and environmental emergencies are being felt more every day. The regulation lays out a common framework enabling financial investments to be channeled towards “sustainable” economic activities.

### Meaning of sustainable, eligible and aligned activities

The European (EU) Taxonomy aims to prioritize the economic transition to sustainable activities. The implementation of the European Taxonomy distinguishes between “eligible” and “aligned” activities. Both of these concepts are described below.

#### Sustainable activities

An economic activity is considered to be “sustainable” within the meaning of the European Taxonomy if it contributes to achieve at least one of the six environmental objectives defined by the European Commission, the final four of which were published in 2023:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

The contribution of an economic activity to one of the environmental objectives is measured in three ways:

- compliance with technical criteria specific to each activity and defined by the European Commission, as listed in the delegated acts of the Taxonomy Regulation;
- do not significant harm to the other environmental objectives;
- business activities must comply with the minimum social guarantees as defined by international law.

#### Eligible activities

An economic activity is considered “eligible” within the meaning of the European Taxonomy if it can be carried out sustainably, or if it is likely to promote the transition to a sustainable economy. This involves recognition of its potential environmental impact, rather than its actual impact. The European Taxonomy includes a list of activities considered eligible.

Companies within the scope of the European Taxonomy are required to publish the share of their total business activities that are eligible for the taxonomy, based on three indicators:

- the share of eligible revenue (REV);
- the share of eligible capital expenditure (CAPEX);
- the share of eligible operating expenditure (OPEX).

#### Aligned activities

An economic activity is considered “aligned” within the meaning of the European Taxonomy if its effective environmental impact has been demonstrated: the activity is, in fact, carried out sustainably or, in fact, promotes the transition to a sustainable economy.

Companies publish the share of their total business activities that are aligned activities, using the same indicators:

- the share of aligned revenue;
- the share of aligned capital expenditure;
- the share of aligned operating expenditure.

#### Scope and calculation method

Wavestone has applied the Taxonomy Regulations in determining the indicators presented for the 2023/24 fiscal year:

- the scope applied covers all of the firm’s activities, excluding acquisitions completed in the fiscal year under consideration;
- financial data is taken from the financial statements as of 03/31/24 as well as from internal audit sources (notably for OPEX data). This data was assessed in a coherence audit conducted by the finance department, operations teams and the CSR team;
- capital expenditure and operating expenditure for the 2023/24 fiscal year correspond to expenditure linked to carrying out eligible activities as well as cost items eligible by their very nature, and identified by the regulation under the cost terminology “individually sustainable”;
- CAPEX corresponds to capitalized costs linked to tangible and intangible fixed assets as well as increases in rights of use on leasing contracts (IFRS 16) acquired over the fiscal year, before depreciation and amortization;
- OPEX covers certain uncapitalized cost items such as research and development activities, building renovations, short-term rentals, maintenance as well as all expenses directly related to the maintenance of tangible assets.

#### Revenue

##### Eligibility and alignment

Wavestone’s activity essentially corresponds to NACE (Europe’s standard nomenclature of productive economic activities) Code 70.22 – “Business and other management consultancy activities”. This activity is not considered eligible within the meaning of the regulation.

Incidentally, for the 2023/24 fiscal year, Wavestone is reporting a taxonomy-aligned and eligible revenue indicator of 0%.

**Regulatory reporting table**

Economic activities	Code	Substantial contribution criteria								DSNH criteria											
		Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity & ecosystems	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity & ecosystems	Minimum safeguards	Taxonomy aligned proportion of turnover Year N	Taxonomy aligned proportion of turnover Year N-1	Category (enabling activity)	Category (transitional activity)	
		M€	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T	
<b>A. Taxonomy-eligible activities</b>																					
<b>A.1. Environmentally sustainable activities (Taxonomy-aligned)</b>																					
		0.00	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	N/A	N/A
Turnover of environmentally-sustainable activities (Taxonomy-aligned) (A.1.)		0.00	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	N/A	N/A
of which enabling activities		0.00	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	N/A	N/A
of which temporary activities		0.00	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	N/A	N/A
<b>A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																					
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		0.00	0%	0%	0%	0%	0%	0%	0%												
<b>Total (A.1+A.2.)</b>		<b>0.00</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>												
<b>B. Taxonomy-non-eligible activities</b>																					
Turnover of Taxonomy-non-eligible activities (B)		701.10	100%																		
<b>Total (A+B)</b>		<b>701.10</b>	<b>100%</b>																		

## Capital expenditure (CAPEX)

### Eligibility

In the 2023/24 fiscal year, the share of capital expenditure eligible for the taxonomy totaled 82.6% of Wavestone's CAPEX.

This second indicator solely relates to fixed assets (property, plant and equipment and intangible assets) and rights of use of lease assets (IFRS 16) acquired during the fiscal year, before depreciation and amortization. Companies acquired during the year are not included in this indicator.

For the 2023/24 fiscal year, CAPEX corresponds to the fit-out of office premises and equipment and the right of use of the new premises in the UK, the extension to certain leases in the US, Hong Kong, Luxembourg and the UK, as well as the increase in rights of use linked to the positive re-indexation of certain other leases. Among these investments, only the increase in rights of use is included in the numerator of the eligibility indicator.

### Alignment

In the 2023/24 fiscal year, the share of CAPEX aligned with the taxonomy was 63.5% of all of Wavestone's CAPEX as defined above. This aligned CAPEX corresponds to the right of use for the new premises leased in the UK during the fiscal year.

This CAPEX meets the following criteria:

- significant contribution to achieving the objective of climate change mitigation (in respect of activity 7.7 "Acquisition and ownership of buildings"<sup>(i)</sup>);
- do no significant harm to other environmental objectives;
- compliance with the minimum guarantees defined in Article 18 of the Taxonomy Regulation.

(i) When the lease was signed, a life cycle assessment (LCA) of the new premises was commissioned from an independent consultant, and the projected energy consumption of the premises was found to be 83 kWhEP/m<sup>2</sup>/year, well below the maximum threshold for the Top 15% most efficient offices defined by France's Green Building Observatory (OID) in November 2023 (161 kWhEP/m<sup>2</sup>/year).

## Regulatory reporting table

Economic activities	Code	Substantial contribution criteria								DSNH criteria											
		Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity & ecosystems	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity & ecosystems	Minimum safeguards	Taxonomy aligned proportion of turnover Year N	Taxonomy aligned proportion of turnover Year N-1	Category (enabling activity)	Category (transitional activity)	
		M€	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T	
<b>A. Taxonomy-eligible activities</b>																					
<b>A.1. Environmentally sustainable activities (Taxonomy-aligned)</b>																					
		6.53	63.5%	63.5%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	N/A	N/A
Turnover of environmentally-sustainable activities (Taxonomy-aligned) (A.1.)		6.53	63.5%	63.5%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	N/A	N/A
of which enabling activities		0.00	0.0%	0.0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	N/A	N/A
of which temporary activities		0.00	0.0%	0.0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	N/A	N/A
<b>A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																					
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		1.97	19.1%	19.1%	0%	0%	0%	0%	0%												
<b>Total (A.1+A.2.)</b>		<b>8.50</b>	<b>82.6%</b>	<b>82.6%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>												
<b>B. Taxonomy-non-eligible activities</b>																					
Turnover of Taxonomy-non-eligible activities (B)		1.79	17.4%																		
<b>Total (A+B)</b>		<b>10.29</b>	<b>100.0%</b>																		

### Operating expenditure (OPEX)

#### Eligibility and alignment

Not all OPEX is included in the definition of this third indicator. In the denominator, only expenditure related to R&D expenses, building renovations, short-term leases, maintenance, upkeep, repairs as well as any other direct expense linked to the maintenance of property, plant and equipment is to be included. Owing to the nature of the consulting activity, such expenditure is immaterial as a proportion of Wavestone's total OPEX. In fact, the firm's main cost items are personnel expenses and leases,

with lease expenditure not counted as operating expenditure for the purposes of IFRS 16. Thus, the amount of operating expenditure to be considered in the denominator of the indicator is €4.1m.

The amount of operating expenditure to be included in the indicator's denominator represents 4.6% of total OPEX for the 2023/24 fiscal year. Since this represents less than 5% of the firm's total operating expenditure, Wavestone accordingly relies on the materiality exemption for this indicator.

## Regulatory reporting table

Economic activities	Code	Substantial contribution criteria								DSNH criteria											
		Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity & ecosystems	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity & ecosystems	Minimum safeguards	Taxonomy aligned proportion of turnover <sup>Year N</sup>	Taxonomy aligned proportion of turnover <sup>Year N-1</sup>	Category (enabling activity)	Category (transitional activity)	
		M€	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T	
<b>A. Taxonomy-eligible activities</b>																					
<b>A.1. Environmentally sustainable activities (Taxonomy-aligned)</b>																					
		0.00	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	N/A	N/A
CAPEX of environmentally-sustainable activities (Taxonomy-aligned) (A.1.)		0.00	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	N/A	N/A
of which enabling activities		0.00	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	N/A	N/A
of which temporary activities		0.00	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	N/A	N/A	N/A
<b>A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																					
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2.)		0.00	0%	0%	0%	0%	0%	0%	0%												
<b>Total (A.1+A.2.)</b>		<b>0.00</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>												
<b>B. Taxonomy-non-eligible activities</b>																					
CAPEX of Taxonomy-non-eligible activities (B)		4.10	100%																		
<b>Total (A+B)</b>		<b>4.10</b>	<b>100%</b>																		

## 8. Methodology note regarding Wavestone's non-financial reporting

### 8.1. Scope and rules of consolidation

#### 8.1.1. Scope of consolidation

Unless stated otherwise, by default, the social, societal and environmental information covers Wavestone's consolidation scope, except for Q\_PERIOR and Aspirant, which were acquired in the 2023/24 fiscal year.

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

- Wavestone US Inc. (United States);
- why innovation! Pte. Ltd. and why academy Ltd (Singapore);
- Wavestone Advisors UK Ltd. and its subsidiaries;
- Wavestone Belgium SA/NV (Belgium);
- Wavestone Luxembourg SA (Luxembourg);
- Wavestone Hong Kong Ltd. and its subsidiary (Hong Kong);
- Wavestone Advisors Morocco SARL (Morocco);
- Wavestone Switzerland SA (Switzerland).

PEN Partnership and Coeus Consulting (and their respective subsidiaries), subsidiaries of Wavestone Advisors UK Ltd, acquired during the 2022/23 fiscal year, are temporarily excluded from the responsible consulting approach and from the calculations of the percentage of women managers and employees having completed the ethical e-learning program. They are included in the calculation of NPS<sup>5</sup>, the employee commitment index, staff turnover, pro bono work and the firm's carbon footprint.

The number of registered employees with disabilities is calculated for Wavestone SA only.

### Reporting period

The data provided in this report covers the 2023/24 fiscal year ended 03/31/24. In exceptional cases which are explicitly mentioned, particularly for employment aspects, the information covers the 2023 calendar year.

### Reporting period

The data provided in this report covers the 2023/24 fiscal year ended 03/31/24. In exceptional cases which are explicitly mentioned, particularly for employment aspects, the information covers the 2023 calendar year.

## 8.2. Sources and methods used to collect, non-financial data

### 8.2.1. Data collection and consolidation

#### Indicators specific to Q\_PERIOR's scope of consolidation

- client satisfaction score: calculated from a questionnaire sent to a group of actively operating clients. Scoring scale: 0 to 5;
- employee engagement index: calculated from the upcoming annual Great Place to Work<sup>®</sup> (GPTW<sup>®</sup>) survey, presented in section 3.3. This calculation reflects the questions handpicked from the GPTW<sup>®</sup> France survey. It accounts for all employees except ESPRiT Engineering (EE), temporarily employed specialists and students. Scoring scale: 0 to 100;
- staff turnover rate: calculated using the attrition rate formula (year-on-year departures / (workforce at start of period + new hires over the period) \* 100). This calculation factors in all employees, except those on fixed-term employment contracts. Scoring scale: percentage (%);
- percentage women in management: calculated from all operational and/or hierarchical management positions (22% at 03/31/24). This calculation includes all employees. Scoring scale: percentage (%);
- carbon footprint based on PELT8 sustainability reporting standards, with the requirement to apply the greenhouse gas (GHG) protocol to GHG emissions across regions. Scoring scale: percentage (%).

### Social data

Considering the nature of Wavestone's consulting activity, the social aspect of CSR is a major issue and a key priority for the firm.

Wavestone's HR development department is responsible for defining and implementing the company's human resources strategy. The department mainly relies on a central team and decentralized HR development teams.

Social reporting and the monitoring of the associated indicators fall under the shared responsibility of the CSR team and the Compensation and Benefits team in Wavestone's HR development department, who is in charge of data consolidation at group level.

### Environmental data

On the environmental front, data collection is overseen by a group on the CSR team tasked with collecting and consolidating all information from the contributors identified within the relevant departments (accounting, payroll, offices, etc.). The processing and analysis of environmental data are carried out with support from internal and external experts in environmental issues and carbon accounting. For the 2023/24 fiscal year, this expertise was provided by the Act4Transition firm and experts on Wavestone's Sustainability advisory teams.

#### Method used to analyze environmental risks

To identify its environmental risks, the firm relied on the recommendations of the TCFD (Task Force on Climate-Related Financial Disclosures) and the TNFD (Task Force on Nature-Related Financial Disclosures). This work was based on the *Bilan Carbone<sup>®</sup>* (Carbon Audit) analysis, the firm's dependence on ecosystem services, and the impacts of Wavestone's activity on drivers of biodiversity erosion. The expectations of the firm's stakeholders were taken into account in carrying out the analysis. Lastly, the impact level of the risks was considered in order to prioritize them.

Nine main risks related to nature and the climate were identified, based on short (2-5 years), medium (5-10 years) and long (> 10 years) term horizons, along with the corresponding risk level in accordance with the recommendations of the TNFD, the TCFD and the firm's development prospects.

All elements of the analysis method were reviewed by a firm that specializes in the ecological transition (Act4Transition). They will be reviewed in depth as part of the work to implement the CSRD.

**Environmental risks table**

Risk category	Risk description	Risk level	Time*	Impacts	Responses provided to manage risks and seize opportunities
Physical commodity risks	Depletion of resources (water, rare metals, wood, etc.) due to overconsumption and pollution of the soil and water	Low to medium	Long term (>10 years)	<p><b>Risk(s):</b> Difficulty procuring various goods (computer equipment, furniture, food)</p> <p><b>Opportunity(ies):</b> Preventive actions and training on environmental issues could have a positive impact in terms of managing and rationalizing resources (water, office equipment, computer equipment, etc.)</p>	<ul style="list-style-type: none"> <li>• Commitments in favor of sustainable IT (section 6.4)</li> <li>• Commitment in favor of biodiversity (section 6.6)</li> <li>• Policies to encourage soft mobility (section 6.3)</li> <li>• Waste management approach (section 6.5)</li> </ul>
Risks associated with extreme events (physical)	Increased risk of high winds, storms, flooding, earthquakes, etc.	Low to medium	Medium term (5-10 years)	<p><b>Risk(s):</b> Interruption of IT services company-wide (network core: Wi-Fi infrastructure, storage servers, virtualization servers, VPN, etc.)</p> <p><b>Opportunity(ies):</b> Diversification of data storage infrastructures (proprietary/ Cloud)</p>	<ul style="list-style-type: none"> <li>• Interruptions to the operation of data centers taken into account in the continuity/disaster recovery plan established annually within the information system division (ISD)</li> <li>• Most data is stored in the Cloud using SaaS applications, Microsoft O365 or others -&gt; risks are therefore directly managed by the end publishers, not by Wavestone, even if the firm performs its own analysis of this type of risk when selecting a publisher.</li> </ul>
Financial risks (transition)	Access to competitive financing	High	Short term (2-5 years)	<p><b>Risk(s):</b> Impact loan taken out by Wavestone = interest rate linked to its GHG emission rate Difficulty attracting investors (especially in the context of the Green Taxonomy) or benefiting from innovative financing</p> <p><b>Opportunity(ies):</b> Minimize the firm's GHG emissions to attract more investors and benefit from innovative financing: impact loans or other types of green financing</p>	<ul style="list-style-type: none"> <li>• SBTi net-zero commitment (section 6.3)</li> </ul>

Risk category	Risk description	Risk level	Time*	Impacts	Responses provided to manage risks and seize opportunities
Market risks (transition)	Change in clients' expectations in terms of environmental commitment	High	Short/medium term (2-7 years)	<p><b>Risk(s):</b> Loss of clients in the event of non-compliance with expectations concerning GHG reductions (where the firm is expected to lead by example), as well as waste management and responsible purchasing (importance of transparency in Wavestone's value chain, reflecting its integrity)</p> <p><b>Opportunity(ies):</b> The firm's environmental commitments may serve to leverage competitive advantages (calls for tenders) These commitments also make the development of new environmental offerings more credible</p>	<ul style="list-style-type: none"> <li>Reinforced ambition to reduce the carbon footprint (section 6.3)</li> <li>Commitments in favor of sustainable IT (section 6.4)</li> <li>Implementation of policies to limit the use of transportation that emits the most GHGs, and to encourage soft mobility (section 6.3)</li> <li>Building and energy management: target of 100% of offices powered by low-carbon electricity, by 2025 (section 6.3)</li> <li>Actions to reduce the carbon footprint of the firm's procurement (section 5.4)</li> <li>Waste management approach (section 6.5)</li> <li>Commitment in favor of biodiversity (section 6.6)</li> <li>Establishment of a new Sustainability practice area (section 2.2)</li> <li>Waste management approach (section 6.5)</li> <li>Underscoring of the firm's commitments through responses to non-financial rating questionnaires (EthiFinance ESG Ratings, CDP, EcoVadis)</li> </ul>
	Change in clients' expectations regarding the skills expected of consultants in addressing environmental issues	High	Short/medium term (2-7 years)	<p><b>Risk(s):</b> Loss of clients due to quality incidents as a result of insufficient employee training on environmental issues and a lack of qualified internal resources in this area</p> <p><b>Opportunity(ies):</b> Employee training on environmental issues, combined with the development of Wavestone's Sustainability practice, represents a significant opportunity to improve our legitimacy with clients</p>	<ul style="list-style-type: none"> <li>Wavestone has carried out major organizational changes with the establishment of a dedicated Sustainability practice area (Sections 1.2 and 2.2)</li> <li>Wavestone intends to accelerate and structure the pace of its awareness and training initiatives (section 6.4)</li> </ul>



Risk category	Risk description	Risk level	Time*	Impacts	Responses provided to manage risks and seize opportunities
Reputational risks (transition)	Environmental commitments made by Wavestone and rollout of awareness-raising initiatives	High	Short term (2-5 years)	<p><b>Risk(s):</b> Loss of candidates and employees through a lack of environmental commitments (GHG reductions, waste management, responsible purchasing, etc.) and sponsorship initiatives Loss of candidates and employees through a lack of employee prevention and awareness-raising sessions intended to address environmental issues</p> <p><b>Opportunity(ies):</b> Improving employee loyalty and reinforcing the employer brand (appeal of the Wavestone brand)</p>	<ul style="list-style-type: none"> <li>• Multiple environmental commitments made by the firm (section 6.)</li> <li>• Mobilization of employees via awareness-raising actions, particularly with regard to travel and digital equipment/ use (section 6.4)</li> <li>• Support for associations and startups that promote development (Sections 5.1 and 6.4)</li> </ul>
	Communication on environmental issues	High	Medium term (5-10 years)	<p><b>Risk(s):</b> Negative impact on the firm if there is a lack of information in sustainability communications (need to justify commitments made using concrete examples)</p> <p><b>Opportunity(ies):</b> Increase non-profits' awareness of the firm, collaboration with eco-responsible companies</p>	<ul style="list-style-type: none"> <li>• Concrete examples shared via the firm's non-financial communications (see statement of non-financial performance, <i>Bilan Carbone</i><sup>®</sup> – Carbon Audit)</li> <li>• Establishment of a diversified internal communications plan on CSR, including environmental issues (Wavestone news, environmental commitments, awareness-raising initiatives, etc.)</li> <li>• Presence of a network of CSR contacts within Wavestone's governance, tasked with conveying key messages on environmental issues</li> </ul>

Risk category	Risk description	Risk level	Time*	Impacts	Responses provided to manage risks and seize opportunities
Reputational risks (transition)	Environmental commitments and results	High	Short/medium term (2-7 years)	<p><b>Risk(s):</b> Negative media coverage in the event of a discrepancy with the commitments made, particularly regarding GHG reductions (SBTi) Greenwashing</p> <p><b>Opportunity(ies):</b> Improving employee loyalty and reinforcing the employer brand (appeal of the Wavestone brand)</p>	<ul style="list-style-type: none"> <li>• Strong governance on CSR matters (including the environment) (section 1.1)</li> <li>• Reporting: every year, the firm improves the monitoring and measurement of its carbon footprint in order to make decisions that align with its climate challenges (section 6)</li> <li>• Compliance with the recommendations of the French Environment and Energy Management Agency (ADEME), notably in terms of environmental communication</li> <li>• Support from a specialized firm to complete the carbon audit</li> </ul>
	Non-financial ratings	High	Short/medium term (2-7 years)	<p><b>Risk(s):</b> Negative ratings by non-financial rating agencies if commitments to various environmental and responsible purchasing criteria are not met</p> <p><b>Opportunity(ies):</b> Positive ESG ratings will bolster interest in the firm from ESG investors, providing Wavestone with a competitive advantage on environmental issues</p>	<ul style="list-style-type: none"> <li>• The firm's commitments outlined in the statement of non-financial performance meet the rating criteria used by non-financial rating agencies</li> </ul>

\* Time = recommendations of the TNFD and the firm's development prospects.

### 8.2.2. Methodology used to calculate the carbon footprint

Information on CO<sub>2</sub>-equivalent emissions may be characterized by uncertainty that is inherent in the current state of scientific or economic knowledge and the quality of external data. Certain items of information are sensitive to the methodological decisions, assumptions and/or estimates used in their preparation and presented in the statement. As a result, this year's results include one uncertain measurement amounting to 553 tCO<sub>2</sub>e (10% of the market-based total).

To track the achievement of its targets, Wavestone calculates and communicates its carbon footprint on an annual basis. Since the 2012/13 fiscal year, Wavestone has published a *Bilan Carbone*<sup>®</sup> report every two years. Historically developed by ADEME—the French Environment and Energy Management Agency—this methodology has been implemented by *Association Bilan*

*Carbone*<sup>®</sup> in France and abroad since October 2011. Since the 2022/23 fiscal year, Wavestone has also calculated its footprint, according to the GHG Protocol conventions, in line with its SBTi commitment.

Every year, the firm improves the monitoring and measurement of its carbon footprint in order to make decisions that align with its climate challenges. In 2023/24, this resulted in:

- monthly monitoring of air travel data, which is presented to the Air Travel Steering Committee on a monthly basis;
- preparation of an initial semi-annual carbon footprint, presented to the CSR Steering Committee so that the annual action plan can be adjusted if necessary;
- creation of a tool to model the firm's carbon trajectory (section 6.3.4);
- improvements to the questionnaire shared with all Wavestone's employees (section 6.3.3).

## Breakdown of GHG emissions using the GHG Protocol

		2019/20 (tCO <sub>2</sub> e) market- based	2020/21 (tCO <sub>2</sub> e) market- based	2021/22 (tCO <sub>2</sub> e) location- based	2022/23 (tCO <sub>2</sub> e) market- based	2023/24 (tCO <sub>2</sub> e) market- based
1-1	Direct emissions from stationary combustion sources	23	28	21	16	12
1-2	Direction emissions from mobile combustion sources	33	6	32	54	41
1-3	Direct emissions from processes	-	-	-	-	-
1-4	Direct fugitive emissions	37	25	37	9	12
<b>Scope 1 total</b>		<b>93</b>	<b>59</b>	<b>90</b>	<b>80</b>	<b>65</b>
2-1	Indirect emissions from electricity consumption	271	89	264	116	114
2-2	Indirect emissions linked to steam, heat and cooling	271	351	233	122	138
<b>Scope 2 total</b>		<b>543</b>	<b>440</b>	<b>497</b>	<b>238</b>	<b>252</b>
<b>Upstream scope 3 emissions</b>						
3-1	Purchased products and services	1,431	2,047	1,169	2,253	2,327
3-2	Fixed assets	466	287	466	665	447
3-3	Emissions from fuel and energy (not included in scopes 1 & 2)	85	87	50	38	40
3-4	Inbound and outbound freight	-	-	-	-	-
3-5	Generated waste	18	10	5	7	13
3-6	Business trips	2,704	263	421	1,381	1,450
3-7	Commuting to work	391	5	425	337	469
3-8	Upstream leasing assets			-	-	-
<b>Downstream scope 3 emissions</b>						
3-15	Capital expenditure			3		
<b>Scope 3 total</b>		<b>5,096</b>	<b>2,699</b>	<b>2,541</b>	<b>4,682</b>	<b>4,747</b>
3-6 (optional)	Optional – business trips (hotels)	645		130	235	230
3-7 (optional)	Optional – remote working			357	442	401
Others (optional)	Optional – websites			2	3	-
<b>Total optional emissions</b>		<b>645</b>	<b>0</b>	<b>489</b>	<b>680</b>	<b>631</b>
<b>Total</b>		<b>6,377</b>	<b>3,198</b>	<b>3,617</b>	<b>5,680</b>	<b>5,695</b>

## Methodology used to collect information on employee business trips

### Business trips

Most of the train and air travel data is estimated on the basis of data drawn from the booking platforms used by employees.

For air travel, emission factors were then applied according to the number of kilometers flown, including the impact of drag. The class of the flights was also factored in, as First Class requires more floor space than Economy Class. This estimate was based on a study conducted by the World Bank<sup>(1)</sup>.

Regarding transportation data for which only financial information was available (business travel expense claims submitted with no indication of distance), the carbon footprint was calculated using kilometer conversions. The distance traveled for all expense claims was estimated based on the mode of transport (plane, train, taxi/cab, etc.) and location (Wavestone office).

Two adjustments were made in the 2023/24 fiscal year to employee emission factors. The first relates to train travel. In the past, the French emission factor was applied uniformly to all countries, but now a country-specific factor is used to more faithfully reflect the local energy mix. As regards public transportation, the TGV train emission factor that was in use has been replaced by the Paris Metro emission factor.

The company did not extrapolate travel data on an employee basis since information was collected for all its offices.

### Commuting to work

For the third year running, Wavestone surveyed its employees' travel practices to measure their carbon footprint. The data was gathered via a questionnaire and an article was posted on the intranet at the end of the year to explain the process to employees.

The results revealed a high degree of variability linked to the number and profile of survey respondents, especially those involved in modes of travel that are not widely used. To minimize this effect and more closely match reality, the responses published for the 2023/24 fiscal year correspond to an average of data from the 2021/22, 2022/23 and 2023/24 fiscal years. This method will be applied to future reporting periods.

In order to cover the different modes of transport used by employees, new options were added to the survey, such as TGV for employees living outside their office's home region. The emission factors have been updated to reflect the latest standards from the French Environment and Energy Management Agency (ADEME), such as trains, TER service and the metro, and to select the most appropriate ones (hybrid and electric cars).

## Methodology used to collect information on purchases

The scope of expenses is strictly defined to determine the purchasing categories to include in the carbon footprint measurement. This information is collected by exporting it from Wavestone's ERP system to extract all purchases made during the year for each office. An initial analysis excludes data already taken into account in the analysis of physical data (digital, business travel, etc.) to avoid redundancies.

On this basis, purchases are categorized by type (accommodation and catering, services, office supplies, etc.), then an emission factor taken from the database maintained by the French Environment and Energy Management Agency (ADEME) is applied to each one.

In the 2023/24 fiscal year, Wavestone wanted to highlight its efforts to reduce the carbon footprint of its events, so it established a personalized emission factor. To this end, an information sheet was sent to the firm's major event vendors to collect physical data (number of vegetarian or non-vegetarian meals, type of energy used, etc.) and the associated cost. The data collected was fed into a calculation tool designed specifically for events and developed in-house, providing a more accurate estimate of an event's carbon footprint. This information was used to calculate an average ratio of kgCO<sub>2</sub>/€k spent, which was then applied to all expenses associated with event organization. It will be recalculated each year to highlight the firm's ongoing efforts to reduce the carbon footprint of its events.

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

### Methodology used to measure the carbon footprint of digital technologies

Wavestone's carbon footprint from digital activities was calculated for the different areas of the Information System (IS):

- all personal equipment purchased during the fiscal year (PCs, smartphones, etc.), the number of which is obtained from Wavestone's inventories, in connection with the change in GHG Protocol methodology, purchases of digital equipment are not amortized over time;
- shared equipment acquired in the fiscal year (printers, meeting room equipment, etc.), for which the Base Carbone (Carbon Database – ADEME) emission factors were used, and which were, at times, adjusted to accommodate for screen sizes (TVs);
- servers and networks, with the same level of granularity as personal equipment, by model, where this data was available, otherwise via an average factor or a factor provided by the *Base Carbone* from the French Environment and Energy Management Agency (ADEME).

The calculation of digital and telecommunication use relies on the collection of the volume of data transfers (emails, use of Teams, Sharepoint, Onedrive, etc.) passing directly through employees' PCs (via the Zscaler tool), as well as mobile consumption (4G, voice, etc.). This approach allows the firm to measure this item with high accuracy. In particular, storage volumes were more accurate using data from the Microsoft 365 Admin Console. The models used are taken from the most recent studies in this area (Green Cloud Computing, NégaOctet and Cloud Carbon Footprint, among others).

Lastly, usage associated with the use of the sites operated by Wavestone and of social media was not included this year because the impact is not significant and its inclusion is optional under the GHG Protocol.

### Methodology used to collect information about energy consumption

#### Energy consumption by offices

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

In the 2023/24 fiscal year, efforts were consistent with the previous years in the collection of data on energy and fluid consumption, producing more accurate data on electricity consumption (particularly in relation to heating and air conditioning). Lastly, once again this year, the firm also focused on including the energy consumption of shared spaces in the emissions linked to its occupation of the premises.

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

- some components of energy consumption—in shared spaces, for instance—were extrapolated using Paris office data. This category accounts for approximately 5% of the firm's energy consumption;
- the inclusion of data in expenses does not produce a reliable estimate of related consumption.

As regards fugitive emissions, data for the four offices was extrapolated on the basis of estimates made by the French Environment and Energy Management Agency (ADEME) and according to their square footage. The impact of these emissions is small compared to the total. Overall, these extrapolations hardly impact the accuracy of quantifying greenhouse gas (GHG) emissions.

#### Energy consumption linked to remote working

To estimate this consumption, the employee survey included questions on heating and air conditioning systems (detailed in the work-home commuting section). The category is treated as optional under the GHG Protocol.

## 9. Appendices – Performance indicators

### 9.1. Progress of CSR objectives over the last four fiscal years

Commitments	Indicator	Performance at 03/31/24 <sup>(1)</sup>	Performance at 03/31/23 <sup>(2)</sup>	Performance at 03/31/22	Performance at 03/31/21
	Net Promoter Score <sup>(3)</sup>	73	45	48	54
Improve client satisfaction and support clients in sustainable performance	Number of projects done under the responsible consulting approach*	387	119	37	5
Promote employee commitment, well-being, and quality of life at work	Employee commitment index (out of 100)	70	74	70	-
	Staff turnover rate	14%	16%	18%	11%
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	Percentage of women in management <sup>(4)*</sup>	37%	35.0%	33.0%	31.0%
	Number of employees with a disability*	61 at 12/31/23	49 at 03/31/23	35 at 12/31/21	29 at 12/31/20
Be a corporate citizen that behaves ethically and responsibly	Percentage of employees trained to apply the ethics charter <sup>(5)</sup>	96%	96%	97%	84%
	Percentage of workforce time spent on social engagement	1.1%	1.3%	1.0%	0.79%
Minimize the impact of our activity on the environment	Percentage of reduction in carbon footprint by employee, compared with 2019/20*	Scopes 1 & 2 (in absolute value)	51%	51%	-
		Scope 3 (Per employee)	27%	27%	64% <sup>(6)</sup>

(1) Data excluding PEN Partnership and Coeus Consulting, except NPS<sup>®</sup>, employee commitment index, turnover, Percentage of firm time allocated to social and environmental commitments.

(2) Objectives expressed excluding PEN Partnership and Coeus Consulting.

(3) The NPS<sup>®</sup> or Net Promoter Score<sup>®</sup> is a tool for measuring client satisfaction, ranging from -100 to 100 (NPS<sup>®</sup> is a registered trademark of Bain & Company, Inc., Satmetrix Systems, Inc. and Fred Reichheld).

(4) Management positions include operating management and/or hierarchical management.

(5) Percentage of employees who receive annual training as of 03/31/24.

(6) Reduction in scopes 1 & 2 emissions and business trips before changes in scope linked to the SBTi's near-term and net-zero commitments, starting in 2022/23.

\* Objectives defined for the purposes of the impact credit.

## 9.2. Workforce data

### Change in total workforce

	03/31/24		03/31/23		03/31/22		03/31/21	
<b>Total workforce<sup>(1)</sup></b>	<b>4,479</b>	<b>100%</b>	4,406	100.0%	3,732	100%	3,453	100%
Permanent contracts	4,441	99.2%	4,326	98.2%	3,674	98.4%	3,408	98.7%
<i>o/w permanent contracts in France</i>	3,818	99.1%	3,735	84.8%	3,251	88.9%	3,040	89.2%
Temporary contracts	38	0.8%	80	1.8%	58	1.6%	45	1.3%
<i>o/w fixed-term</i>	6	0.1%	15	0.3%	22	0.6%	13	0.4%
<i>o/w work-study contracts</i>	32	0.7%	65	1.5%	36	1.0%	32	0.9%

(1) Excluding Q\_PERIOR and Aspirant Consulting.

### Breakdown by gender

<b>Total workforce</b>	<b>03/31/24</b>	<b>03/31/23</b>	<b>03/31/22</b>
Men	57.5%	57.0%	58.7%
Women	42.5%	43.0%	41.3%

<b>Consultants<sup>(1)</sup></b>	<b>03/31/24</b>	<b>03/31/23</b>	<b>03/31/22</b>
Men	60.9%	60.9%	62.5%
Women	39.1%	39.1%	37.5%

(1) In % of consultants.

### Breakdown by age category

<b>Total workforce</b>	<b>03/31/24</b>	<b>03/31/23</b>	<b>03/31/22</b>
18-24 years	16.4%	20.3%	16.4%
25-30 years	56.4%	52.6%	49.9%
31-50 years	21.9%	21.2%	26.6%
> 50 years	5.3%	5.9%	7.1%
<i>o/w over 55 years</i>	3.2%	3.9%	4.2%

### Average length of service

	<b>2023/24</b>	<b>2022/23</b>	<b>2021/22</b>
<b>Firm total</b>	<b>4.2 years</b>	<b>4.1 years</b>	<b>4.5 years</b>
<i>Consultants</i>	3.9 years	3.9 years	4.3 years

### Breakdown by geographic area

<b>(% of total workforce)</b>	<b>03/31/24</b>	<b>03/31/23</b>	<b>03/31/22</b>	<b>03/31/21</b>
Paris region	77.8%	78.3%	80.3%	81.3%
Regional offices	8.1%	8.0%	8.3%	7.6%
Nantes	3.1%	3.0%	3.2%	3.0%
Lyon	4.2%	3.9%	3.9%	3.8%
Marseille	0.9%	1.1%	1.1%	0.9%
Outside France	14.0%	13.8%	11.4%	11.1%

### Breakdown by job category

(% of total workforce)	03/31/24	03/31/23	03/31/22
Consultants	3,897	3,816	3,250
% consultants	87%	87%	87%
Salespeople	162	138	131
% salespeople	4%	3%	4%
Functional departments	420	452	351
% functional departments	9%	10%	9%

### 9.3. Details of new hires and departures

#### Breakdown of new consultants by type of diploma

Consultants hired (as %)	2023/24	2022/23	2021/22
Business schools (%)	31%	36%	32%
Engineering schools (%)	43%	33%	44%
Universities (%)	25%	23%	22%

#### Staff turnover

Recruitment	2023/24		2022/23		2021/22	
	Number	%	Number	%	Number	%
<b>Total external hires (excluding internal transfers)</b>	<b>1,034</b>	<b>100%</b>	<b>1,637</b>	<b>100%</b>	<b>1,151</b>	<b>100%</b>
<i>o/w permanent employment contracts (CDI)</i>	<i>1,006</i>	<i>97.3%</i>	<i>1,568</i>	<i>95.8%</i>	<i>1,084</i>	<i>94.2%</i>
<i>o/w temporary employment contracts:</i>						
- <i>o/w fixed-term</i>	<i>2</i>	<i>0.2%</i>	<i>13</i>	<i>0.8%</i>	<i>37</i>	<i>3.2%</i>
- <i>o/w skills-acquisition and work study contracts</i>	<i>26</i>	<i>2.5%</i>	<i>56</i>	<i>3.4%</i>	<i>30</i>	<i>2.6%</i>

#### Staff departures

	2023/24		2022/23		2021/22	
	Number	%	Number	%	Number	%
<b>Departures (excluding internal transfers)</b>	<b>961</b>	<b>100%</b>	<b>963</b>	<b>100%</b>	<b>872</b>	<b>100%</b>
<i>o/w resignations</i>	<i>613</i>	<i>57.6%</i>	<i>679</i>	<i>70.5%</i>	<i>649</i>	<i>74.4%</i>
<i>o/w end of temporary employment contracts (fixed-term, skills-acquisition and work-study contracts)</i>	<i>69</i>	<i>6.5%</i>	<i>46</i>	<i>4.8%</i>	<i>53</i>	<i>6.1%</i>
<i>o/w terminations during trial periods</i>	<i>199</i>	<i>20.7%</i>	<i>195</i>	<i>20.2%</i>	<i>121</i>	<i>13.9%</i>
<i>o/w redundancies</i>	<i>36</i>	<i>3.4%</i>	<i>21</i>	<i>2.2%</i>	<i>28</i>	<i>3.2%</i>
<i>o/w employment contract terminated by mutual consent</i>	<i>30</i>	<i>2.8%</i>	<i>17</i>	<i>1.8%</i>	<i>7</i>	<i>0.8%</i>
<i>o/w constructive dismissal claims</i>	<i>0</i>	<i>0.0%</i>	<i>0</i>	<i>0.0%</i>	<i>0</i>	<i>0.0%</i>
<i>o/w retirements</i>	<i>14</i>	<i>1.3%</i>	<i>4</i>	<i>0.4%</i>	<i>12</i>	<i>1.4%</i>
<i>o/w deaths</i>	<i>0</i>	<i>0.0%</i>	<i>1</i>	<i>0.1%</i>	<i>2</i>	<i>0.2%</i>
<b>Departures of permanent employees</b>	<b>891</b>		<b>916</b>		<b>818</b>	



## Turnover

	2023/24	2022/23	2021/22
Staff turnover (%)	13.7%	15.5%	17.4%

## 9.4. Development of employee potential

### Occupational accidents and illness

France	2023/24	2022/23	2021/22
Number of occupational and commuting accidents	13	9	10
<i>a/w commuting accidents</i>	8	5	5
<i>a/w occupational accidents</i>	5	4	5
Number of occupational illnesses declared	0	0	0
Rate and frequency of occupational and commuting accidents <sup>(1)</sup>	0.52	0.46	0.41
Severity rate of occupational and commuting accidents <sup>(2)</sup>	0.05	0.04	0.01

(1) Number of accidents with leave per 1m hours worked. Errors detected in the figures for the 2022/23 and 2021/22 fiscal years were corrected.

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

	03/31/24	03/31/23	03/31/22
Proportion of sites that underwent a health and security risk assessment	100% of sites in France	100% of sites in France	100% of sites in France
Proportion of the total workforce represented by an occupational health and safety committee	87% (France workforce)	89% (France workforce)	89% (France workforce)
Proportion of the workforce covered by collective agreements on working conditions	87% (France workforce)	89% (France workforce)	89% (France workforce)

### Time allocated to training

Worldwide scope	2023/24	2022/23	2021/22
Number of employees who attended at least one training course during the year	3,510	3,156	2,572
Percentage of employees who attended at least one training course during the year	78%	72%	69%
Number of training days provided during the year	6,281	8,543	7,356
Number of training hours provided during the year	43,967	59,773	52,643
Average number of training hours provided during the year per employee	12.5	19	20

### Career development

	03/31/24	03/31/23	03/31/22
Proportion of employees who benefited from annual career reviews	100%	100%	100%

### Internal transfers

Breakdown of internal transfers by type	2023/24		2022/23		2021/22	
Regional transfers	14	13.2%	43	35.83%	53	50.5%
Transfers between business lines	57	53.8%	21	17.50%	28	26.7%
Inter-practice transfers	35	33.0%	56	46.67%	24	22.8%
<b>Total</b>	<b>106</b>	<b>100%</b>	<b>120</b>	<b>100%</b>	<b>105</b>	<b>100%</b>

## 9.5. Diversity and inclusion

### Gender equality in the workplace

	03/31/24	03/31/23	03/31/22
Representation of women in management <sup>(1)</sup>	37%	35%	33%

(1) Management positions include operating management and/or hierarchical management.

### Employment and inclusion of people with disabilities

	03/31/24	03/31/23	03/31/22
Number of employees with disabilities	61	49	29

## 9.6. Ethics and social commitment

### Amount of donations and skills sponsorships

(in €)	03/31/24	03/31/23	03/31/22
Donations made by the Wavestone Foundation	304,994	336,061	115,929
Value of skills sponsorship	2,045,934	2,062,549	1,645,286
<b>Total</b>	<b>2,350,928</b>	<b>2,398,610</b>	<b>1,761,215</b>

### Business ethics

	03/31/24	03/31/23	03/31/22
Percentage of employees trained in business ethics	96% of employees trained in business ethics	96% of employees trained in business ethics	97% of employees trained in business ethics
Number of cases reported	45	32	33
Number of eligible alerts	10	11	8

### Data protection

<u>Excluding PEN Partnership and Coeus Consulting</u>	03/31/24	03/31/23	03/31/22
Percentage of employees trained in data protection	100% of new hires 100% of employees	100% of new hires 100% of employees	100% of new hires 100% of employees
Sites equipped with an ISO 27001-certified information security management system	Sites in France: Paris, Nantes	Sites in France: Paris, Nantes	Sites in France: Paris, Nantes

## 9.7. SFDR and GRI cross-reference tables

### Non-financial performance information on SFDR indicators (European Sustainable Finance Disclosure Regulation)

Principal adverse impacts	Wavestone equivalent	Wavestone impact (fiscal year 2023/24)	Unit used	Source
2. GHG emissions	Scope 1 GHG emissions	64.7	CO <sub>2</sub> metric tons eq.	6 Minimize the impact of our activity on the environment
	Scope 2 GHG emissions (market-based)	252	CO <sub>2</sub> metric tons eq.	6 Minimize the impact of our activity on the environment
	Scope 3 GHG emissions	5,384	CO <sub>2</sub> metric tons eq.	6 Minimize the impact of our activity on the environment
	Total GHG emissions	5,704	CO <sub>2</sub> metric tons eq.	6 Minimize the impact of our activity on the environment
3. Carbon footprint	Total GHG emissions	5,704	CO <sub>2</sub> metric tons eq.	6 Minimize the impact of our activity on the environment
4. GHG intensity of investee companies	GHG emissions (scopes 1, 2 & 3) perm EUR of revenue	9.72 <sup>(1)</sup>	In CO <sub>2</sub> metric ton eq. perm EUR of revenue	6 Minimize the impact of our activity on the environment
5. Exposure to companies active in the fossil fuel sector	Activity in the fossil fuel sector	No	Y/N	6 Minimize the impact of our activity on the environment
6. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption (relative to total energy consumption in kWh)	81	%	6 Minimize the impact of our activity on the environment
7. Energy consumption intensity per high impact climate sector	Energy consumption in kWh perm EUR of revenue	4,041 <sup>(1)</sup>	In kWh perm EUR of revenue	6 Minimize the impact of our activity on the environment
8. Activities negatively affecting biodiversity-sensitive areas	Sites/operations located in or near to biodiversity-sensitive areas where activities negatively affect those areas	No	Y/N	6 Minimize the impact of our activity on the environment
9. Emissions to water	Existence of emissions to water	No	Y/N	6 Minimize the impact of our activity on the environment
10. Hazardous waste	Volume of hazardous waste	7	kg	6 Minimize the impact of our activity on the environment

(1) Baseline revenue (excluding Q\_PERIOR and Aspirant Consulting): €586.9m.

<b>Principal adverse impacts</b>	<b>Wavestone equivalent</b>	<b>Wavestone impact (fiscal year 2023/24)</b>	<b>Unit used</b>	<b>Source</b>
Violations of UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Violations of UNGC principles and OECD Guidelines for Multinational Enterprises	No	Y/N	5.2 Business ethics
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Monitoring of compliance with UNGC principles and OECD Guidelines	Yes	Y/N	5.2 Business ethics
Unadjusted gender pay gap	Gender pay gap ((average hourly rate for men – average hourly rate for women) / average hourly rate for men)	8.6	Ratio	4.1 Gender equality in the workplace
Gender diversity in governing bodies	Percentage of women members of the board of directors relative to total number of board members	45	%	4.1 Gender equality in the workplace
Exposure to controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons)	Involvement in the manufacture or selling of controversial weapons	No	Y/N	5.1 Business ethics

**Indicative cross-reference to GRI indicators****2023/24 Statement of non-financial performance****GRI****1. Introduction**

1.1. Wavestone's framework of business	
1.1.1. Business model	
1.1.2. Wavestone Governance and Corporate Responsibility	GRI 2-9, GRI 2-10, GRI 2-11
1.1.3. Steering of the CSR policy	GRI 2-14
1.2. Wavestone's CSR approach	GRI 2-22
1.2.1. Non-financial performance challenges	GRI 2-22, GRI 2-29
1.2.2. Wavestone's CSR commitments	GRI 2-22
1.2.3. Objectives and 2023/24 performance	GRI 2-22
1.3. Assessing ESG performance	
1.4. Approach to implementing CSRD	GRI 2-22

**2. Supporting our clients to generate sustainable performance**

2.1. Client satisfaction	
2.2. Responsible consulting approach	
2.2.1. Development of business offers dedicated to sustainability	
2.2.2. Proactive inclusion of CSR issues and impacts in recommendations to clients	
2.2.3. Analysis of Wavestone's contribution to the UN's Sustainable Development Goals (SDGs)	GRI 2-22
2.3. Qualiopi certification	

**3. Promote employee engagement and well-being at work**

3.1. Promote employee engagement, well-being, and quality of life at work	
3.1.1. Human resources	
3.1.2. Recruitment policy	GRI 401-1
3.1.3. Integration program	GRI 404-2
3.1.4. Skills development	GRI 404-3
3.1.5. Training programs	GRI 404-2
3.2. Employee well-being and development	
3.2.1. Working environment and work-life balance	
3.2.2. Supporting parenthood	GRI 401-3
3.2.3. Social relations	
3.2.4. Health and Safety	GRI 403-1, GRI 403-3, GRI 403-5, GRI 403-6, GRI 403-7, GRI 403-8
3.2.5. In-house actions	
3.3. Assessment of quality of life in the workplace	

**4. Acting in favor of diversity and inclusion**

4.1. Gender equality in the workplace	GRI 405-1
4.2. Inclusion of people with disabilities	
4.3. LGBT+	
4.4. Senior employees	
4.5. Diversity and social inclusion	GRI 405-1

**2023/24 Statement of non-financial performance****GRI****5. Being a responsible and ethical corporate citizen**

5.1. Societal action	
5.1.1. Skills sponsorship	GRI 203-1, GRI 413-1
5.1.2. Financial sponsorship with the Wavestone Corporate Foundation	GRI 203-1, GRI 413-1
5.2. Business ethics	GRI 205-2, GRI 205-3
5.3. Data protection and cyber-resilience	GRI 418
5.4. Responsible purchasing and building relationships of trust with suppliers	GRI 204-1, GRI 308-1, GRI 414-1
5.5. Support for military reserves policy in France	

**6. Minimize the impact of our activity on the environment**

6.1. The environment in Wavestone's strategy	GRI 101-1, GRI 305-5, GRI 306-2
6.2. Providing assistance to clients in managing environmental issues	
6.3. Climate change mitigation	
6.3.1. Carbon accounting context and methodology	GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-5
6.3.2. Climate commitments and targets	GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-5
6.3.3. Wavestone's carbon footprint in the 2023/24 fiscal year	GRI 305-1, GRI 305-2 GRI 305-3, GRI 308-1, GRI 302-1, GRI 302-2
6.3.4. Priority reduction actions in 2024/25	GRI 302-4, GRI 305-5
6.4. Environmental actions and initiatives	
6.4.1. Employee training and commitment	GRI 401-2
6.4.2. Policy of contributing to carbon neutrality	GRI 203-1, GRI 413-1
6.4.3. How Wavestone contributes to sector initiatives	
6.5. Transition to a circular economy	GRI 306-1, GRI 306-2
6.6. Protection and restoration of biodiversity in ecosystem	GRI 304-2, GRI 101-1, GRI 101-2, GRI 101-4, GRI 303-5
6.7. Labels and environmental certifications	

**7. European Green Taxonomy****8. Methodology note regarding Wavestone's**

8.1. Scope and rules of consolidation	GRI 2-2, GRI 2-3
8.2. Sources of, and methods used to collect, non-financial data	
8.2.1. Data collection and consolidation	
8.2.2. Methodology used to calculate the carbon footprint	GRI 305-1, GRI 305-2, GRI 305-3, GRI 302-1, GRI 302-2











**9. Appendices – Performance indicators**

9.1. Progress of CSR objectives over the last four fiscal years	
9.2. Workforce data	GRI 2-7
9.3. Details of new hires and departures	GRI 401-1

**2023/24 Statement of non-financial performance****GRI**

9.4. Development of employee potential	GRI 403-9, GRI 403-10, GRI 403-2, GRI 403-8, GRI 403-5, GRI 404-1, GRI 404-3
9.5. Diversity and inclusion	
9.6. Ethics and social commitment	GRI 203-1, GRI 205-2, GRI 205-3
9.7. SFDR and GRI cross-reference tables	
9.8. Recap of CSR rankings and certifications for the 2023/24 fiscal year	

### 9.8. Recap of CSR rankings and certifications for the 2023/24 fiscal year

Label/Certification	Note
 <p><b>EthiFinance</b></p>	<p>78/100 (Gold) 6<sup>th</sup> place among companies with revenue between €150m and €500m Top 5% in sector</p>
 <p><b>EcoVadis</b></p>	<p>“Platinum” level Top 1% of panel companies with the best CSR performance</p> 
 <p><b>Carbon Disclosure Project (CDP)</b></p>	<p>B (Management) Rating on a scale from A (Leadership) to D- (Disclosure)</p>
 <p><b>Great Place To Work®</b></p>	<p>1<sup>st</sup> place among companies with 2,500+ employees in France Top 25 large enterprises in the United Kingdom 7<sup>th</sup> place among medium-sized companies in Luxembourg Best Workplace certification for all offices that took part in the survey (France, Luxembourg, United Kingdom, the United States, Switzerland, Belgium, Morocco, Hong Kong and Singapore)</p>
 <p><b>Climate Fresk</b></p>	<p>Certification in February 2023</p>
 <p><b>Happy Trainees</b></p>	<p>Overall score of 4.09/5, with a recommendation rate of 84.3% 1<sup>st</sup> place among companies welcoming between 500 and 999 interns/trainees and work-study participants</p>
 <p><b>Happy Candidates</b></p>	<p>France: 8<sup>th</sup> place in companies with 1,500+ employees with a 70.7% recommendation rate Switzerland: score of 4.13/5, with a recommendation rate of nearly 74% United Kingdom: score of 4.3/5, with a recommendation rate of nearly 85%</p>
 <p><b>Glassdoor</b></p>	<p>14<sup>th</sup> place in the Best Employers ranking in France for 2023</p>
 <p><b>Qualiopi</b></p>	<p>Certification in April 2023, valid for three years</p>



Label/Certification	Note	
ISO 27001		Certification renewed in February 2021 for three years
Cyber Essentials		Certification obtained each year in the UK
"Socially Responsible Company" (ESR)		Label earned in 2023 by Wavestone Luxembourg Sponsored by INDR <sup>(1)</sup> and UEL <sup>(2)</sup> , it is one of the most comprehensive CSR labels in Europe
Moody's ESG Solutions		63/100 146 <sup>th</sup> place out of more than 5,000 companies rated
ISS ESG		C (Medium) Rating on a scale of A+ (Excellent) to D- (Poor)
Sustainalytics		14.7/100 (Low) Rating on a scale of Negligible (0-10) to Severe (40+) 6 <sup>th</sup> place in the ranking of companies operating in the Software and Services sector

(1) Luxembourg's National Institute for Sustainable Development and Corporate Social Responsibility.  
(2) *Union des Entreprises Luxembourgeoises* (Union of Luxembourg Companies).

# 2023/24 Board of Directors' Report - Additional note

## Company results and other items in the last five years

(in thousands of euros)	03/31/20	03/31/21	03/31/22	03/31/23 <sup>(1)</sup>	03/31/24
<b>Capital at year-end</b>					
Share capital	505	505	505	505	623
Number of ordinary shares	20,196,492	20,196,492	20,196,492	20,196,492	24,906,332
<b>Operations and profit/(loss)</b>					
Revenue before tax	332,128	332,918	377,647	421,678	486,484
Net income before tax, profit sharing, depreciation, amortization and provisions	50,037	46,956	46,829	57,880	88,054
Income tax	11,560	10,836	9,958	14,350	19,407
Employee profit sharing	3,896	4,201	5,799	8,006	11,190
Net income after tax, profit sharing, depreciation, amortization and provisions	30,010	20,749	39,888	32,387	32,628
Distributed earnings	0.00	4,645	7,612	7,593	9,343
<b>Earnings per share</b>					
Net income after tax, profit sharing, before depreciation, amortization and provisions	1.71	1.58	1.54	1.76	2.31
Net income after tax, profit sharing, depreciation, amortization and provisions	1.49	1.03	1.97	1.60	1.31
Dividend per share	0.00	0.23	0.38	0.38	0.38
<b>Personnel</b>					
Average headcount	2,059	2,139	2,251	2,666	3,699
Total payroll	115,126	125,379	130,910	154,568	213,994
Social security and social welfare contributions	57,176	59,128	62,681	73,890	102,567

(1) Following the transfer of Wavestone Advisors' and Nomadéis' assets and liabilities to Wavestone SA, the figures presented at 03/31/23 correspond to the scope of Wavestone SA from 04/01/22 to 12/31/22, then to the scope after the transfer from 01/01/23 to 03/31/23.

# Trend information

For a description of recent developments and the outlook for the company, please refer to the “Report of the Board of Directors - General Report” in Chapter 1 of this document.

# 2.

## CORPORATE GOVERNANCE REPORT

**132** MANAGEMENT AND CONTROL OF THE COMPANY

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**151** CORPORATE OFFICER COMPENSATION

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**171** ADDITIONAL INFORMATION

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In accordance with Article L.225-37 of the French Commercial Code, the Board of Directors presents its report on corporate governance to the Combined General Meeting of 07/25/24, including the information specified in Articles L. 22-10-9 to L. 22-10-11, L. 225-37-4 and L. 225-197-1, II of the French Commercial Code. For information, the Corporate Governance report was approved by the Board of Directors at its meeting on 06/03/24.

# Management and control of the company

## 1. Presentation of the governance bodies

As a reminder, Wavestone is a public limited company incorporated in France (*société anonyme*) with a Board of Directors.

To align with best practices in corporate governance, the Board of Directors has appointed Ms. Marie-Ange Verdickt as its Lead Director, responsible for ensuring the proper functioning of the Board.

The composition of the governing bodies for the fiscal year ended 03/31/24 is as follows:

### Board of Directors

• Mr. Pascal Imbert	Chairman – Chief Executive Officer
• Mr. Patrick Hirigoyen	Chief Operating Officer
• Mr. Karsten Höppner	Chief Operating Officer
• Ms. Marie-Ange Verdickt	Lead Director
• FDCH (represented by Mr. Michel Dancoisne <sup>(1)</sup> )	Director
• Ms. Marlène Ribeiro	Director
• Mr. Rafaël Vivier	Director
• Ms. Véronique Beaumont	Director
• Ms. Astrid Blechschmidt	Director
• Mr. Christophe Aulnette	Director
• Ms. Florence Didier-Noaro	Director
• Ms. Emilie Salas	Director representing employees
• Mr. Benjamin Clément	Director representing employees
• Mr. Pierre Allard	Director representing employee shareholders

### Audit Committee

• Ms. Marie-Ange Verdickt	Director, Chairwoman of the Audit Committee
• Mr. Michel Dancoisne	Permanent representative of FDCH, Director
• Ms. Véronique Beaumont	Director
• Ms. Florence Didier-Noaro	Director
• Ms. Emilie Salas	Director representing employees

### Compensation and Nomination Committee

• Mr. Rafaël Vivier	Director, Chairman of the Compensation and Nomination Committee
• Mr. Michel Dancoisne	Permanent representative of FDCH, Director
• Mr. Benjamin Clément	Director representing employees
• Ms. Marlène Ribeiro	Director

### CSR Committee

• Ms. Marlène Ribeiro	Director, Chairwoman of the CSR Committee
• Ms. Marie-Ange Verdickt	Director
• Mr. Rafaël Vivier	Director
• Mr. Pierre Allard	Director representing employee shareholders

For information, from April 2024, the Compensation and Nomination Committee was split into two distinct committees, namely the Compensation Committee and the Nomination Committee.

(1) At the 03/04/24 Board Meeting, Mr. Michel Dancoisne announced he would be replaced by Ms. Delphine Chavelas from the Annual General Meeting of the 07/25/24 as FDCH representative. For further information about Ms. Delphine Chavelas, see [section 2.3](#).

### 1.1. Terms of office and positions exercised by Wavestone's corporate officers during the fiscal year ended and over the past five years

Name	Date of first appointment and date of renewal	Date of end of term of office	Main position held within the company	Main position held outside the company	Other terms of office and positions held	Other terms of office expired over the past five years
Pascal Imbert	09/30/02	Annual	Chairman		<b>Wavestone Belgium</b> Director	<b>Wavestone Consulting Switzerland</b> Chairman and Managing Director
	09/26/08	General Meeting called to approve the financial statements for the fiscal year ended 03/31/26	- Chief Executive Officer		<b>Wavestone Advisors Morocco</b> Managing Director	
	07/28/14 (effective as of 09/26/14)				<b>Wavestone Advisors UK Ltd</b> Director	<b>Xceed (2007) Inc.</b> Director/Chairman/ Treasurer
	07/28/20 (effective as of 09/26/20)				<b>Wavestone Consulting UK Ltd.</b> Director / Chairman	<b>Metis Consulting</b> Chairman
	07/28/22 (change in governance)				<b>Wavestone US Inc.</b> Chairman – Assistant Secretary	<b>WGroup Inc.</b> President/ Chairman
					<b>Wavestone Switzerland SA</b> Director – Chairman	<b>NewVantage Partners LLC</b> Member of the Board of Managers
					<b>Wavestone Luxembourg</b> A-class Director	<b>Wavestone Advisors</b> Chairman
					<b>Wavestone HK Ltd</b> Director	<b>Nomadéis</b> Managing Director
					<b>Xceed Group Ltd.</b> Director / Chairman	<b>Axway</b> Director
					<b>Xceed Group (Holdings Ltd.)</b> Director / Chairman	<b>Wavestone India Private Limited</b> Director
					<b>FIH</b> Managing Director	
					<b>why innovation! Pte. Ltd.</b> Director	
					<b>why innovation! Ltd.</b> Director	
					<b>why academy! Pte. Ltd.</b> Director	
					<b>PEN Partnership Limited</b> Director	
					<b>PEN Partnership GmbH</b> Chairman and Managing Director	
					<b>Coelus Consulting International Ltd.</b> Director	
					<b>Coelus Verwaltungs GmbH</b> Managing Director	
					<b>Coelus Consulting GmbH &amp; Co. KG</b> Managing Director	
					<b>Coelus Consulting Ltd.</b> Director	
					<b>Theodo</b> Member of the Advisory Board	
					<b>Q_PERIOR Holding AG</b> Supervisory Board Member	
					<b>Q_PERIOR AG</b> Supervisory Board Member	
				<b>Aspirant Consulting LLC</b> Manager		
				<b>Aspirant Limited</b> Director		

Name	Date of first appointment and date of renewal	Date of end of term of office	Main position held within the company	Main position held outside the company	Other terms of office and positions held	Other terms of office expired over the past five years
<b>Patrick Hirigoyen</b>	09/30/02 09/26/08 07/28/14 (effective as of 09/26/14) 07/28/20 (effective as of 09/26/20) 07/28/22 (change in governance)	Annual General Meeting called to approve the financial statements for the fiscal year ended 03/31/26	Chief Operating Officer		<b>Wavestone Belgium</b> Director <b>Wavestone Luxembourg</b> B-class Director <b>Wavestone Switzerland SA</b> Director	<b>Wavestone Advisors</b> CEO <b>Metis Consulting</b> CEO
<b>Karsten Höppner</b>	12/05/23	Annual General Meeting called to approve the financial statements for the fiscal year ended 03/31/27	Chief Operating Officer (since 01/01/24)	<b>Q_PERIOR</b> CEO	<b>Q_PERIOR AG</b> Director - CEO <b>Q_PERIOR Inc.</b> Director - Chairman <b>Q_PERIOR GmbH</b> Managing Director <b>Q_PERIOR Canada Inc.</b> Director <b>ESPRi Engineering GmbH</b> Managing Director <b>StonePine Services GmbH</b> Managing Director	N/A
<b>Michel Dancoisne, representing FDCH</b>	09/30/02 09/26/08 07/11/14 (Member of the SB) 07/28/14 (Chairman of the SB) 07/20/16 (Member of the Audit Committee) 03/05/18 (Member of the Compensation Committee) 07/26/18 (Chairman of the SB) 07/28/22 (change in governance)	Annual General Meeting called to approve the financial statements for the fiscal year ended 03/31/26	Permanent representative of FDCH on the Board of Directors Permanent representative of FDCH on the Audit Committee Permanent representative of FDCH on the Compensation and Nomination Committee		<b>FDCH</b> CEO <b>FDCI</b> CEO	



Name	Date of first appointment and date of renewal	Date of end of term of office	Main position held within the company	Main position held outside the company	Other terms of office and positions held	Other terms of office expired over the past five years		
<b>Marie-Ange Verdickt</b>	09/26/12	Annual General Meeting called to approve the financial statements for the fiscal year ended 03/31/24	Independent Lead Director	Independent Advisor	<b>Interparfums</b> Director <b>Bonduelle SA</b> Director	<b>Bonduelle SCA</b> Member of the Supervisory Board <b>ABC Arbitrage</b> Director <b>Caphorn Invest</b> Member of the Supervisory Board		
	07/20/16 (Member of the SB)		Chairwoman of the Audit Committee					
	07/20/16 (Chairman of the Audit Committee)		Member of the CSR Committee					
	03/05/18 (Member of the Compensation Committee)							
	07/26/18 (Vice-Chairwoman of the SB)							
	07/28/20 (Member of the SB)							
	07/28/20 (Vice-Chairman of the SB)							
	07/28/22 (change in governance)							
	<b>Rafaël Vivier</b>	07/22/15	Annual General Meeting called to approve the financial statements for the fiscal year ended 03/31/27	Director			<b>Wit Associés</b> Founding Partner <b>Consultor</b> CEO	
		07/20/16 (Member of the Audit Committee)		Chairman of the Compensation and Nomination Committee				
	03/05/18 (Chairman of the Compensation Committee)		Member of the CSR Committee					
	09/16/19							
	07/28/22 (change in governance)							
	07/27/23 (renewal of term of office)							
<b>Benjamin Clément</b>	01/10/18	07/28/26	Director representing employees		Private business owned by individual ("auto-entrepreneur" status)			
	01/21/22							
	07/28/22 (change in governance)		Member of the Compensation and Nomination Committee					
			Deputy Communications Director					

Name	Date of first appointment and date of renewal	Date of end of term of office	Main position held within the company	Main position held outside the company	Other terms of office and positions held	Other terms of office expired over the past five years
<b>Christophe Aulnette</b>	09/16/19 07/28/22 (change in governance) 07/27/23	Annual General Meeting called to approve the financial statements for the fiscal year ended 03/31/27	Director	<b>Arcadia Ventures SAS</b> Chairman	<b>Locarise Pte Ltd</b> Board Director <b>Odigo</b> Chairman	<b>Netgem SA</b> Director <b>Netgem Singapore</b> Director <b>Netgem Australia</b> Director <b>Netgem Mexico</b> Director <b>Netgem International</b> Chairman <b>Sixon Holding SA</b> Director <b>MBO Partenaires</b> Member of the Supervisory Board <b>Dathena Science Pte Ltd</b> Executive Chairman
<b>Véronique Beaumont</b>	07/27/21 07/28/22 (change in governance)	Annual General Meeting called to approve the financial statements for the fiscal year ended 03/31/25	Director Member of the Audit Committee	<b>L'Escalator SAS</b> Head of Operations	<b>Iodrigo SAS</b> Chairwoman	<b>Publicis Sapient France</b> Chairwoman <b>Publicis Conseil</b> Director <b>SOCAH SAS</b> Director
<b>Marlène Ribeiro</b>	07/27/21 07/28/22 (change in governance)	Annual General Meeting called to approve the financial statements for the fiscal year ended 03/31/25	Director Member of the Compensation and Nomination Committee Chairwoman of the CSR Committee	<b>Michael Page International</b> Managing Partner France & Southern Europe	<b>Page Executive</b> Member of the Executive Committee <b>PageGroup France</b> Member of the Executive Committee	
<b>Astrid Blechschmidt</b>	12/05/23	Annual General Meeting called to approve the financial statements for the fiscal year ended 03/31/27	Director	<b>Q_PERIOR</b> Partner		
<b>Pierre Allard</b>	07/28/22	Annual General Meeting called to approve the financial statements for the fiscal year ended 03/31/26	Director representing employee shareholders Member of the CSR Committee Manager			
<b>Emilie Salas</b>	09/08/22	09/07/26	Director representing employees Member of the Audit Committee Financial Services Manager			

Name	Date of first appointment and date of renewal	Date of end of term of office	Main position held within the company	Main position held outside the company	Other terms of office and positions held	Other terms of office expired over the past five years
<b>Florence Didier-Noaro</b>	07/27/23	Annual General Meeting called to approve the financial statements for the fiscal year ended 03/31/27	Director Member of the Audit Committee	<b>Innwise</b> Founding Director	<b>Forsee Power</b> Independent Director, Chairwoman of the CSR Committee and member of the Audit Committee <b>Groupe Bouchard</b> Member of the Strategic Committee <b>Blue like an Orange Sustainable Capital</b> Member of the ESG Advisory Committee <b>Sycomore Asset Management</b> Member of the Mission Committee	

All corporate officers confirm that in the past five years they have not been:

- convicted of fraud;
- involved in bankruptcy, receivership or liquidation proceedings in which the corporate officers acting in their capacity as members of the administrative, management and supervisory bodies, were convicted;
- incriminated and/or subject to sanctions by an official public statutory or regulatory authority;
- have not been disqualified by a court from serving as a member of an administrative, management or supervisory body of a listed company, or from taking part in the management or conduct of the business of a listed company.

The corporate officers declare that, to the best of their knowledge, there are:

- no potential conflicts of interest between the Board members' duties to the issuer and their private interests and/or other obligations;
- no family ties between any of the company's corporate officers.

## 2. Composition, preparation and organization of the work of the management and control bodies

### 2.1. General organization of the management and control bodies

As a reminder, Wavestone is a public limited company incorporated in France (*société anonyme*) with a Board of Directors.

### 2.2. Composition of the management and control bodies at 03/31/24

#### Composition of the Board of Directors

The Board of Directors' composition is as follows:

- Mr. Pascal Imbert  
Chairman and Chief Executive Officer
- Mr. Patrick Hirigoyen  
Director - Chief Operating Officer
- Mr. Karsten Höppner  
Director - Chief Operating Officer
- Ms. Marie-Ange Verdickt  
Independent Lead Director
- FDCH (represented by Mr. Michel Dancoisne<sup>(1)</sup>)  
Director
- Ms. Marlène Ribeiro  
Director
- Mr. Rafaël Vivier  
Director
- Ms. Véronique Beaumont  
Director
- Ms. Astrid Blechschmidt  
Director
- Mr. Christophe Aulnette  
Director
- Ms. Florence Didier-Noaro  
Director
- Ms. Emilie Salas  
Director representing employees
- Mr. Benjamin Clément  
Director representing employees
- Mr. Pierre Allard  
Director representing employee shareholders

The Directors have been chosen for their multidisciplinary skills and expertise, as shown by the biographies and matrix presented below.

(1) At the 03/04/24 Board Meeting, Mr. Michel Dancoisne announced he would be replaced by Ms. Delphine Chavelas from 07/25/24 as FDCH representative. For further information on Ms. Delphine Chavelas, see [section 2.3](#).

## Biographies of members of the Board of Directors

### Pascal Imbert



Born on 08/12/58, Pascal Imbert is a graduate of Ecole Polytechnique and Télécom Paris Tech (the Paris Institute of Science and Technology). He began his career in 1980 at the R&D division of the digital services company, Télésystèmes, before joining Cirel Systems, a manufacturer of telecom products, in 1988. In 1990, he co-founded Wavestone with Michel Dancoisne, with whom he oversaw the development of the company for a period of 12 years. In 2002, he became Chairman of the company's Management Board and Michel Dancoisne, Chairman of the Supervisory Board. Since 07/28/22, he has been Chairman and CEO of Wavestone. Pascal Imbert was Chairman of MiddleNext, an association of mid-cap listed companies in France, from 2010 to 2014.

Professional address: Wavestone, Tour Franklin, 100-101 Terrasse Boieldieu 92042 Paris La Défense Cedex, France

### Patrick Hirigoyen



Born on 08/06/1963, Patrick Hirigoyen holds an engineering degree from the Ecole Nationale Supérieure des Télécoms de Bretagne and has extensive experience in the field of consulting. He started his career as a business engineer with INFI, a software and computer services company specialized in new technologies. He joined Wavestone in 1993 where, as Director of Sales, he developed the Sales Division before being appointed General Director and member of the Management Board in September 2002. Since 07/28/22, he has been Chief Operating Officer of Wavestone.

Professional address: Wavestone, Tour Franklin, 100-101 Terrasse Boieldieu 92042 Paris La Défense Cedex, France

### Karsten Höppner



Born on 07/03/67, Karsten Höppner is Partner, CEO and co-founder of the IT and management consultancy firm Q\_PERIOR. He has been instrumental to the company's growth between its establishment in 1995 and the present day. He began his career in 1992 at Andersen Consulting (now Accenture) after obtaining an engineering degree from the Berlin University of Applied Sciences and an MBA from Pennsylvania State University. In addition to his role as Q\_PERIOR's Chief Executive Officer, Karsten Höppner is an experienced consultant, with proven skills in managing large-scale international transformation programs and in-depth expertise in insurance. He is passionate about working with others

and seeks to give all Q\_PERIOR employees the best opportunity to unlock their full potential. Karsten now holds the Chief Operating Officer position at Wavestone.

Professional address: Q\_PERIOR AG, Leopoldstraße 28A 80802 Munich, Germany

### Marie-Ange Verdickt



Born on 10/24/62, Marie-Ange Verdickt graduated from Kedge and is a member of the French Society of Financial Analysts (SFAF). After joining Deloitte-Touche in 1984 as an auditor, she became a management controller for the Wang computer group in 1987. She joined Euronext in 1990, where she worked mainly on IPOs and financial transactions involving listed companies. From 1998 to 2012, she worked at *La Financière de l'Échiquier*, first as an equity fund manager specialized in French and European mid-cap stocks, and then as Director of Research and SRI (Socially Responsible Investment).

Marie-Ange Verdickt is currently a Director of Interparfums and Bonduelle SA. She is also a member of the CSR Committee of Sopra Steria and of the Investment Committee of the *Fondation des Petits Frères des Pauvres*.

Professional address: 21 rue Weber, 75116 Paris, France

### Michel Dancoisne



Born on 03/13/47, Michel Dancoisne graduated from the *Institut Supérieur d'Electronique et du Numérique* and obtained an Executive MBA from the HEC Business School. In 1971, he joined Télésystèmes, a subsidiary of France Telecom, as a technical and sales engineer, before joining CII-Honeywell Bull in 1974 as a sales engineer. In 1979, he contributed to the creation of the Questel database server business at Télésystèmes, initially in charge of commercial operations and then becoming head of general management. In 1985, Michel was promoted to Director of the Networks Division and was appointed member of the company's Management Board. In 1990, he co-founded Wavestone, which he co-chaired until his appointment as Chairman of the Supervisory Board in 2002. Since 07/28/22, he has been FDCH's permanent representative on the Board of Directors.

Professional address: 6 place de la Madeleine 75008 Paris, France

### Marlène Ribeiro



Born on 11/01/78 and a graduate of the Telecom SudParis engineering school, Marlène Ribeiro has more than 19 years of experience working in international consulting, auditing and recruitment companies. In 2002, she joined Deloitte France as a Financial Information Systems Consultant and then moved to Ineum Consulting, the consulting spin-off of Deloitte France. In 2005, she joined the Michael Page recruitment agency, a brand of PageGroup listed on the London stock market and part of the FTSE 250 index, as an IT Systems Recruitment Specialist. She spent 10 years on recruiting senior executives and executive management in this field, while also creating, developing, restructuring and managing various PageGroup activities. In 2015, she was appointed Senior Executive Director and member of the Executive Board of Michael Page France as well as PageGroup France. She is involved in major transformation projects for the group: unlocking synergies between the different brands, aligning processes and tools to a more global model, accelerating digitalization and innovation at the service of the business activity, sharing a corporate vision, updating the management culture, and strengthening employee engagement and CSR projects. Marlène Ribeiro also plays an active role in diversity and inclusion through the Women@Page group for which she is currently the sponsor for PageGroup France. Marlène Ribeiro was appointed Managing Director of PageGroup France in January 2023. Since the start of 2024, Marlène Ribeiro has overseen the Page Executive business in France, Spain, Italy, Portugal and Turkey for the firm PageGroup with strong growth ambitions. She is a member of the Executive Committee and remains very active in France, retaining her position on the Executive Committee.

Professional address: Michael Page International, 164 avenue Achille Peretti, 92200 Neuilly sur Seine, France

### Rafaël Vivier



Born on 08/27/75, Rafaël Vivier is a graduate of the EDHEC business school and an HEC certified coach. He started his career in 1999 as a consulting partner for the recruitment agency, Michael Page in Paris. In 2001, he moved to Masai, a consulting firm in cost optimization, first as a consultant and then as a manager. In 2006, Rafaël joined the Roland Berger firm as an industry specialist, focusing on the automotive and aeronautics sectors. In 2008, after gaining experience on the Management Board of Adecco France, he founded and is currently a Partner at Wit Associés, a human resources consulting firm specialized in high-growth sectors, mainly in the professional services sector and for large listed groups.

In 2011, he founded consultor.fr, an on-line media network specialized in strategy consulting, now the main source of information in the sector. He is currently CEO of the company.

Professional address: Wavestone, Tour Franklin, 100-101 Terrasse Boieldieu 92042 Paris La Défense Cedex, France

### Véronique Beaumont



Born on 06/28/64 and a graduate of ENSEIHT with a Master degree from ISG, Véronique Beaumont has more than 30 years of experience in digital transformation and the structuring of innovative fast-growing companies. She started her career in 1988 at Sagem where she held various marketing and sales positions. In 1996, Véronique took the opportunity to join Sema Group Consulting to develop its e-business practice at the European level. In 1999, she joined TBWA Interactive, a newly-created web agency. In 2002, despite the burst of the internet bubble, Véronique remained convinced that the Internet was still just beginning to take off. She joined Business Interactif, an independent web agency, first in Sales and then in Operations. In 2007, Business Interactif was acquired by Publicis and became Digitas France. Véronique became Digitas France's International Development Manager in collaboration with the Digitas global network. At the end of 2009, she was appointed Managing Director of Digitas France. Her role was extended in 2013 to EVP General Manager of Digitas LBI France and European Chief Growth Officer at DigitasLBI. In 2016, Véronique was appointed CEO of DigitasLBI France. In 2018, when Publicis merged with DigitasLBI and Razorfish to create Publicis Sapient France, she became CEO of the new company, which expanded by acquiring Xebia at the end of 2018. In parallel, Véronique was appointed to the Executive Committee of Publicis France. She left the Publicis Group in December 2020 to explore new opportunities. Since 2021 she has headed L'Escalator, an incubator that aims to strengthen the diversity and inclusion of the startup ecosystem.

Professional address: 34 rue du dragon 75006 Paris, France

### Astrid Blechschmidt



Born on 02/03/70, Astrid Blechschmidt holds a degree in business administration from the Munich University of Applied Sciences and has more than 25 years' experience in IT consultancy companies. She began her career as an IT consultant in the mobility, transport and logistics sector. In 2010, Astrid was appointed to head up the "Travel, Transport & Logistics" sales department at T-Systems Switzerland, a Deutsche Telekom company. Then, in 2014, she became CEO of T-Systems Data Migration Consulting AG, a Deutsche Telekom consulting firm in Switzerland. Astrid Blechschmidt joined Q\_PERIOR AG in Munich in 2016. She is a Partner and Sector Lead for Travel, Transport & Logistics. She is also in charge of the

Deutsche Bahn account. Astrid Blechschmidt's work encompasses numerous areas of expertise: she has designed and delivered a sales training program, kick-started a diversity initiative, and, as ambassador, supports the new Associate Partner and Partner promotion process.

Professional address: Q\_PERIOR AG, Leopoldstraße 28A 80802 Munich, Germany

#### Christophe Aulnette



Born on 12/17/61 and a graduate of Telecom Paris, Christophe Aulnette has more than 25 years of experience in the management and development of international technology companies. In 1988, he joined Microsoft in France, where he successively held the positions of Sales Engineer and Director of the Key Accounts Division. In 1998, he was appointed General Manager of Asia Business Development at Microsoft's Asia Pacific headquarters in Tokyo, before being promoted to Chairman of South Asia. Based in Singapore, he was responsible for the operational management of the seven subsidiaries in the region. In May 2001, he was recalled to France to take up the position of Chairman of Microsoft France, the group's fifth largest subsidiary in the world with an annual revenue of over €1.2 billion. In March 2005, he was appointed Chairman of the Management Board of Altran Technologies, a listed company with 16,000 employees in Europe and an annual revenue of €1.5 billion. He left his position at the end of 2006, having initiated a major transformation plan for the group. In early 2009, he joined Netgem, a Euronext-listed provider of Internet TV solutions to telecom operators. During his four years as CEO, Christophe Aulnette transformed the company by expanding it internationally, winning numerous operator clients on all five continents, while maintaining a high level of profitability. In 2013, he became a Director of the Netgem group and developed, initially in Singapore and now in Paris, an investment and operational consulting activity for companies in the technology sector.

Professional address: 20 rue Alfred de Vigny 75017 Paris, France

#### Florence Didier-Noaro



A graduate of NEOMA and Sciences Po Paris (EM), Florence Didier-Noaro began her career in financial auditing with Deloitte in 1989. In 2001, she became a partner at Deloitte France, in charge of French and international accounting standards, and then of public offering and accounting standards adoption projects (IFRS, US). In 2007, still with Deloitte, she became partner in charge of transformation projects for the finance function. In 2013, she joined the sustainable development

audit and consulting business, which she headed from 2014 and in this capacity joined the Management Committee of the Enterprise Risk Services business in France. In 2017, she left Deloitte to pursue her sustainable strategy consulting activities, which she still pursues today (Innwise).

At the same time, Florence puts her skills in accounting and auditing, and in strategy and sustainable performance, to work for companies as a Board member and member of Mission, Strategy or Advisory Committees.

Professional address: Wavestone, Tour Franklin, 100-101 Terrasse Boieldieu 92042 Paris La Défense Cedex, France

#### Emilie Salas



Born on 06/11/86 and a graduate of EDHEC Business School, Emilie Salas joined Wavestone in 2012. Initially working as a consultant for information systems departments, she soon specialized in the transformation of marketing and digital departments in the banking and insurance sectors. She was appointed employee representative on the Board of Directors in September 2022.

Professional address: Wavestone, Tour Franklin, 100-101 Terrasse Boieldieu 92042 Paris La Défense Cedex, France

#### Benjamin Clément



Born on 02/24/89, Benjamin Clément is a graduate of the *Télécom Ecole de Management*. He joined Wavestone as a consultant in 2012. He held this position for four years, carrying out most of his assignments in the transport sector in Paris, Brussels and London. In 2016, he joined Wavestone's communication team and dedicated most of his time to improving Wavestone's image and reputation, before taking on responsibility for financial communications. Since 2022, he has served as Deputy Communications and Marketing Director, with active involvement in the combination project between Wavestone and Q\_PERIOR, focusing on all communications and financial communications aspects. He was appointed employee representative on the Board in January 2018 for an initial term of four years, renewed in 2022. Benjamin Clément is also an independent corporate and sports event organizer, working as a presenter and organizer for prestigious international institutions (NBA, UEFA, FIBA, IHF, etc.).

Professional address: Wavestone, Tour Franklin, 100-101 Terrasse Boieldieu 92042 Paris La Défense Cedex, France

### Pierre Allard



Born on 11/26/63, Pierre Allard has worked at Wavestone for 19 years. He started his career in 1986 as a computer engineer, before becoming a project manager, organization and quality manager, and project director for IT services and consulting firms. Since then, he has helped manage transformation projects for major organizations such as SNCF, Enedis, the French Ministry of Ecological Transition, Sanofi, Macif, and Crédit Agricole. In 2016, he orchestrated the merger of the firm's expertise involved in relocation projects and the overhaul of working practices (real estate, employee services, digital, HR and change management), the origin of the "New Ways Of Working" offering. He also plays a number of cross-functional roles within the firm: Chairman of the Supervisory Board of the Wavestone Actions FCPE since 2020, member of the Individual Shareholders Consultative Committee, elected to the Social and Economic Committee, founder of the Club Investissement, and, since 2022, Director representing employee shareholders. One of his core values is the attention he pays to people. He embodies this in his relationships inside and outside the company. He was also a member of the Board of Directors of ASCOME, an organization specializing in events. Since 2007, he has been President and Founder of an investors' association.

Professional address: Wavestone, 81 boulevard de Stalingrad 69100 Villeurbanne, France

The results of this review are provided in the table below:

Middlenext independence criteria	(Former) employee or (former) executive officer	Key client, supplier or banker	Reference shareholder	Family ties with another corporate officer or reference shareholder	Former auditor	Independent Director
Pascal Imbert	Yes	No	Yes	No	No	No
Patrick Hirigoyen	Yes	No	No	No	No	No
Karsten Höppner	Yes	No	Yes	No	No	No
Marie-Ange Verdickt	No	No	No	No	No	Yes <sup>(1)</sup>
Michel Dancoisne	Yes	No	Yes	No	No	No
Marlène Ribeiro	No	No	No	No	No	Yes
Rafaël Vivier	No	No	No	No	No	Yes
Véronique Beaumont	No	No	No	No	No	Yes
Astrid Blechschmidt	Yes	No	No	No	No	No
Christophe Aulnette	No	No	No	No	No	Yes
Florence Didier-Noaro	No	No	No	No	No	Yes
Emilie Salas	Yes	No	No	No	No	No
Benjamin Clément	Yes	No	No	No	No	No
Pierre Allard	Yes	No	No	No	No	No

(1) It is understood that, subject to approval of the recommended resolution to renew Ms. Marie-Ange Verdickt's term of office at the Shareholders' Meeting of 07/25/24, despite the fact that she still meets the independence criteria established under the Middlenext Code, the Board of Directors will no longer consider her to be an Independent Director. Indeed, the combined duration of her terms of office within the company will amount to twelve (12) years. Beyond this threshold, the most stringent criteria in force on the market no longer make her eligible to be an Independent Director.

At its meeting on 03/04/24, the Board of Directors stated that it had six independent members (Marie-Ange Verdickt, Rafaël Vivier, Christophe Aulnette, Véronique Beaumont, Marlène Ribeiro

### Terms of office and positions held

Details of the terms of office and positions held, as well as the dates of appointment and renewal of terms of office, are provided in [section 1.1](#) "Terms of office and positions held by corporate officers during the fiscal year ended and over the past five years" of this report.

### Duration of terms of office

Directors are appointed for a term of four years.

### Obligation to hold Wavestone shares

Board members are required by law to own at least 320 registered Wavestone shares each, which must be acquired within the twelve-month period following the date on which they take up their functions.

### Independent members of the Board of Directors

At its meeting on 03/04/24, the Board of Directors reviewed the independence of all its members based on the criteria defined by the Middlenext Corporate Governance Code published in September 2016. The Director-independence qualification criteria set out in this Code stipulate the absence of any significant financial, contractual or family relationships likely to impair the independence of a Director's judgment.

and Florence Didier-Noaro), while specifying that the Middlenext Corporate Governance Code recommends at least two independent members on the Board. In keeping with best

corporate governance practices, each Board committee is chaired by an independent director.

The percentage of independent Board members is therefore 55% (excluding the members representing employees and employee shareholders, in line with market practice for issuers).

### 2.3. Information about Ms. Delphine Chavelas replacing Mr. Michel Dancoisne as FDCH representative from 07/25/24

#### Biography



Delphine Chavelas, daughter of Michel Dancoisne, co-founder of Wavestone, was born on 07/02/74. A graduate of EDHEC business school, she began her career in 1997 in Hong Kong with Eures in the Marketing/Communications department. On her return to France in 1998, she joined Secodip (now part of the Kantar group, world leader in market research and consulting) as a marketing consultant. She worked within the company until 2005, first as Group Manager, then as Director of a business unit specializing in several consumer markets.

Partner in the family holding company FDCH since its inception in 2019, she will take over from Michel Dancoisne at the close of the AGM on 07/25/24 to represent FDCH on the Wavestone Board of Directors.

Delphine Chavelas will bring her expertise in management and corporate governance to the Board.

Professional address: Wavestone, Tour Franklin, 100-101 Terrasse Boieldieu 92042 Paris La Défense Cedex, France

#### Directorships and positions held on 07/25/24 and over the past five years:

Last name	Date of first appointment and date of renewal:	Date of end of term of office	Main position held within the company	Main position held outside the company	Other terms of office and positions held	Other terms of office expired over the past five years
<b>Delphine Chavelas, FDCH representative</b>	07/28/22 (nomination of FDCH represented by Michel Dancoisne) 07/25/24 (change of FDCH representative)	Annual General Meeting called to approve the financial statements for the fiscal year ended 03/31/26	Permanent representative of FDCH on the Board of Directors		<b>Realine</b> Joint Managing Director	

Ms. Delphine Chavelas has confirmed that over the past five years she has not been:

- convicted of fraud;
- involved in bankruptcy, receivership or liquidation proceedings in which Delphine Chavelas acting in her capacity as member of the administrative, management and supervisory bodies, was convicted;
- incriminated and/or subject to sanctions by an official public statutory or regulatory authority;
- has not been disqualified by a court from serving as a member of an executive, management or supervisory body of a listed company, or from taking part in the management or conduct of the business of a listed company.

Ms. Delphine Chavelas states that she knows of:

- no potential conflicts of interest between the Board members' duties and their private interests and/or other obligations.



#### 2.4. Information concerning the new members of the Board of Directors proposed for appointment at the Combined General Meeting of 07/25/24

##### Graciana Petersen



German nationality  
39 years

##### Main positions held outside the company:

- **ZF Group** – Senior Vice President, Strategy & Transformation

##### Other terms of office and positions held:

- **ZF Group** – Compliance Officer representing the CEO, Regional Headquarters and Sales Department

##### Other terms of office and positions expired in the past five years:

- **McKinsey** – Partner
- **American-Korean Chamber of Commerce** – Member
- **Korea Diversity and Inclusiveness Network** – Member
- **McKinsey** – Head of Strategy and Corporate Finance Practice, South Korea
- **McKinsey** – DEI Leader Advanced Industries, Europe
- **McKinsey** – Private Equity and Advanced Industries JV Leader, Germany

##### Professional experience:

Born on 05/13/85, Graciana Petersen graduated in mathematics in 2009 before obtaining a PhD in atmospheric sciences from the University of Hamburg (Germany) in 2013. That same year, she began her career as a consultant at McKinsey before developing expertise in private equity (2015) followed by strategic transformation for industry (2016). Graciana works on an international stage, dividing her time between Europe, the United States and China. 2020 saw Graciana named an Equity Partner. Then, in 2021, she was made a Leader in South Korea for McKinsey's Strategy & Corporate Finance Practice. Most recently, in 2023, Graciana was appointed Head of Strategy & Transformation at ZF Group, a global-leading tech firm. This past decade, she has been a member of multiple DEI (Diversity, Equity and Inclusion) networks and sat on chambers of commerce in addition to her work as a conference speaker, panelist and teacher at a host of training courses and events.

##### Number of Wavestone shares held:

As of 03/31/24, Graciana Petersen did not hold any Wavestone shares.

#### 2.5. Diversity policy of the Board of Directors, its Committees, the Executive Committee and at each hierarchical level

##### Diversity policy within the Board of Directors and its Committees (Audit Committee, Compensation and Nomination Committee, and CSR Committee)

Guided by the interests of the company and its shareholders as a whole, the Board of Directors ensures that its composition and that of its Committees (Audit Committee, Compensation and Nomination Committee, CSR Committee) is diversified, to ensure dynamic and high quality discussions. It regularly reviews the appropriateness and relevance of their composition with regard to the key objectives of Wavestone's strategy.

The Board of Directors assesses its composition based on the following four criteria:

##### • Gender equality

The Board aims to maintain a balanced proportion of women and men among its members.

The Board currently consists of six men—excluding the employees and employee shareholders representative members – and five women. The Board is thus in compliance with its legal obligations.

For the record, the employee representative members on the Board are a man and a woman, the employee shareholders representative member is a man, and the Audit Committee and the CSR Committee are chaired by a woman, respectively Marie-Ange Verdickt and Marlène Ribeiro.

##### • International experience – Nationality

Several Board members have held positions with an international scope.

Among them, Mr. Christophe Aulnette has more than 25 years' experience in managing and developing multinational companies in the technology sector, with extensive expertise in business transformation as part of international development plans. Ms. Véronique Beaumont brings with her experience as Head of Sales and then Head of International Development at Digitas. More recently, following Wavestone's merger with Q\_PERIOR, the Board became more international with the arrival of Mr. Karsten Höppner and Ms. Astrid Blechschmidt. Both German nationals, they have solid experience of international management, development strategy and sales.

##### • Complementarity of skills

The Board's members bring a range of valuable skills, which serve to assess the development issues and challenges facing Wavestone. These skills notably cover the consulting and services market, financial and stock market strategy management in an expanding company, external growth, international development, human resources, CSR, and communication.

The Board of Directors also has expertise in investor relations through the position held by Benjamin Clément at Wavestone as well as the professional experience of Marie-Ange Verdickt.

The various committees are regularly reviewed to identify any skills they may be lacking. The proposals made to the group's shareholders for the appointment of new directors take full account of these skills.

Skills/experience	Pascal Imbert	Patrick Hirigoyen	Karsten Höppner	Marie-Ange Verdickt	Michel Dancoisne	Marléne Ribeiro	Rafaël Vivier	Véronique Beaumont	Astrid Blechschmidt	Christophe Aulnette	Florence Didier-Noaro	Emilie Salas	Benjamin Clément	Pierre Allard	Total out of 14
Leadership/management	X	X	X		X	X	X	X	X	X	X				10
Finance/audit	X		X	X	X			X			X	X		X	8
CSR/human resources		X	X	X		X	X	X	X		X			X	9
Consulting market	X	X	X		X	X	X	X	X		X	X	X	X	12
Corporate governance	X		X	X	X	X					X		X		7
International	X		X					X	X	X					5
External growth	X		X					X		X					4
Digital/new technologies	X	X	X		X			X	X	X		X		X	9
Communication/shareholder relations	X	X		X	X				X	X			X		7

#### • Age balance

Wavestone is in compliance with regulations regarding the duration of terms of office and intends to maintain a broad age spectrum for members of the Board of Directors and its Committees. The Board strives to maintain a balanced composition between members with historical knowledge of the company and those who have recently joined. In fiscal year 2023/24, Board members ranged in age from 34 to 77, with an average age of 56.

#### Diversity policy within the ExCom with regard to the balanced representation of women and men and at each hierarchical level

The Board also ensures a non-discrimination and diversity policy, particularly with regard to the balanced representation of women and men on management bodies, in compliance with France's Rixain Law.

Wavestone promotes equality between men and women, especially in terms of pay and aims to ensure that women are represented throughout the company, including positions of greater responsibility.

In this respect, Wavestone's operating model gives extensive powers to the Executive Committee (ExCom), which is specifically responsible for establishing the group strategy. The ExCom is composed of key leaders from operations and functions representing all Wavestone teams, with an over-representation

of Wavestone's international activities. It should also be noted that Diversity and Inclusion sponsors were appointed within the Executive Committee (ExCom). This governance body is currently 33% female.

The Board also ensures, in accordance with the new recommendation of the Middledex Code, that a policy aimed at the representation of diversity and the absence of discrimination is implemented within Wavestone at each level of the hierarchy.

## 2.6. Preparation and organization of work

### The functioning and work of the Board

The Board of Directors controls and manages the company.

The Board of Directors may conduct as many audits and controls as it deems necessary, at any time during the year, and may request any document it considers necessary to fulfill its duties. Moreover, at any time during the course of business between its meetings, the Board of Directors may request any information considered pertinent, or even critical, notably in the form of financial analysis reports.

During the fiscal year ended 03/31/24, the Board of Directors met 9 times (05/31/23, 07/24/23, 07/27/23, 09/21/23, 10/26/23, 12/04/23, 12/05/23, 01/29/24 and 03/04/24) with an attendance rate of 96%. The schedule and content of Board meetings are set annually, and reviewed during the year in the light of current events and requirements.

Meetings are convened by electronic mail approximately one week before the scheduled date. The Board meeting agenda is always sent with the notice of meeting. In addition, interim and full-year financial statements are communicated to the Board members for review approximately one week before the date of the Board meeting. Social and Economic Committee representatives on the Board of Directors are invited to attend all Board meetings.

The Financial Auditors are invited to Board of Directors meetings called to approve the company's interim and annual financial statements. The items dealt with by the Board of Directors during the fiscal year ended 03/31/24 included:

- the review, verification and audit of the full-year company and consolidated financial statements;
- the review, verification and audit of the interim company and consolidated financial statements;
- the review of the results of the current share buy-back program and the review of the proposal for the next share buy-back program;
- the preparation of the Board of Directors' report on corporate governance;
- action plan/budget;
- the presentation of provisional management documents;
- drafting the interim financial report;
- assessing external growth opportunities, particularly in acquiring in Q\_PERIOR and for international development;
- the review of quarterly reports;
- corporate officer compensation;
- the review of the eligibility of Board members' independent status;
- the review of potential conflicts of interest;
- reviewing renewals of terms of office and appointments of new directors;
- monitoring the replacement of executive directors;
- compliance with the Middelnext Corporate Governance Code (recommendations and points requiring vigilance);
- formalized structuring and monitoring of progress on the three-year training plan<sup>(1)</sup>;
- the company's policy with respect to equal compensation policy and professional opportunities;
- the company's Corporate Social Responsibility (CSR) strategy;
- keeping track of client satisfaction;
- the change in the constitution of the Committees;
- the analysis of internal control, risk management and internal audit procedures in force at the company;
- a formalized assessment of the Board's operations and work;
- a review of results of voting at General Meetings, particularly minority-interest voting;
- the procedure for evaluating ordinary agreements entered into under normal conditions;
- the continuation of a regulated agreement.

The Chief Financial Officer, or any other person, depending on the subject under discussion, may attend all or part of Board meetings, at the discretion of the Directors.

The compensation of executive corporate officers is discussed in the absence of the Chairman and Chief Executive Officer and Chief Operating Officers.

Draft minutes of Board of Directors meetings are sent to all members for approval before signature, which generally takes place at the next Board meeting.

### **Assessment of the functioning and work of the Board of Directors**

The Board of Directors carries out an annual review of its operations and work, and a self-assessment every three years based on a detailed questionnaire. The most recent formal assessment was carried out by the Board of Directors on 03/07/22.

### **Role of the Lead Director**

To align with best practices in corporate governance, the Board of Directors has appointed Marie-Ange Verdickt as its Lead Director, responsible for ensuring the proper functioning of the Board. Marie-Ange Verdickt, an independent Director, has held this position since 07/28/22.

The Lead Director has the following duties:

- to liaise between the independent Directors and the other members of the Board and the company's General Management, particularly on governance issues;
- to ensure that shareholders receive answers to their questions and suggestions regarding corporate governance, and to communicate with institutional shareholders and proxy agencies at the Chairman's request, as necessary;
- to ensure that the Directors are in a position to perform their duties in the best possible conditions, and in particular that they are provided with a satisfactory level of information prior to Board meetings;
- to direct the assessment process for the Board's functioning;
- to prevent conflicts of interest. She is informed of any conflict of interest concerning a Board member and may initiate the matter herself where necessary;
- ensure compliance with the Board's internal rules.

(1) The three-year training plan was reviewed at the Board of Directors meeting on 03/04/24. A reminder of the skills set out in the training plan, as well as the individual progress of the plan (including training courses taken in 2023/24 and recognition of prior experience) for each Board member, were discussed at the meeting, in accordance with recommendation 5 of the Middelnext Code on Board member training.

To facilitate the organization of work between the various committees, the Lead Director can participate in all meetings of these committees with access to their work.

During the year, the Lead Director organized an executive session without the presence of the executive corporate officers. The session focused on the following points:

- verification of compliance with the Middlednext governance Code;
- monitoring recommendations made at the previous executive session on 02/16/23;
- tracking changes in company governance;
- managing new proposals to continue improving the operations of the Board and its committees.

In October and November 2023, in preparation for the Annual General Meeting of 12/05/23 convened to submit the proposed merger between Wavestone and Q\_PERIOR to shareholders for approval, the lead director ensured the continuity of the shareholder dialogue by holding information meetings and specific meetings with the company's main shareholders and proxy advisors. These meetings helped to clarify the issues and details of the operation, and to answer the various questions raised.

In May 2024, in preparation for the Annual General Meeting on 07/25/24, the Lead Director met with proxy agencies and Wavestone shareholders to discuss governance and compensation policy issues.

As the term of office of Ms. Marie-Ange Verdickt expires at the Annual General Meeting of 07/25/24, the renewal of this term of office will be submitted for approval to the shareholders. Pending approval of this proposal, Ms. Marie-Ange Verdickt will no longer qualify as an independent director based on more stringent market criteria (company director for more than twelve years). The Board of Directors has therefore appointed a new Lead Director among its members who meets the qualification criteria for independent director. Ms. Florence Didier-Noaro will take up this position from 07/25/24.

## Committees

### Audit Committee

The Supervisory Board as a whole also functioned as the Audit Committee until 07/20/16, when the Supervisory Board decided to create an *ad hoc* Audit Committee separate from the Supervisory Board, now the Board of Directors.

It has five members, Ms. Véronique Beaumont, Ms. Florence Didier-Noaro (committee member from the meeting of 09/21/23), Emilie Salas (committee member from the meeting of 09/21/23) and Marie-Ange Verdickt, and Mr. Michel Dancoisne (permanent representative of FDCH).

To ensure effective coordination between the two committees, at least one member of the Audit Committee must also be a member of the CSR Committee.

It has been noted that Véronique Beaumont, Florence Didier-Noaro and Marie-Ange Verdickt meet the criteria of independence and competence in accounting and financial matters by virtue of their professional experience.

Regarding its functioning and the work it carries out, the Audit Committee follows the AMF working group recommendations for Audit Committees.

Without prejudice to the powers of the Board, the Audit Committee is responsible in particular for the following tasks:

- monitoring the process of preparing financial information and, where appropriate, making recommendations to ensure its integrity;
- monitoring the effectiveness of the internal control and risk management systems and, where applicable, the internal audit, with regard to the procedures relating to the preparation and processing of accounting and financial information, without prejudice to its independence;
- issuing its recommendation on the Statutory Auditors proposed for appointment by the Annual General Meeting. This recommendation is addressed to the Board of Directors and is drawn up in accordance with applicable regulations; it also issues a recommendation to the Board when the renewal of the term of office of the Statutory Auditor(s) is envisaged under the conditions defined by applicable regulations;
- monitoring the performance by the Statutory Auditors of their engagement and taking into account the findings and conclusions of the French High Council of Statutory Auditors (*Haut Conseil du Commissariat aux comptes*) following the audits carried out in compliance with applicable regulations;
- ensuring that the Statutory Auditors comply with the conditions of independence in accordance with the terms and conditions laid down by applicable regulations;
- approving the provision of services other than the certification of accounts in compliance with applicable regulations;
- reviewing ordinary agreements;
- reporting regularly to the Board on the performance of its duties. It also reports on the results of the engagement to certify the accounts, how that engagement has contributed to the integrity of financial reporting, and the role it has played in that process. It also informs the Board of any difficulties encountered as soon as possible.

Audit Committee meetings are held separately from Board of Directors meetings and are chaired by Marie-Ange Verdickt, Chairwoman of the Audit Committee and an independent member of the Board.

The Chief Financial Officer, the Head of Internal Audit, the Head of Internal Control, the Head of Information System Security or any

other person, depending on the subject under discussion, may attend all or part of Audit Committee meetings, as decided by the members of the Audit Committee.

Statutory Auditors' reports on the interim and annual company and consolidated financial statements, as well as reviews of Statutory Auditor independence and proposals for the renewal of their mandate, are discussed in the absence of the members of the General Management.

Minutes of each Audit Committee meeting are drawn up and appended to the minutes of the Board of Directors meeting tasked with examining their content.

During the year ended 03/31/24, the Audit Committee met four times, on 05/26/23, 09/21/23, 11/30/23 and 01/22/24, with an attendance rate of 100%.

At these meetings, the main points addressed by the Audit Committee included:

- the review and verification of the company and consolidated financial statements for the fiscal year ended 03/31/23 presented and approved by the Board of Directors; interviews with the Chief Financial Officer and Statutory Auditors reports;
- the review of additional reports and documents drafted by the Board of Directors for the Annual General Meeting;
- the review, verification and audit of the annual financial report prepared by the Board of Directors;
- the review of the Corporate Governance Report;
- the review of the audit plan presented by the Statutory Auditors;
- the review of Statutory Auditors' independence;
- the review and verification of the interim financial statements approved by the Board of Directors; the review, verification and audit of the interim financial report prepared by the Board of Directors; interviews with the Chief Financial Officer and Statutory Auditors reports;
- the review of ordinary agreements;
- the analysis and monitoring of the multi-annual internal audit plan and of the internal control and risk management procedures in place within the company. This item is subject to a biannual review of the overall of the system, to ensure its effectiveness, based in particular on risk mapping and reports on internal audit assignments, and verifying the existence of appropriate procedures and control activities. In the event of failure or malfunction, the Audit Committee asks the company to take the necessary corrective measures. During the fiscal year, the Audit Committee focused on the staffing of internal audit and internal control teams, issues connected with the organization of the Finance Department, topics related to ensuring the security of information systems as well as matters concerning the AMF's review of the 2022/23 Universal Registration Document and the group's international expansion.

At its various meetings, the Board of Directors followed the recommendations of the Audit Committee.

It should be noted that at its meeting of 03/04/24, the Board of Directors proposed that Florence Didier-Noaro replace Marie-Ange Verdickt as Chairwoman of the Audit Committee. This change was suggested to ensure that all committees would continue to be chaired by an independent director, in accordance with the strictest criteria, taking into account the length of directors' terms of office. For further details on Marie-Ange Verdickt's status as an independent director, please refer to the "Role of the Lead Director" section of this Chapter.

### Compensation and Nomination Committee

At its meeting on 03/05/18, the Supervisory Board decided to create a Compensation Committee with effect from 04/01/18, renamed Compensation and Nomination Committee in 2020.

The Committee is composed of four members: Marlène Ribeiro, Benjamin Clément, Michel Dancoisne, and Rafaël Vivier.

It has been noted that Ms. Marlène Ribeiro and Mr. Rafaël Vivier meet the independence criteria.

Without prejudice to the powers of the Board of Directors, and under its responsibility, the Compensation and Nomination Committee's mission is to carry out an annual review and make recommendations and opinions, which it submits to the Board of Directors, with respect to the following items:

- studying and proposing to the Board of Directors all the items of compensation and benefits for executive corporate officers;
- the amount of the remuneration package for the Board of Directors to be submitted to the Annual General Meeting and the distribution of this package among the members of the Board of Directors, and the remuneration of censors;
- reviewing and proposing the appointment of new members to the Board of Directors.

The Compensation and Nomination Committee meetings are held separately from the Board of Directors meetings and are chaired by Mr. Rafaël Vivier, Chairman of the Compensation and Nomination Committee and independent member of the Board of Directors.

Minutes are drawn up of each meeting of the Compensation and Nomination Committee and are communicated to each of the members of said Committee.

During the year ended 03/31/24, the Compensation and Nomination Committee met five times, on 05/03/23, 05/26/23, 10/26/23, 01/24/24 and 02/27/24, with an attendance rate of 100%.

The main points addressed by the Compensation and Nomination Committee included:

- the approval of the amount and terms of allocation of compensation to be paid to members of the Board of Directors and the related Committees;
- the work on the compensation of executive corporate officers;
- the level of compensation of executive corporate officers;
- the change in the compensation of executive corporate officers in the medium term;
- the criteria for the allocation of the variable portion of executive corporate officers' compensation and the method for assessing the achievement of objectives;
- the change in compensation for members of the Board of Directors, the Audit Committee, the Compensation and Nomination Committee, and the CSR Committee;
- reviewing the Corporate Governance Report;
- identifying the desired profile for a new independent director;
- assessing the renewal of the term of office of Ms. Marie-Ange Verdickt;
- coordinating discussions for vetting the future Lead Director;
- conducting work on the compensation and nomination policies applicable to new directors in the context of the Q\_PERIOR acquisition;
- altering the composition of Board committees;
- work on the succession of the General Management.

It should be noted that at its meeting of 01/29/24, the Board of Directors decided to split the Compensation and Nomination Committee into two separate committees with effect from the 2024/25 fiscal year.

#### CSR Committee

At its meeting on 12/06/21, the Supervisory Board decided to create a CSR Committee with effect from 04/01/22.

The CSR Committee has four members, Ms. Marlène Ribeiro, Ms. Marie-Ange Verdickt, Mr. Pierre Allard (committee member from the session of 09/15/23) and Mr. Rafaël Vivier. Also note that Ms. Sarah Lamigeon was a member of the CSR Committee until the end of her term of office as director, i.e. until the CSR Committee meeting of 05/26/23.

It has been noted that Ms. Marlène Ribeiro, Ms. Marie-Ange Verdickt and Mr. Rafaël Vivier meet the independence criteria.

At its first meeting on 05/13/22, the CSR Committee appointed Ms. Marlène Ribeiro as Chairwoman of the CSR Committee, who is an independent member.

Without prejudice to the powers of the Board of Directors, and under its responsibility, the CSR Committee has the following mission:

- to annually review progress on the implementation of the CSR strategy;
- to challenge the CSR strategy;
- to ensure compliance with obligations on non-financial information publications in a constantly changing regulatory environment;
- to prepare proposals and opinions that it communicates to the Board of Directors.

CSR Committee meetings are held separately from the Board of Directors and are chaired by the Chairwoman of the CSR Committee. At its meeting of 01/29/24, the Board of Directors also decided to entrust the CSR Committee with the review of the statement of non-financial information, work on the implementation of the CSRD directive and the proposal to the Board of Directors for the selection of the sustainability auditor. At least one member of the Audit Committee should also be a member of the CSR Committee, to ensure effective coordination between the two.

Minutes are taken of each meeting of the CSR Committee and communicated to its members.

During the year ended 03/31/24, the CSR Committee met three times, on 05/26/23, 09/15/23 and 01/19/24, with an attendance rate of 92%.

The main points addressed by the CSR Committee included:

- assessing, verifying and validating the 2022/23 statement of non-financial performance;
- analyzing the firm's 2023/24 CSR objectives;
- following up on the 2023/24 CSR action plan;
- reviewing the action plan and 2024/25 CSR objectives;
- following up on actions to implement the Corporate Sustainability Reporting Directive (CSRD).

#### Internal rules

The internal rules aim to cover as comprehensively as possible the functioning of the Board and include the following categories:

##### Role of the Board of Directors:

- to perform its general role of exercising continuous controls;
- to analyze the voting results of Annual General Meetings;
- to ensure the replacement of executive directors;
- to review areas requiring careful monitoring.

##### Composition of the Board of Directors and independence criteria for its members:

- conditions for the appointment of Board members;
- employee and employee shareholder representative members;
- independence of Board members;
- lead Director.

**Duties of Board members:**

- loyalty and compliance with laws and the Articles of Association;
- secrecy;
- diligence;
- compliance with rules on trading in company securities, including on insider information;
- disclosure of conflicts of interest and duty to abstain.

**Functioning of the Board of Directors, the Audit Committee, the Compensation and Nomination Committee and the CSR Committee:**

- frequency of Board meetings;
- convening Board members;
- informing Board members;
- the use of video-conferencing or other means of telecommunication;
- deliberations of the Board of Directors;
- decisions of the Board of Directors by written consultation;
- assessment of the work of the Board of Directors;
- Audit Committee;
- censors;
- Compensation and Nomination Committee;
- CSR Committee.

**Rules for determining the compensation of members of the Board of Directors, the Audit Committee, the Compensation and Nomination Committee, and the CSR Committee:**

- Board of Directors;
- Audit Committee;
- Compensation and Nomination Committee;
- CSR Committee.

The internal rules are available in full on the company's website: [www.wavestone.com](http://www.wavestone.com).

**Committee developments**

As proposed by the Board of Directors, the following changes have taken place or will take place during the 2024/25 fiscal year in the organization and composition of the various committees:

**Audit Committee**

Ms. Marie-Ange Verdickt will be replaced by Ms. Florence Didier-Noaro as Committee chairwoman to ensure that each committee is chaired by an independent director.

FDCH will no longer be a member of the Committee, which will be made up of Ms. Florence Didier-Noaro, Ms. Véronique Beaumont, Ms. Emilie Salas and Ms. Marie-Ange Verdickt.

**Compensation Committee**

Since 04/01/24, the Compensation and Nomination Committee has been split into two separate committees

The Compensation Committee includes Ms. Véronique Beaumont, Ms. Astrid Blechschmidt, Ms. Florence Didier-Noaro and Mr. Benjamin Clément and is chaired by Mr. Rafaël Vivier. The family holding company, FDCH, is no longer a member of this newly formed Compensation Committee.

**Nomination Committee**

To recap, this Committee was created at the start of the 2024/25 fiscal year.

Chaired by Mr. Christophe Aulnette, the Committee includes Ms. Marlène Ribeiro and Ms. Marie-Ange Verdickt.

**CSR Committee**

Committee members will include Ms. Astrid Blechschmidt, Ms. Florence Didier-Noaro, Mr. Pierre Allard and Mr. Rafaël Vivier. Ms. Marlène Ribeiro will continue to chair the Committee.

Once these changes take effect, no member of Wavestone's controlling interest will sit on any committee of the Board of Directors. Moreover, in keeping with best corporate governance practices, the proposed structure will ensure that each committee is chaired by an independent director.

If the General Meeting approves the resolution proposing the appointment of Ms. Graciana Petersen to the Board of Directors, her involvement in the various committees will be defined during the 2024/25 fiscal year.

A new version of the Board of Directors' internal rules taking into account the above-mentioned changes—in particular the separation of the Compensation Committee from the Nomination Committee—is currently being drafted and will shortly be published on the company's website.

**2.7. Training of the Board of Directors**

In 2022, the Board of Directors introduced a three-year training plan which is updated annually. This training plan identifies practical skills for the Board and its committees to develop. These skills are divided into three categories:

- knowledge of the consulting market and Wavestone;
- regulations, Finance and Corporate Governance;
- Corporate Social Responsibility.

The training plan enables each director to benefit from upskilling in each of the identified areas and acquiring skills from prior experience or prior training courses. The latter are completed either individually by each director in person or via e-learning, or organized for all Board members during an *ad hoc* training session generally scheduled for the end of one of the Board's meetings. In 2023/24, a half-day training course covering the CSRD was arranged for all Board members.

The Board monitors progress on the training plan annually prior to establishing priorities for the year ahead.

Based on progress of the training plan, the Board considered that, in respect of the three-year initiative for 2022/23 to 2024/25, each board member would benefit from at least four training days (including equivalent days to recognize the skills acquired from prior experience). Furthermore, the Board confirmed that the training plan designed in 2022 and updated annually enables the Board of Directors and its various committees to benefit from the skills required to perform their missions.

## 2.8. General Management succession plan

Pascal Imbert, Wavestone's current CEO, is due to step down in the near future. The transition could take place from 2025 or 2026, depending on progress on the combination of Wavestone's legacy businesses with those of Q\_PERIOR. During the same period, Patrick Hirigoyen is expected to leave his position as Chief Operating Officer. As a reminder, this transition was announced from the end of 2021.

Preparations for this transition are overseen by Pascal Imbert and the Wavestone Nomination Committee. Furthermore, to dedicate all the necessary time on this transition, a decision was made to establish a dedicated nomination committee, effective 04/01/24 (previously all nomination matters were dealt with within the Compensation and Nomination Committee). This committee will now meet at least twice a year to review progress on the process.

Over the past year, its work centered on:

- assessing the operations of the Executive Committee and the increased number of key personnel likely to take on new responsibilities as part of the transition of general management;
- determining the main factors which will condition the success of the transition;
- adapting the preparation process for this transition to take account of the impact and opportunities presented by the combination of Wavestone and Q\_PERIOR.

The Nomination Committee issues an annual progress update to the Board. The latest report was submitted to the meeting of 06/03/24.

At its meeting on 06/03/24, the Board of Directors considered the management succession plan, covering both the planned succession of the Executive Board, based on the report of the Nomination Committee, and arrangements in the event of the temporary or permanent incapacity of one of its members.

## 3. Application of the Middelnext Corporate Governance Code

For its Corporate Governance Code, the Board of Directors adopted the Middelnext Corporate Governance Code for Small and Mid-Cap Companies published in December 2009, updated in September 2016 and September 2021. This Code is available on the Middelnext website at [www.middelnext.com](http://www.middelnext.com).

This Code provides recommendations to be following by companies that choose to adopt the Code, and provides a list of due diligence factors to be reviewed by the Board of Directors each year.

The Board of Directors has determined that Wavestone's corporate governance structure allows for the application of all the recommendations of the Middelnext Corporate Governance Code.



# Corporate officer compensation

## 1. Compensation paid to corporate officers in 2023/24, 2022/23 and 2021/22

### Directors' attendance record for the 2023/24 fiscal year

First name	Name	Board of Directors	Audit Committee	Compensation and Nomination Committee	CSR Committee
Pierre	Allard	89%			100%
Christophe	Aulnette	100%			
Véronique	Beaumont	100%	100%		
Astrid	Blechs Schmidt <sup>(1)</sup>	100%			
Benjamin	Clément	89%		100%	
Florence	Didier-Noaro <sup>(2)</sup>	100%	100%		
	FDCH	100%	100%	100%	
Patrick	Hirigoyen	100%			
Karsten	Höppner <sup>(1)</sup>	100%			
Pascal	Imbert	89%			
Sarah	Lamigeon <sup>(3)</sup>	100%			100%
Marlène	Ribeiro	89%		100%	100%
Emilie	Salas	100%	100%		
Marie-Ange	Verdickt	100%	100%		67%
Rafaël	Vivier	100%		100%	100%
<b>Total</b>		<b>96%</b>	<b>100%</b>	<b>100%</b>	<b>92%</b>

(1) The terms of office of Astrid Blechs Schmidt and Karsten Höppner begin at the Annual General Meeting on 12/05/23.

(2) Florence Didier-Noaro's term of office began at the Annual General Meeting on 07/27/23.

(3) Sarah Lamigeon's term of office expired at the Annual General Meeting of 07/27/23 and was not renewed.

## Summary table of gross compensation of corporate officers due for fiscal years 2023/24, 2022/23 and 2021/22

(in euros)		Gross annual compensation											
		2023/24			2022/23			2021/22					
		Fixed	Variable	Board and Committee compensation	Fixed	Variable	Board and Committee compensation	Total	Fixed	Variable	Board and Committee compensation	Total	
<b>Corporate officers</b>													
Pascal Imbert		211,286	51,125	-	262,411	211,286	34,786	-	246,072	205,132	69,048	-	274,180
Patrick Hirigoyen <sup>(1)</sup>	Compensation	211,286	51,125	-	262,411	211,286	34,786	-	246,072	205,132	69,048	-	274,180
	Benefits in kind	986			986	5,786			5,786	5,786			5,786
Karsten Höppner <sup>(2)(a)</sup>	Compensation	50,000	64,905	-	114,905								
	Benefits in kind	-			-								
<b>Board of Directors</b>													
Michel Dancoisne <sup>(4)</sup>						12,273		10,507	22,780	36,856		26,000	62,856
FDCH <sup>(5)</sup>				32,500	32,500			21,993	21,993				
Marie-Ange Verdickt <sup>(6)</sup>				56,000	56,000			52,651	52,651			34,667	34,667
Jean-François Perret <sup>(7)</sup>								7,274	7,274			17,333	17,333
Sarah Lamigeon <sup>(6)(9)</sup>		30,619	3,024	7,193	40,836	94,042	7,338	22,500	123,880	93,075	10,282	13,000	116,357
Rafaël Vivier				37,500	37,500			36,375	36,375			30,333	30,333
Benjamin Clément <sup>(6)</sup>		66,996	1,464	21,500	89,960	66,210		22,500	88,710	59,325		16,467	75,792
Christophe Aulnette				15,000	15,000			13,714	13,714			12,133	12,133
Marlène Ribeiro				36,500	36,500			37,500	37,500			8,833	8,833
Véronique Beaumont				25,000	25,000			25,000	25,000			8,833	8,833
Pierre Allard <sup>(6)</sup>		88,740	8,658	19,102	116,501	89,464	2,790	10,151	102,405				
Emilie Salas <sup>(6)</sup>		77,627	7,845	21,803	107,275	65,739	7,318	8,260	81,317				
Florence Didier-Noaro				17,008	17,008								
Astrid Blechschmidt <sup>(3)(10)</sup>	Compensation	55,733	59,349	-	115,082								
	Benefits in kind	2,048			2,048								

(1) Patrick Hirigoyen benefits from unemployment insurance for company Directors and managers, the contributions of which are paid by the company. The contributions thus paid are reintegrated into Patrick Hirigoyen's compensation as benefits in kind. In respect of 2023/24, the benefit in kind amounted to €9,519.67 which is deducted by an amount of €3,533.71, in connection with a correction made for the 2018-2021 period.

(2) Karsten Höppner's fixed and variable compensation for the 2023/24 fiscal year corresponds to the period during which he was Chief Operating Officer of Wavestone, from 01/01/24 to 03/31/24.

(3) Astrid Blechschmidt's fixed and variable compensation for the 2023/24 financial year corresponds to her employment contract with Q\_PERIOR AG covering the period during which she was a director of Wavestone, from 12/05/23 to 03/31/24.

(4) Michel Dancoisne received a fixed compensation for his mandate as Chairman of the Supervisory Board until 07/28/22. As a reminder, the Annual General Meeting of 07/28/22, approved a change of governance and the creation of a Board of Directors. Compensation takes into account a *pro rata temporis* until the AGM of 07/28/22, and was paid over the 2022/23 financial year.

(5) As a reminder, since the Annual General Meeting of 07/28/22, FDCH has been appointed as a Director for a four-year term. Michel Dancoisne has been appointed as the permanent representative of FDCH.

(6) At its meeting on 07/28/22, the Board of Directors appointed Marie-Ange Verdickt as Lead Director. Total compensation includes the additional compensation of the Lead Director, set at €15,000.

(7) Jean-François Perret's term of office expired at the Annual General Meeting of 07/28/22 and was not renewed. Compensation takes into account a *pro rata temporis* until the AGM of 07/28/22, and was paid over the 2022/23 financial year.

(8) Sarah Lamigeon's term of office expired at the Annual General Meeting of 07/27/23 and was not renewed. Compensation takes into account a *pro rata temporis* until the AGM of 07/27/23.

(9) For Sarah Lamigeon, Emilie Salas, Pierre Allard, and Benjamin Clément, the table includes their compensation as Directors, and their compensation under their Wavestone employment contract. For their variable compensation, the amount shown in the table is the amount provisioned at 03/31/24.

(10) Note that, since the Wavestone Shareholders' Meeting of 12/05/23, Astrid Blechschmidt and Karsten Höppner are appointed as Directors for a four (4) year term. They stated that they forgo compensation relative to their status as Board Members. Patrick Hirigoyen and Pascal Imbert also no longer receive compensation as members of the Board of Directors.

As a reminder, that Wavestone's executives and corporate officers do not receive any remuneration from FIH (Pascal Imbert's family holding company) or FDCH (Michel Dancoisne's family holding company).

None of Wavestone's executive directors or corporate officers received any compensation other than that listed in the summary table above, nor do any of them benefit from a complementary mechanism (severance or arrival bonus mechanism or deferred compensation relating to the termination of or change in duties

for Wavestone corporate officers, or specific supplementary pension plans). It is specified that any travel and accommodation expenses incurred by the directors to attend board and committee meetings are reimbursed by the company and are not included in the tables of this section.

The following tables, prepared in accordance with the recommendations of the AMF, provide all the information required by the regulations.

#### Gross compensation, options and shares granted to executive corporate officers (Table 1 of the AMF recommendations)

(in euros)	Gross annual compensation 2023/24 Amounts due	Gross annual compensation 2022/23 Amounts due	Gross annual compensation 2021/22 Amounts due
<b>Pascal Imbert</b> , Chairman - CEO			
Compensation due for the fiscal year	262,411	246,072	274,180
Value of multi-year variable compensation granted during the fiscal year	N/A	N/A	N/A
Value of options granted during the fiscal year	N/A	N/A	N/A
Value of free shares allocated during the fiscal year	N/A	N/A	N/A
<b>Total</b>	<b>262,411</b>	<b>246,072</b>	<b>274,180</b>
<b>Patrick Hirigoyen</b> , Chief Operating Officer			
Compensation due for the fiscal year	263,397	251,858	279,966
Value of multi-year variable compensation granted during the fiscal year	N/A	N/A	N/A
Value of options granted during the fiscal year	N/A	N/A	N/A
Value of free shares allocated during the fiscal year	N/A	N/A	N/A
<b>Total</b>	<b>263,397</b>	<b>251,858</b>	<b>279,966</b>
<b>Karsten Höppner</b> , Chief Operating Officer			
Compensation due for the fiscal year	114,905		
Value of multi-year variable compensation granted during the fiscal year	N/A		
Value of options granted during the fiscal year	N/A		
Value of free shares allocated during the fiscal year	N/A		
<b>Total</b>	<b>114,905</b>		

## Gross compensation of each executive corporate officer (Table 2 of the AMF recommendations)

(in euros)	Gross annual compensation 2023/24		Gross annual compensation 2022/23		Gross annual compensation 2021/22	
	Amounts paid out	Amounts due	Amounts paid out	Amounts due	Amounts paid out	Amounts due
<b>Pascal Imbert</b> , Chairman of the Board of Directors						
Fixed compensation	211,286	211,286	211,286	211,286	205,132	205,132
Variable compensation	34,786	51,125	69,048	34,786	100,972	69,048
Multi-year variable compensation	N/A	N/A	N/A	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A	N/A	N/A	N/A
Board and Committee compensation	N/A	N/A	N/A	N/A	N/A	N/A
Benefits in kind	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>246,072</b>	<b>262,411</b>	<b>280,334</b>	<b>246,072</b>	<b>306,104</b>	<b>274,180</b>
<b>Patrick Hirigoyen</b> , member of the Board of Directors						
Fixed compensation	211,286	211,286	211,286	211,286	205,132	205,132
Variable compensation	34,786	51,125	69,048	34,786	100,972	69,048
Multi-year variable compensation	N/A	N/A	N/A	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A	N/A	N/A	N/A
Board and Committee compensation	N/A	N/A	N/A	N/A	N/A	N/A
Benefits in kind <sup>(1)</sup>	986	986	5,786	5,786	5,786	5,786
<b>Total</b>	<b>247,058</b>	<b>263,397</b>	<b>286,120</b>	<b>251,858</b>	<b>311,890</b>	<b>279,966</b>
<b>Karsten Höppner</b> , member of the Board of Directors						
Fixed compensation	50,000	50,000				
Variable compensation	N/A	64,905				
Multi-year variable compensation	N/A	N/A				
Exceptional compensation	N/A	N/A				
Board and Committee compensation	N/A	N/A				
Benefits in kind	-	-				
<b>Total</b>	<b>50,000</b>	<b>114,905</b>				

(1) Patrick Hirigoyen benefits from unemployment insurance for company Directors and managers, the contributions of which are paid by the company. The contributions thus paid are reintegrated into Patrick Hirigoyen's compensation as benefits in kind.

## Compensation paid to non-executive corporate officers (Table 3 of the AMF recommendations)

	Amounts paid out during the 2023/24 fiscal year	Amounts paid out during the 2022/23 fiscal year	Amounts paid out during the 2021/22 fiscal year
<b>Michel Dancoisne</b>			
Board and Committee compensation	-	36,507	24,000
Other compensation	N/A	12,273	36,856
<b>FDCH</b>			
Board and Committee compensation	21,993	N/A	N/A
Other compensation	N/A	N/A	N/A
<b>Marie-Ange Verdickt</b>			
Board and Committee compensation	52,651	34,667	32,000
Other compensation	N/A	N/A	N/A
<b>Jean-François Perret</b>			
Board and Committee compensation	-	24,607	16,000
Other compensation	N/A	N/A	N/A
<b>Sarah Lamigeon</b>			
Board and Committee compensation	29,693	13,000	12,000
Other compensation	103,054	104,324	110,505
<b>Rafaël Vivier</b>			
Board and Committee compensation	36,375	30,333	27,100
Other compensation	N/A	N/A	N/A
<b>Benjamin Clément</b>			
Board and Committee compensation	22,500	16,467	12,000
Other compensation	66,996	66,210	59,325
<b>Christophe Aulnette</b>			
Board and Committee compensation	13,714	12,133	12,000
Other compensation	N/A	N/A	N/A
<b>Marlène Ribeiro</b>			
Board and Committee compensation	37,500	8,833	N/A
Other compensation	N/A	N/A	N/A
<b>Véronique Beaumont</b>			
Board and Committee compensation	25,000	8,833	N/A
Other compensation	N/A	N/A	N/A
<b>Emilie Salas</b>			
Board and Committee compensation	8,260	N/A	N/A
Other compensation	84,944	75,672	N/A
<b>Pierre Allard</b>			
Board and Committee compensation	10,151	N/A	N/A
Other compensation	91,530	97,206	N/A
<b>Florence Didier-Noaro</b>			
Board and Committee compensation	N/A		
Other compensation	N/A		
<b>Astrid Blechschmidt</b>			
Board and Committee compensation	N/A		
Other compensation	57,781		
<b>Total</b>	<b>662,143</b>	<b>541,065</b>	<b>341,786</b>

**Record of free share allocations (Table 10 of the AMF recommendations)**

<b>Information on free shares granted</b>	<b>Plan dated 09/15/06</b>	<b>Executive Plan No. 5</b>	<b>Executive Plan No. 7</b>	<b>Executive Plan No. 10</b>	<b>One Firm Share Plan</b>	<b>Key People Plan No. 13<sup>(1)</sup></b>
Date of Board of Directors' meeting	09/30/05	09/25/09	09/28/11	09/25/13	07/22/15	07/20/16
Date of Management Board meeting	09/15/06	10/15/10	07/02/12	07/01/15	01/28/16	07/02/18
Total number of free shares granted						
Of which the number assigned to corporate officers:	27,840	45,540	7,499	13,160	111,136	71,036
Patrick Hirigoyen	9,280	7,590	-	2,632	736	11,836
Sarah Lamigeon	-	-	7,499	-	736	-
Date of acquisition of shares	09/15/09	07/15/13	07/02/15	07/01/18	06/28/18	07/02/21
End date of holding period	09/15/11	07/15/15	07/02/17	07/01/20	06/28/18	07/02/21
Number of shares subscribed at 03/31/24	27,840	37,950	7,499	13,160	87,346	65,116
Cumulative number of shares cancelled or lapsed	-	7,590	-	-	23,790	5,920
Number of free shares allocated and still to be acquired at 03/31/24	-	-	-	-	-	-

(1) Number of shares after a 4-for-1 stock split.

**Summary of commitments made to executive corporate officers (Table 11 of the AMF recommendations)**

<b>Executive corporate officers</b>	<b>Employment contract</b>		<b>Supplementary pension plan</b>		<b>Indemnities or benefits due or likely to be due as a result of the termination or change of functions</b>		<b>Compensation relating to a non-competition clause</b>	
	Yes	No	Yes	No	Yes	No	Yes	No
Pascal Imbert Chairman - CEO		X		X		X		X
Patrick Hirigoyen Chief Operating Officer <sup>(1)</sup>		X		X		X		X
Karsten Höppner Chief Operating Officer <sup>(2)</sup>		X		X		X		X

(1) Patrick Hirigoyen's employment contract was suspended with effect from 04/01/17.

(2) Karsten Höppner's employment contract was suspended with effect from 08/23/01.

**Other tables of AMF recommendations not applicable**

In accordance with the recommendations of the AMF, the following information is not applicable to Wavestone for the 2023/24 fiscal year:

- subscription or purchase options granted during the year to each executive corporate officer by the issuer and by any company in the group (Table 4 of the AMF recommendations);
- subscription or purchase options exercised during the year by each executive corporate officer (Table 5 of the AMF recommendations);
- performance shares allocated to each corporate officer (Table 6 of the AMF recommendations);

- allocation of vested shares (Table 7 of the AMF recommendations);
- record of past allocations of subscription or purchase options - information related to subscription and purchase options (Table 8 of the AMF recommendations);
- subscription or purchase options granted to the ten highest-paid employees or corporate officers and options exercised by them (Table 9 of the AMF recommendations).

## 2. Other information relative to executive directors and corporate officers

### 2.1. Restrictions on executive directors and corporate officers

In accordance with Articles L. 225-185 and L. 225-197-1 II, paragraph 4 of the French Commercial Code, and in compliance with the law, at its meeting on 06/18/07, the Supervisory Board decided to fix at 25% the proportion of registered shares that corporate officers of Wavestone and of the companies it controls are required to hold until the end of their functions, within the context of any plan implemented by Wavestone in which these corporate officers would qualify as beneficiaries as a result of their mandate.

Note that this provision only applies to plans set up for the benefit of these corporate officers after the entry into force of the Law of 12/30/06.

### 2.2. Transactions on company shares by executive directors and their relatives

In accordance with laws and regulations in force, the following table lists the transactions carried out on company shares by executive directors, key people, and persons closely related to them, during the past fiscal year.

Directors	Transaction date	Type of transaction	Number of shares	Transaction share price
Florence Didier-Noaro	03/26/24	Acquisition	160	€56.0000
Patrick Hirigoyen	03/19/24	Sale	1,000	€56.6357
Patrick Hirigoyen	01/10/24	Sale	1,069	€57.8886
Patrick Hirigoyen	12/06/23	Sale	1,500	€49.2711
Pierre Allard	10/18/23	Acquisition	5	€43.7000
Patrick Hirigoyen	10/10/23	Sale	1,500	€47.5717
Florence Didier-Noaro	09/19/23	Acquisition	160	€50.0000
Christophe Aulnette	05/22/23	Acquisition	320	€46.9000

## 3. Consultation of shareholders on the compensation of executives and corporate officers

As an introduction and general reminder concerning the 2023/24 compensation policy for executive directors and corporate officers approved at the Ordinary and Extraordinary General Meeting of 07/27/23 and the Ordinary and Extraordinary General Meeting of 12/05/23:

- with regard to Pascal Imbert and Patrick Hirigoyen, respectively Chairman and Chief Executive Officer and Chief Operating Officer, the principles governing their compensation were as follows:
  - fixed annual gross compensation of €211,286;
  - variable compensation made up of a bonus. This bonus is calculated based on a target bonus (bonus level if objectives are reached) of €88,740, i.e. 42% of the fixed portion, to which two performance indices are applied, multiplied by each other: the collective performance index (CPI) and the individual performance index (IPI). Bonus = Target bonus \* [IPI] \* [IPC];
    - > the collective performance index is equal to 100% for current operating income equal to budgeted current operating income, measured on a scope excluding acquisitions made during the year. It can vary linearly from 0% to 130%, depending on the difference between actual current operating income and budgeted current operating income, as determined at the beginning of the year by the Board of Directors;
    - > the individual performance index (IPI) is reviewed by the Board of Directors on the recommendation of the Compensation and Nomination Committee. It is based 20% on the assessment of the CSR criteria, with the same weighting given to each of the ten indicators measured in the non-financial scorecard published in the statement of non-financial performance. The remaining 80% is the result of a multi-criteria assessment based on the evaluation of the key performance indicators usually published by the company, an assessment of the trend in the realization of the Impact medium-term strategic plan, and an assessment of the realization of key projects for the 2023/24 fiscal year, as well as the ability to take into account issues linked to the economic environment. This individual performance index can vary from 0% to 100%. It is set by the Board of Directors based on an assessment by the Compensation and Nomination Committee;
    - > this combination of collective and individual performance indices reflects the compensation policy implemented throughout the firm;
- with regard to Karsten Höppner, Chief Operating Officer from 01/01/24, the principles governing his compensation were as follows:
  - fixed annual gross compensation of €200,000;
  - variable compensation made up of a bonus. This bonus is calculated based on a target bonus (bonus level if objectives are reached) for a gross amount of €300,000, i.e. 150% of the fixed component. The bonus actually paid is calculated on

a *prorata* basis from the bonus calculated on an annual basis, to which performance and CSR components are applied;

> the “performance” component, representing 80% of the target bonus, is based on Q\_PERIOR’s annual financial performance. This quantitative component is based on the extent to which the Q\_PERIOR group’s budgetary targets are reached, and is adjusted either upward or downward with reference to differences between the targets set and the results actually achieved. The relevant budgetary target is the Q\_PERIOR group’s operating profit on a like-for-like basis for the period between 04/01/23 and 03/31/24. The terms of variation of this component are consistent with the terms used for the bonuses of the other Q\_PERIOR Partners. If the target is achieved, the “performance” component is paid in full. This component may range from 0% to 150%, i.e. from 0% to 120% of the target bonus;

> the “CSR” component, representing 20% of the target bonus, is based on Q\_PERIOR’s CSR performance. This qualitative component is based on an assessment of the Q\_PERIOR group’s performance in terms of employee engagement and well-being, diversity and inclusion, and environmental priorities, aligning with the targets set out in Q\_PERIOR’s CSR action plan. In terms of employee engagement and well-being, performance is measured by the turnover rate and by the employee engagement index. In relation to turnover, the target will be achieved where the rate is 10% or less (with the target partially met between 10% and 15%, and not attained above 15%). In terms of employee engagement, the target will be achieved if the index is 74 or higher (Wavestone’s target). In terms of diversity and inclusion, the objective is to draw up an action plan with specified targets aimed at increasing women’s representation on Q\_PERIOR’s management team in the years ahead. In terms of environmental issues, the objective is to conduct a carbon audit covering scope 3 emissions and use it to develop a plan for reducing Q\_PERIOR’s carbon footprint in the 2024/25 and subsequent fiscal years;

> for future years, it is intended that these criteria will become increasingly aligned with the criteria applicable to Pascal Imbert and Patrick Hirigoyen’s variable compensation, and will apply to the entire Wavestone scope;

- Karsten Höppner’s compensation therefore exceeds the compensation of Pascal Imbert and Patrick Hirigoyen. The difference is due to the fact that compensation levels in the consultancy sector in Germany are higher than in France. In addition, it is consistent with the compensation package defined for the new Wavestone – Q\_PERIOR combined business in relation to Germany. This compensation is slightly lower than the median compensation for “officers” in the benchmark compensation paid to Partners and officers at major German consultancy firms;
- lastly, Karsten Höppner receives benefits in kind in the form of a vehicle and transport costs with a maximum annual value of €25,000, in accordance with the policy for all Q\_PERIOR Partners in Germany;
- compensation for members of the Board of Directors is set within an overall envelope of €294,000, calculated on the basis of membership of some Committees and attendance at Board of Directors and Committee meetings.

### 3.1. Consultation on the compensation items paid during or due for the 2023/24 fiscal year (“say on pay” *ex-post* vote – Resolutions 9 to 11 of the AGM on 07/25/24)

The information in this paragraph relative to the compensation of Wavestone corporate officers, as required by Articles L.22-10-9 (and linked to Article L.22-10-20) and L.22-10-34 of the French Commercial Code, is subject to the approval of the Combined General Meeting of 07/25/24 with the votes on resolutions 9, 10 and 11.

#### Compensation paid out during fiscal year 2023/24 or due for this fiscal year to members of the Board of Directors

A total amount of €289,107, within the limits of the €294,000 voted by the General Meeting of Shareholders on 07/27/23, allocated for the 2023/24 fiscal year, will be paid to members of the Board of Directors.

Refer to [paragraph 2.6](#) “Preparation and organization of work” for the number of Board and Committee meetings and attendance rates.



<b>Members of the Board of Directors</b>	<b>Compensation due for fiscal year 2023/24 9 Board meetings 12 Committee meetings</b>	<b>Compensation due for fiscal year 2022/23 7 Board meetings 11 Committee meetings</b>
Marie-Ange Verdickt <sup>(1)</sup>	€56,000	€52,651
Sarah Lamigeon <sup>(2)</sup>	€7,193	€22,500
Rafaël Vivier	€37,500	€36,375
Benjamin Clément	€21,500	€22,500
Christophe Aulnette	€15,000	€13,714
Véronique Beaumont	€25,000	€25,000
Marlène Ribeiro	€36,500	€37,500
FDCH	€32,500	€21,993
Pierre Allard	€19,102	€10,151
Emilie Salas	€21,803	€8,260
Florence Didier-Noaro <sup>(3)</sup>	€17,008	N/A
Astrid Blechschmidt <sup>(4)</sup>	-	N/A
Michel Dancoisne <sup>(5)</sup>	N/A	€10,507
Jean-François Perret <sup>(6)</sup>	N/A	€7,274

(1) At its meeting on 07/28/22, the Board of Directors appointed Marie-Ange Verdickt as Lead Director. Total compensation includes the additional compensation of the Lead Director, set at €15,000.

(2) Sarah Lamigeon's term of office expired at the Annual General Meeting of 07/27/23 and was not renewed. The compensation package due takes into account a *prorata temporis* until the AGM of 07/27/23, and was paid during the 2023/24 fiscal year.

(3) Florence Didier-Noaro's term of office started at the Annual General Meeting on 07/27/23. The proposed compensation package takes into account the *prorata temporis* nature of his compensation as from the AGM of 07/27/23.

(4) As a reminder, Astrid Blechschmidt stated that she would forgo her compensation as a Board member upon her nomination at the Combined Ordinary and Extraordinary General Meeting of 12/05/23.

(5) Michel Dancoisne's term of office expired at the Annual General Meeting of 07/28/22 and was not renewed. The compensation package due in respect of the 2022/23 fiscal year takes into account a *prorata temporis* until the AGM of 07/28/22.

(6) Jean-François Perret's term of office expired at the Annual General Meeting of 07/28/22 and was not renewed. The compensation package due in respect of the 2022/23 fiscal year takes into account a *prorata temporis* until the AGM of 07/28/22.

### Items of compensation due or paid out to Pascal Imbert, Chairman and CEO, in respect of the 2023/24 fiscal year

Items of compensation due or paid out in respect of the 2023/24 fiscal year	Amount or book value submitted to vote	Description
Fixed compensation	€211,286	At its meeting on 05/31/23, the Board of Directors, acting on the recommendation of the Compensation and Nomination Committee, set Pascal Imbert's fixed compensation for the 2023/24 fiscal year at €211,286 gross. The Annual General Meeting of 07/27/23, approved this amount.
Variable compensation paid in 2023/24, in respect of the 2022/23 fiscal year	€34,786	At its meeting on 05/31/23, the Board of Directors, acting on the recommendation of the Compensation and Nomination Committee and in accordance with the rules for calculating variable compensation, set variable compensation for the 2022/23 fiscal year at €34,786. The Annual General Meeting of 07/27/23, approved this amount.  As a reminder, the target-based variable portion for the 2022/23 fiscal year was €88,740.
Variable compensation due in respect of the 2023/24 fiscal year, to be paid in 2024/25	€51,125	At its meeting on 06/03/24, the Board of Directors, acting on the recommendation of the Compensation and Nomination Committee and in accordance with the rules for calculating variable compensation, set variable compensation for the 2023/24 fiscal year at €51,125. The latter amount is subject to approval by the Annual General Meeting scheduled for 07/25/24.  As a reminder, the target-based variable portion for the 2023/24 fiscal year was €88,740.

### Breakdown of calculations for variable compensation in respect of the 2023/24 fiscal year

Based on the financial statements for the year ended 03/31/24, the collective performance indicator (CPI) stands at 76.8%. This results from applying the formula:

$$CPI = 1 + \frac{(ROP - ROPO)}{(\text{€}49,300k)}$$

in which:

- "ROP" is the recurring operating profit reported for the 2023/24 fiscal year on a like-for-like and constant forex basis within a scope of consolidation including PEN Partnership and Coeus Consulting but excluding Aspirant and Q\_PERIOR, i.e. €90,345k;
- ROPO is the budgeted ROP, totaling €101,800k.

On the recommendation of the Compensation Committee, the Board of Directors also calculated an Individual Performance Indicator (IPI) of 86.3%. This result is the consequence of:

- the achievement of 9 of the 10 CSR criteria as published in the statement of non-financial performance, and approved by the CSR Committee, i.e. 90%. CSR criteria account for 20% when calculating the IPI.

- as a reminder, the 5 CSR commitments divided into 10 criteria and the associated objectives were as follows:

Commitments	Indicators	2023/24 objectives	2023/24 performance <sup>(1)</sup>
Improve client satisfaction and support clients in sustainable performance	Net Promoter Score <sup>®(2)</sup>	50	73
	Number of projects done under the responsible consulting approach	300	387
Promote employee commitment, well-being, and quality-of-life at work	Employee commitment index (out of 100)	74	70
	Staff turnover rate	15%	14%
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	Percentage of women in management <sup>(3)</sup>	34.5%	37%
	Number of employees with a disability <sup>(4)</sup>	58	61
Be a corporate citizen that behaves ethically and responsibly	Percentage of employees trained to apply the Ethics Charter <sup>(5)</sup>	95%	96%
	Percentage of firm time dedicated to societal commitments	1.0%	1.1%
Minimize the impact of our activity on the environment	Percentage of reduction in carbon footprint compared to 2019/20	Scopes 1 & 2 (In absolute value from 2022/23)	17%
		Scope 3 (Per employee)	25%

(1) Data for the Net Promoter Score (NPS<sup>®</sup>), employee engagement index, staff turnover and the percentage of the firm's time focused on societal and environmental commitments includes Coeus Consulting and PEN Partnership.

(2) The NPS<sup>®</sup> or Net Promoter Score<sup>®</sup> is a tool for measuring client satisfaction, ranging from -100 to 100. (NPS<sup>®</sup> is a registered trademark of Bain & Company, Inc., Satmetrix Systems, Inc. and Fred Reichheld).

(3) Management positions include operating management and/or hierarchical management.

(4) For employees on permanent contracts in France. Target and actual 2023/24 based on DOETH for calendar year 2023 as of 12/31/23.

(5) Percentage of employees who receive annual training as at 03/31.

- the achievement of an average of 85.41% for the various objectives set regarding:
  - the follow up of the Impact strategic plan;
  - initiatives in the 2023/24 fiscal year, including the General Management succession plan;
  - the firm's key performance indicators.

This multi-criteria assessment accounts for 80% of the IPI calculation.

The IPI therefore equals:  $90\% \times 20\% + 85.41\% \times 80\% = 86.3\%$ .

For reasons of consistency, and to align with Wavestone's ExCom, Pascal Imbert decided to waive part of his bonus, reducing his IPI to 75%. The Board of Directors welcomed this proposal and took note of it.

Lastly, the Board of Directors noted the following points, brought to its attention by the Compensation Committee:

- as the calculation of the collective performance index (CPI) is the same for all employees of the firm, the variable compensation presented in the table above is consistent with the variable compensation paid to other Wavestone employees in respect of the 2023/24 fiscal year;
- Pascal Imbert does not receive any compensation or benefits other than the amounts shown in the table;
- Pascal Imbert benefits from Wavestone's employee benefit and health insurance plans.

### Items of compensation due or paid out to Patrick Hirigoyen, Chief Operating Officer, in respect of the 2023/24 fiscal year

Items of compensation due or paid out in respect of the 2023/24 fiscal year	Amount or book value submitted to vote	Description
Fixed compensation	€211,286	At its meeting on 05/31/23, the Board of Directors, acting on the recommendation of the Compensation and Nomination Committee, set Patrick Hirigoyen's fixed compensation for the 2023/24 fiscal year at €211,286 gross. The Annual General Meeting of 07/27/23, approved this amount.
Variable compensation paid in 2023/24, in respect of the 2022/23 fiscal year	€34,786	At its meeting on 05/31/23, the Board of Directors, acting on the recommendation of the Compensation and Nomination Committee and in accordance with the rules for calculating variable compensation, set variable compensation for the 2022/23 fiscal year at €34,786. The Annual General Meeting of 07/27/23, approved this amount.  As a reminder, the target-based variable portion for the 2022/23 fiscal year was €88,740.
Variable compensation due in respect of the 2023/24 fiscal year, to be paid in 2024/25	€51,125	At its meeting on 06/03/24, the Board of Directors, acting on the recommendation of the Compensation and Nomination Committee and in accordance with the rules for calculating variable compensation, set variable compensation for the 2023/24 fiscal year at €51,125. The latter amount is subject to approval by the Annual General Meeting scheduled for 07/25/24.  As a reminder, the target-based variable portion for the 2023/24 fiscal year was €88,740.
Value of benefits of all kinds	€986	Unemployment insurance for company Directors and officers, whose contributions are paid by the company. The contributions thus paid are reintegrated into Patrick Hirigoyen's compensation as benefits in kind.

### Breakdown of calculations for variable compensation in respect of the 2023/24 fiscal year

Based on the financial statements for the year ended 03/31/24, the collective performance indicator (CPI) stands at 76.8%. This results from applying the formula:

$$CPI = 1 + \frac{(ROP - ROP0)}{(\text{€}49,300k)}$$

in which:

- "ROP" is the recurring operating profit reported for the 2023/24 fiscal year on a like-for-like and constant forex basis within a scope of consolidation including PEN Partnership and Coeus Consulting but excluding Aspirant and Q\_PERIOR, i.e. €90,345k;
- ROP0 is the budgeted ROP, totaling €101,800k.

On the recommendation of the Compensation Committee, the Board of Directors also calculated an Individual Performance Indicator (IPI) of 86.3%. This result is the consequence of:

- the achievement of 9 of the 10 CSR criteria as published in the statement of non-financial performance, and approved by the CSR Committee, i.e. 90%. CSR criteria account for 20% when calculating the IPI.

- as a reminder, the 5 CSR commitments divided into 10 criteria and the associated objectives were as follows:

Commitments	Indicators	2023/24 objectives	2023/24 performance <sup>(1)</sup>	
Improve client satisfaction and support clients in sustainable performance	Net Promoter Score <sup>®(2)</sup>	50	73	
	Number of projects done under the responsible consulting approach	300	387	
Promote employee commitment, well-being, and quality-of-life at work	Employee commitment index (out of 100)	74	70	
	Staff turnover rate	15%	14%	
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	Percentage of women in management <sup>(3)</sup>	34.5%	37%	
	Number of employees with a disability <sup>(4)</sup>	58	61	
Be a corporate citizen that behaves ethically and responsibly	Percentage of employees trained to apply the Ethics Charter <sup>(5)</sup>	95%	96%	
	Percentage of firm time dedicated to societal commitments	1.0%	1.1%	
Minimize the impact of our activity on the environment	Percentage of reduction in carbon footprint compared to 2019/20	Scopes 1 & 2 (In absolute value from 2022/23)	17%	51%
		Scope 3 (Per employee)	25%	27%

(1) Data for the Net Promoter Score (NPS<sup>®</sup>), employee engagement index, staff turnover and the percentage of the firm's time focused on societal and environmental commitments includes Coeus Consulting and PEN Partnership.

(2) The NPS<sup>®</sup> or Net Promoter Score<sup>®</sup> is a tool for measuring client satisfaction, ranging from -100 to 100. (NPS<sup>®</sup> is a registered trademark of Bain & Company, Inc., Satmetrix Systems, Inc. and Fred Reichheld).

(3) Management positions include operating management and/or hierarchical management.

(4) For employees on permanent contracts in France. Target and actual 2023/24 based on DOETH for calendar year 2023 as of 12/31/23.

(5) Percentage of employees who receive annual training as at 03/31.

- the achievement of an average of 85.41% for the various objectives set regarding:
  - the follow up of the Impact strategic plan;
  - initiatives in the 2023/24 fiscal year, including the General Management succession plan;
  - the firm's key performance indicators.

This multi-criteria assessment accounts for 80% of the IPI calculation.

The IPI therefore equals:  $90\% \times 20\% + 85.41\% \times 80\% = 86.3\%$ .

For reasons of consistency, and to align with Wavestone's ExCom, Patrick Hirigoyen decided to waive part of his bonus, reducing his IPI to 75%. The Board of Directors welcomed this proposal and took note of it.

Lastly, the Board of Directors noted the following points, brought to its attention by the Compensation Committee:

- as the calculation of the collective performance index (CPI) is the same for all employees of the firm, the variable compensation presented in the table above is consistent with the variable compensation paid to other Wavestone employees in respect of the 2023/24 fiscal year.
- Patrick Hirigoyen does not receive any compensation or benefits other than the amounts shown in the table.
- Patrick Hirigoyen benefits from Wavestone's employee benefit and health insurance plans.
- for the record, the Annual General Meeting of Shareholders of 07/28/22, approved the regulated agreement pursuant to which it was agreed that the suspension period of Patrick Hirigoyen's employment contract would be taken into consideration when calculating the number of years of service acquired under his employment contract (Mr. Hirigoyen's contract was suspended as of 04/01/17).

### Items of compensation due or paid out to Karsten Höppner, Chief Operating Officer, in respect of the 2023/24 fiscal year

Items of compensation due or paid out in respect of the 2023/24 fiscal year	Amount or book value submitted to vote	Description
Fixed compensation	€50,000	At its meeting on 10/26/23, the Board of Directors, acting on the recommendation of the Compensation and Nomination Committee, set Karsten Höppner's fixed compensation for the 2023/24 fiscal year at €200,000 gross per annum. The Annual General Meeting of 12/05/23, approved this amount.
Variable compensation due in respect of the 01/01/24 to 03/31/24	€64,905	At its meeting on 10/26/23, the Board of Directors, acting on the recommendation of the Compensation and Nomination Committee and in accordance with the rules for calculating variable compensation, set variable compensation for the period between 01/01/24 through 03/31/24 at €64,905. The latter amount is subject to approval by the Annual General Meeting scheduled for 07/25/24.  As a reminder, the target-based variable portion for the 2023/24 fiscal year was €300,000 per annum.
Value of benefits of all kinds	€0	Karsten Höppner may receive benefits in kind in the form of a vehicle and transport costs with a maximum annual value of €25,000, in accordance with the policy for all Q_PERIOR Partners in Germany. Mr. Höppner made no use of such benefits between 01/01/24 and 03/31/24.

On the recommendation of the Compensation Committee, the Board of Directors has also calculated a variable compensation package comprising a bonus consisting of:

- Achieving 110.28% of the performance component. This calculation is based on the financial performance of Q\_PERIOR over the period from 04/01/23 to 03/31/24 and is derived from the application of the formula:

$$\text{Performance component} = PC0 \times \left( 1 + \frac{\text{EBIT-EBIT0}}{\text{€27,300k}} \right)$$

in which:

- CP0 represents 80% of the bonus if the target is reached
- EBIT corresponds to Q\_PERIOR's EBIT for the period from 04/01/23 to 03/31/24, calculated on a like-for-like basis in accordance with German accounting standards, prior to booking goodwill impairment;
- EBIT0 (budgeted EBIT) was €29,600k for the 2023/24 fiscal year;
- achieving 17.5% of the CSR component. This figure reflects the achievement of CSR criteria established at the start of the fiscal year, as outlined below;
  - staff turnover rate (for the record: target achieved if the rate is below 10%; target partly achieved if rate between 10 and 15%; target not achieved if rate above 15%): 11% – target partly achieved;
  - employee engagement rate (target: 74): 85 – target achieved;
  - develop a quantified action plan to increase women's representation in managerial roles within Q\_PERIOR – target achieved;
  - calculate Q\_PERIOR's carbon footprint including scope 3 and develop a plan to reduce carbon footprint in 2024/25 and onwards – target achieved;
- Karsten Höppner requested that this performance component be reduced to 86.3% so as to comply with the bonus amount awarded to Q\_PERIOR partners in respect of the 2023 calendar year. The Board of Directors welcomed this proposal and took note of it;
- it should be noted that bonuses for Q\_PERIOR partners will not align with Wavestone's fiscal year (April 1 through March 31) until 04/01/25. During the 2023 calendar year, Q\_PERIOR performed below the set target, contrary to the performance of the non-calendar fiscal year of 04/01/23 through 03/31/24.

### Compliance with the *ex-ante* say-on-pay compensation policy approved by the Annual General Meeting of 07/27/23

The fixed compensation paid to the Chairman and Chief Executive Officer and the Chief Operating Officers during the 2023/24 fiscal year is strictly identical to that approved at the Combined Ordinary and Extraordinary General Meetings of 07/27/23 and 12/05/23.

The amount of variable compensation for the Chairman and Chief Executive Officer (CEO) and the Chief Operating Officers (COOs) in respect of the 2023/24 fiscal year recommended to the Ordinary and Extraordinary General Meeting of 07/25/24 is fully in line with the previously approved policy.

Compensation attributed to members of the Board of Directors and Committees in respect of the 2023/24 fiscal year totaled €289,107, in line with the amount of €294,000 approved at the Combined General Meeting of 07/27/23.

### Compensation multiples and performance trends

In accordance with paragraphs 6 and 7 of Article L.22-10-9 of the French Commercial Code, the table below shows, for each corporate officer of Wavestone, the multiples between the level of compensation and the average and median compensation of full-time employees other than corporate officers. The table also shows the annual trends in compensation for all corporate officers, the company's performance and the average compensation for full-time company employees other than corporate officers as well as the above-mentioned multiples, over the past five years.

Furthermore, as well as the regulatory requirements mentioned above, the company also decided to show the multiple between corporate officer compensation and the annual minimum wage in France.

### Scope and geographies

The data presented in the table below relates to the French scope<sup>(1)</sup> of consolidation of Wavestone group.

Metis Consulting, acquired on 11/13/18, is included in the data provided starting in the 2020/21 fiscal year as (i) it was only fully integrated with the Wavestone operating model from 04/01/20, and (ii) divergences in resource management tools did not enable homogeneous treatment between the two companies (switch to joint ERP tools on 04/01/20).

### Calculation base

Total compensation includes:

- for Pascal Imbert, Patrick Hirigoyen and Karsten Höppner: (i) their variable compensation (bonus), (ii) their fixed compensation relating to the corporate office held in the company, (iii) benefits in kind paid (iv) free share allocation plans (for Patrick Hirigoyen, definitive allocation);
- for employees: (i) fixed compensation, (ii) variable compensation (bonuses), (iii) free share allocation plans (definitive allocation), (iv) profit-sharing.

Regarding the bonus amounts for the 2023/24 fiscal year used in the calculation of total compensation, these are bonuses covered by provisions in the accounts at 03/31/24 since the final amounts were not known as of that date. Each year, the provision is extremely close to the actual bonus amounts paid.

Note that for the 2022/23 fiscal year and earlier, the bonus amounts paid are expressed in real terms.

In addition, in order to take account of the AFEP-MEDEF recommendations, free share allocations that have become definitive are integrated into the compensation of Patrick Hirigoyen and employees.

With regard to the compensation paid to Pascal Imbert, Patrick Hirigoyen and Karsten Höppner, the compensation taken into account for the 2023/24 fiscal year is that which will be subject to an "ex-post" say-on-pay vote at the Combined General Meeting on 07/25/24 (see 2.3.1 above "Consultation on compensation paid or due during the 2023/24 fiscal year (ex-post say-on-pay vote – resolutions 9 to 11 of the AGM of 07/25/24)").

(1) Metis Consulting, acquired on 11/13/18, was transferred to Wavestone SA on 12/31/21, and is only included in the data presented from the 2020/21 fiscal year. This company was fully integrated into Wavestone's operating model from 04/01/20, and differences in management tools prevented the companies from being treated in the same way.

		2023/24	2022/23	2021/22	2020/21	2019/20
<b>Pascal Imbert</b> Chairman – Chief Executive Officer	Total compensation	€262,411	€246,072	€274,180	€300,129	€199,157
	Multiple of average compensation	4.49	4.36	4.73	5.08	3.50
	Multiple of median compensation	5.13	5.06	5.59	6.27	4.30
	Multiple of the minimum wage <sup>(2)</sup>	12.50	13.02	14.50	16.21	10.88
<b>Patrick Hirigoyen</b> Chief Operating Officer	Total compensation	€263,397	€251,858	€279,966	€305,915	€204,943
	Free share allocation plan now definitive	-	-	€506,581	-	-
	Multiple of average compensation	4.51	4.46	13.56	5.18	3.60
	Multiple of median compensation	5.14	5.18	16.04	6.39	4.43
	Multiple of the minimum wage <sup>(2)</sup>	12.55	13.32	41.60	16.52	11.19
<b>Karsten Höppner<sup>(1)</sup></b> Chief Operating Officer	Total compensation	€459,620	-	-	-	-
	Free share allocation plan now definitive	-	-	-	-	-
	Multiple of average compensation	7.87	-	-	-	-
	Multiple of median compensation	8.98	-	-	-	-
	Multiple of the minimum wage <sup>(2)</sup>	21.90	-	-	-	-
<b>Wavestone performance</b>	Recurring operating profit	€101,641k	€77,042k	€74,805k	€53,275k	€55,700k
	Recurring operating margin	14.5%	14.5%	15.9%	12.8%	13.2%

(1) As a reminder, Mr. Karsten Höppner's compensation, which is higher than that of Mr. Pascal Imbert and Mr. Patrick Hirigoyen, is in line with practice in the German consulting sector. It is slightly lower than the median for the "executive" function of leading German consulting firms, as observed in the benchmarks

(2) Source: insee.fr, Monthly minimum wage (SMIC) reported over 12 months.

### 3.2. Consultation on the principles and criteria used to determine the compensation of executives and corporate officers ("say on pay" *ex-ante* vote – Resolutions 12 to 16 of the AGM on 07/25/24)

In accordance with the Article L.22-10-26 of the French Commercial Code, the Combined General Meeting of 07/25/24 will be asked to approve the compensation policy for corporate officers.

This policy defines all the compensation components for corporate officers and explains the decision-making process used to determine amounts, adjustments and implementation.

#### Compensation policy for Pascal Imbert as Chairman and Chief Executive Officer, and for Patrick Hirigoyen and Karsten Höppner as Chief Operating Officers

The compensation policy for Pascal Imbert and Patrick Hirigoyen submitted to the vote of the Combined Ordinary and Extraordinary General Meeting of 07/25/24, is close to the policies voted by 99.99% for Pascal Imbert, Chairman and Chief Executive Officer, and by 99.95% for Patrick Hirigoyen, Chief Operating Officer, at the Combined Ordinary and Extraordinary General Meeting of 07/27/23, and by 99.62% for Karsten Höppner, Chief Operating Officer, at the Combined Ordinary and Extraordinary General Meeting of 12/05/23. Pascal Imbert's compensation presented below is to be considered in respect of both his role as Chairman of the Board of Directors and his role as Chief Executive Officer.

#### a) General principles

The compensation of corporate officers and executive directors is strictly linked to the business interests of the company and the achievement of its development plan.

The items taken into account by the Board of Directors, on the recommendation of the Compensation Committee, in the analysis of compensation for Pascal Imbert, Patrick Hirigoyen and Karsten Höppner are as follows:

- short-term items (comprising a fixed and a variable component);
- where applicable, a long-term incentive item through the allocation of free shares subject to performance conditions;
- other items: welfare insurance, health cover, and in the case of Patrick Hirigoyen, unemployment insurance for company directors and managers.

The points of attention for the definition of the compensation of executive Directors and corporate officers are:

- comparability: the method used to determine compensation takes into account practices applied by groups and companies whose business activities are comparable with those of Wavestone;
- consistency: Pascal Imbert's and Patrick Hirigoyen's compensation levels fall within the range set for the firm's French Partners. Karsten Höppner's compensation falls within the range set for the firm's German Partners;



- performance: the mechanism for determining variable compensation applicable to these three directors is identical to that applied to members of the Executive Committee (excluding members from Q\_PERIOR, who will converge to the general mechanism in a year's time).

### b) Determining, revising and implementing the compensation policy for Pascal Imbert, Patrick Hirigoyen and Karsten Höppner

In accordance with the Order [No. 2019-1234 of 11/27/19, relative to the compensation of corporate officers of listed companies](#), the Board of Directors can be exempt from the application of the compensation policy if this exemption is temporary. The latter is conditional on the occurrence of exceptional circumstances, in line with the interests of the company and necessary to guarantee the firm's sustainability or viability.

Temporary adaptations of the compensation policy to exceptional circumstances are ruled on by the Board of Directors based on recommendations from the Compensation Committee.

Exceptional circumstances in this respect include the recruitment of a new Chief Operating Officer or a significant change in the firm's scope of consolidation, stemming from the sale, acquisition or the creation of a major new business.

These exceptional circumstances could require temporary adjustments to certain existing compensation components or the proposal of new compensation components.

### c) Structure of global annual compensation

Adjustments are made on an annual basis in line with the firm's strategic plan, changes in regulations, and best governance practices.

The compensation structure for Pascal Imbert, Patrick Hirigoyen and Karsten Höppner is composed of different elements:

- a fixed component;
- a variable component, referred to as a bonus. The target bonus (bonus level if objectives are reached) in 2024/25 accounts for 50% of fixed compensation for Pascal Imbert and Patrick Hirigoyen, and 100% of fixed compensation for Karsten Höppner. The bonus paid may vary between 0% and 175% of the target bonus amount;
- the bonus is determined according to the target bonus, to which two performance indicators apply—CPI and IPI—and are multiplied together:
  - > the collective performance indicator (CPI) represents the sum of two components:
    - a financial component is based on the achievement of Wavestone's budgetary targets, and is adjusted either upward or downward with reference to differences between the targets set and the results actually achieved. The relevant budget target is Wavestone's recurring operating profit ("ROP") for the period between 04/01/24 and 03/31/25 which is calculated according to the firm's scope of consolidation as at 04/01/24 and on a constant forex basis. This component will equal 100% assuming the budget target is achieved. It can range from 0% to 150%. This component accounts for 80% when calculating the CPI. For confidentiality reasons, the budget target as well as the variation formula are not communicated. They will be communicated *ex-post*;
    - "CSR" component, based on Wavestone's CSR performance. This qualitative component seeks to assess whether Wavestone met specific CSR criteria. For the 2024/25 fiscal year, the scope equivalent to Q\_PERIOR was separated from the Wavestone group's legacy businesses to factor in its specific features. It will equal 100% assuming all CSR criteria are met. The component can range from 0% to 100%. It accounts for 20% when calculating the CPI.

4 of the 9 CSR criteria listed in the non-financial declaration are taken into account in calculating the collective performance indicator:

<b>2024/25 CSR targets taken into account in calculating CPI</b>	<b>Wavestone objectives (excluding Q_PERIOR and Aspirant)</b>	<b>Q_PERIOR objectives</b>
Client satisfaction measurement	Net Promoter Score® > 60	Client satisfaction > 4.2
<b>Employee engagement and wellness</b>		
Staff turnover rate	15%	12%
<b>Diversity and inclusion</b>		
Percentage of women in management	37% (up by 1 point)	23% (up by 1.5 points)
Environment	Scope 1 & 2: -21% vs. the 2019/20 fiscal year	Stable carbon emissions from air travel per employee versus the 2023/24 fiscal year <sup>(1)</sup>
Reduction of the carbon footprint	Scope 3: -30% vs. the 2019/20 fiscal year	

(1) This accounts for an 11% reduction in current carbon emissions, considering the impact of the exceptional convention organized by Wavestone in Paris in May 2024.

The following mechanism is used to determine the percentage of the CSR component in calculating the Collective Performance Indicator:

- each criterion is worth 5 points;
- if a criterion is met for both the Wavestone scope (excluding Q\_PERIOR and Aspirant) and Q\_PERIOR, then all 5 points are counted;
- if a criterion is met on only one of the two scopes, 2.5 points are counted;
- if a criterion is not met on either scope, then no points are scored.

At the end of the fiscal year, the CPI will be calculated as follows: financial component\*80% + CSR component\*20%. It can therefore range from 0% to 140%;

- > individual performance indicator (IPI), reviewed by the Board of Directors on the recommendation of the Compensation Committee. The IPI is intended to be the opposite of a simple automatic review of management's achievement of pre-defined static objectives set at the start of the fiscal year. It is based on comprehensive and ever-evolving assessment of executive director initiatives, using the same methodology developed to review the ExCom's performance.

This assessment recognizes:

- the achievement of operating objectives for the 2024/25 fiscal year;
- the completion of projects to create action plans for the fiscal year, including preparation for management succession;
- the ability to factor in challenges posed by the current economic situation as well as responding to threats and opportunities.

Such assessment will be reported with key items published on an ex-post basis.

The IPI can range from 0% to 125%. However, it may not exceed 100% assuming the CPI is less than 100%.

- > The calculation formula is as follows: Bonus due = target bonus x CPI x IPI. Given that the maximum IPI and CPI are 125% and 140% respectively, the maximum bonus due will vary from 0% to 175%.

#### d) Clawback

For the 2024/25 fiscal year, the Board of Directors is proposing a "clawback" clause, reimbursing all or part of the annual variable compensation paid to Pascal Imbert, Patrick Hirigoyen and Karsten Höppner under serious and exceptional circumstances.

As a result, if, during the five years following the payment of annual variable compensation, it is observed that:

- the data used to measure performance was clearly and intentionally falsified;
- or, if Pascal Imbert or Patrick Hirigoyen is guilty of serious and willful misconduct;

the Board of Directors may require Pascal Imbert, Chairman and CEO, and Patrick Hirigoyen and Karsten Höppner, Chief Operating Officers, to reimburse all or part of the variable compensation paid.

#### e) Determination of the 2024/25 compensation of Pascal Imbert for exercising his mandate as Chairman and Chief Executive Officer

In accordance with the principles defined in points a) and b) above, the criteria used to determine, distribute and allocate the components of the total compensation package of Pascal Imbert in 2024/25 are as follows:

##### i) Fixed component

On the recommendation of the Compensation Committee, the fixed portion was stable year-on-year, at €211,286 gross.

##### ii) Variable component

A target bonus of €105,643 gross is recommended, i.e. 50% of the fixed portion. It implements the process described in this document.

In accordance with Article L.22-10-34 of the French Commercial Code, payment of the annual variable compensation due in respect of the fiscal year ended 03/31/25 will be made after the Ordinary General Meeting to be held in 2025 to approve the financial statements for the year ended 03/31/25 and is subject to approval by said Meeting.

##### iii) Long-term compensation items

As Pascal Imbert is one of the main shareholders of Wavestone, he does not receive any long-term compensation.

##### iv) Other items of compensation

Pascal Imbert benefits from the same welfare insurance and health cover plan as Wavestone's employees.

#### f) Determination of the 2024/25 compensation of Patrick Hirigoyen for exercising his mandate as Chief Operating Officer

In accordance with the principles defined in points a) and b) above, the criteria used to determine, distribute and allocate the components of the total compensation package of Patrick Hirigoyen in 2024/25 are as follows:

##### i) Fixed component

On the recommendation of the Compensation Committee, the fixed portion was stable year-on-year, at €211,286 gross.

##### ii) Variable component

A target bonus of €105,643 gross is recommended, i.e. 50% of the fixed portion. It implements the process described in this document.

In accordance with Article L.22-10-34 of the French Commercial Code, payment of the annual variable compensation due in respect of the fiscal year ended 03/31/25 will be made after the Ordinary General Meeting to be held in 2025 to approve the financial statements for the year ended 03/31/25 and is subject to approval by said Meeting

### iii) Long-term compensation items

As a reminder, Patrick Hirigoyen was awarded free share allocation plans on 09/15/06, 10/15/10, 07/10/12, 07/01/15, 01/28/16 and 07/02/18.

### iv) Other items of compensation

Patrick Hirigoyen benefits from the same welfare insurance and health cover plan as Wavestone's employees.

Patrick Hirigoyen also benefits from an unemployment insurance plan for company Directors and officers, whose contributions are paid by the company.

It should be noted that the work contract linking Patrick Hirigoyen to the firm was suspended from 04/01/17. In accordance with Article R. 225-56-1 II of the French Commercial Code, his work contract had the following features:

- contract term: permanent contract;
- notice period: three months;
- termination conditions: authorized by current legislation and in line with the conditions specified in the collective bargaining agreement applicable to the company's employees.

For the record, the Annual General Meeting of 07/26/18 approved the regulated agreement pursuant to which it was agreed that the suspension period of Patrick Hirigoyen's employment contract would be taken into consideration when calculating the number of years of service acquired under his employment contract (Mr. Hirigoyen's contract was suspended as of 04/01/17). This approval was renewed at the General Meeting of 07/28/22.

## g) Determination of the 2024/25 compensation of Karsten Höppner for exercising his mandate as Chief Operating Officer

In accordance with the principles defined in points a) and b) above, the criteria used to determine, distribute and allocate the components of the total compensation package of Karsten Höppner in 2024/25 are as follows:

### i) Fixed component

On the recommendation of the Compensation Committee, the fixed portion was up by 25%, at €250,000 gross. The increased fixed component results from a rebalancing mechanism between the fixed and variable components. The variable component decreased by the same amount as the fixed component increased. As a result, the variable component now accounts for 100% of the fixed component, versus 150% in the 2023/24 fiscal year. This change reflects the commitments made during the Shareholders' Meeting of 12/05/23.

### ii) Variable component

A target bonus of €250,000 gross is recommended, i.e. 100% of the fixed portion. It implements the process described in this document.

In accordance with Article L. 22-10-34 of the French Commercial Code, payment of the annual variable compensation due in respect of the fiscal year ended 03/31/25 will be made after the Ordinary General Meeting to be held in 2025 to approve the financial statements for the year ended 03/31/25 and is subject to approval by said Meeting.

### iii) Other items of compensation

Karsten Höppner is entitled to benefits in kind (vehicle, travel expenses, etc.) of up to €25,000 per year, in accordance with the policy applicable to all Q\_PERIOR Partners in Germany.

Karsten Höppner benefits from the same welfare insurance and health cover plan as Wavestone employees in France.

It should be noted that the work contract linking Karsten Höppner to Q\_PERIOR was suspended from 08/23/01. His work contract had the following features:

- contract term: permanent contract;
- notice period: three (3) months;
- termination conditions: authorized by current legislation;
- this contract includes no commitments or benefits that go beyond the statutory conditions in force in Germany. It does not provide for any benefits to be paid on retirement.

Karsten Höppner is not in receipt of any other benefit, commitment or compensation from Wavestone or another company in its group.

### Compensation policy for Directors

The compensation policy for Directors, which will be submitted to the Combined General Meeting on 07/25/24, is in line with the policy approved by 99.98% by the Combined General Meeting of 07/27/23.

### h) Compensation for Directors

Compensation for Directors in respect of their terms of office consists exclusively of compensation in respect of their duties as members of the Board of Directors and its Committees, for which the total annual amount is voted by the Annual General Meeting and the distribution of which is decided by the Board of Directors.

In respect of the 2024/25 fiscal year, it is proposed to the Combined General Meeting of 07/25/24 to set the overall full-year amount at €436,116, versus €294,000 previously.

This increase takes account of:

- the establishment of a Nomination Committee which is now separate from the Compensation Committee;
- the appointment of a German director, to continue efforts to internationalize the Board with effect from the Annual General Meeting of 07/25/24;

- an increase of €3,000 in the individual compensation amount for members of the Board of Directors (also impacting the amounts allocated in respect of Committees) owing to the size of the company and the increased workload for members of the Board of Directors.

The rules for allocating compensation to members of the Board of Directors provide for a fixed component and a larger variable component, calculated on the basis of attendance at meetings of the Board of Directors, the Audit Committee, the Compensation Committee and the Nomination Committee and CSR Committee meetings, and the number of meetings held.

This compensation is paid once the variable component for each member has been determined.

The amount of compensation to be paid is set at €18,000 and includes a fixed portion of 40% and a variable portion of 60%.

The compensation of Committee Chairpersons is doubled. Additional compensation for the Lead Director is set at €18,000, representing a total of €36,000.

For information, Pascal Imbert, Patrick Hirigoyen and Karsten Höppner do not receive any compensation other than that proposed in the points described above; as such, they shall not be compensated for their duties as Directors.

Below is a summary table of the amounts allocated to the Board of Directors and its Committees:

<b>Board/Committee</b>	<b>Amount</b>	<b>Fixed component (40%)</b>	<b>Variable component (60%)</b>
Board of Directors <sup>(1)</sup>	€210,329	€84,132	€126,197
Audit Committee	€66,438	€26,575	€39,863
Compensation Committee	€50,000	€20,000	€30,000
Nomination Committee	€46,849	€18,740	€28,110
CSR Committee	€62,500	€25,000	€37,500

(1) The appointment of Graciana Petersen will be submitted at the Annual General Meeting on 07/25/24. The proposed compensation package takes into account a *prorata temporis* as of the AGM.

In addition to the compensation for their Board of Directors' membership and in accordance with the provisions of Articles L. 225-84 and L. 22-10-28 of the French Commercial Code, the members of the Board of Directors may also receive compensation for carrying out exceptional assignments.

In accordance with Articles R. 22.10.14 II 5° and R. 22-10-18 II 5° of the French Commercial Code, the employment contracts binding Benjamin Clément, Pierre Allard, Emilie Salas and Astrid Blechschmidt to the company have the following characteristics:

<b>Name</b>	<b>Duration of work contract</b>	<b>Notice period</b>	<b>Termination conditions</b>
<b>Benjamin Clément</b>	Permanent contract	3 months in accordance with the collective bargaining agreement applicable to the company's employees falling under the "modality 3" category	Termination conditions authorized by current legislation and consistent with the conditions set out in the collective bargaining agreement applicable to the company's employees.
<b>Pierre Allard</b>	Permanent contract	3 months in accordance with the collective bargaining agreement applicable to the company's employees falling under the "modality 3" category	Termination conditions authorized by current legislation and consistent with the conditions set out in the collective bargaining agreement applicable to the company's employees.
<b>Emilie Salas</b>	Permanent contract	3 months in accordance with the collective bargaining agreement applicable to the company's employees falling under the "modality 3" category	Termination conditions authorized by current legislation and consistent with the conditions set out in the collective bargaining agreement applicable to the company's employees.
<b>Astrid Blechschmidt</b>	Permanent contract	6 months in accordance with the policy applied to all Q_PERIOR German partners	Termination conditions authorized by current legislation

# Additional information

## 1. Terms and conditions of shareholder participation at General Meetings

The terms and conditions of shareholder participation at General Meetings are specified in Articles 25 to 34 of the Articles of Association.

## 2. Agreements entered into between a representative or a significant shareholder and a subsidiary

No agreement falling within the scope of Article L. 225-37-4, paragraph 2 of the French Commercial Code took place during the 2023/24 fiscal year (i.e. agreements other than those relating to ordinary transactions and entered into under normal terms and conditions, entered into directly or via an intermediary, between, one of the corporate officers or one of the shareholders holding more than 10% of the voting rights of Wavestone, and a subsidiary controlled within the meaning of Article L.233-3 of the French Commercial Code by Wavestone).

For all information concerning related-party agreements, please refer to the "Financial Information" Chapter.

## 3. Assessment procedure for ordinary agreements concluded under normal conditions

At its meeting on 06/02/20, the Supervisory Board implemented a procedure on the regular assessment by the Audit Committee of the conditions governing the conclusion of ordinary agreements concluded under normal conditions pursuant to the provisions of Article L.22-10-29 of the French Commercial Code.

This procedure is distinct from existing internal processes for assessing an agreement when it is signed or amended.

At the end of each fiscal year, the controlling team is responsible for drawing up a list of ordinary agreements and their characteristics with the internal audit team.

Based on internal audit provisions, implemented at the time of signing or amending the agreement, the following checks are carried out by the internal audit team:

- the financial impacts of the agreement over the current fiscal year correspond to the financial conditions of the agreement;
- the agreement covers current operations, i.e. operations that Wavestone generally carries out as part of operations linked to its ordinary business or pursuant to contracts comparable with other operators in similar situations;
- the conditions of the agreement are normal, i.e. they correspond to conditions that would be applied with or by third parties involved in similar operations.

In the event of any doubt in the process of identification or assessment of these agreements, the controlling team and/or internal audit team consult Wavestone's legal counsel.

The internal audit team formalizes and communicates its results (even in the absence of ordinary agreements signed by Wavestone) to the Finance Department. The department presents the findings to the Audit Committee (at a meeting focused on the firm's annual results) for consideration.

The Audit Committee checks that the agreements comply with the conditions of ordinary agreements signed under normal conditions and communicates its findings to the Board of Directors. In such cases, the members of the Audit Committee involved, either directly or indirectly, in the agreement do not take part in the auditing process.

The role of the Board of Directors is to approve the audit of the agreements, either by confirming that they are indeed ordinary agreements signed under normal conditions, or by considering that the agreement must be assessed using the procedure for regulated agreements and therefore subject to its ratification. Any member of the Board of Directors involved directly or indirectly in the agreement does not take part in deliberations nor voting in this respect.

#### 4. Table of currently valid authorizations to increase company share capital

According to the Combined General Meeting of 07/28/22

Resolution	Purpose	Duration	Maximum nominal value	Utilization
12 <sup>th</sup>	Issue of ordinary shares and financial securities giving immediate or future access to the company's share capital, with preferential subscription rights	26 months	Securities: €151,474 Debt securities: €40,000,000	None
13 <sup>th</sup>	Issue of ordinary shares and financial securities giving immediate or future access to the company's share capital, without preferential subscription rights, by way of a public offering (priority granted to existing shareholders for a minimum period of five days)	26 months	Securities by public offering: €100,982 Debt securities: €15,000,000	None
14 <sup>th</sup>	Issue of ordinary shares and financial securities giving immediate or future access to the company's share capital, without preferential subscription rights, within the framework of a private placement	26 months	10% of the company's share capital at 07/28/22 Debt securities: €15,000,000 within the limit of the specific ceiling provided for in the 13 <sup>th</sup> resolution and the overall ceiling set in the 23 <sup>rd</sup> resolution	None
15 <sup>th</sup>	In the event of oversubscription to a capital increase authorized under the 12 <sup>th</sup> resolution (with or without preferential subscription rights), the power to increase the number of ordinary shares and/or financial securities to be issued in accordance with the provisions of Article L.225-135-1 of the French Commercial Code, at the same price as the initial issue and within thirty days of the end of the subscription period	26 months	15% of the initial issue subject to the ceiling specified in the resolution in question and within the limits of the overall ceiling set in the 23 <sup>rd</sup> resolution	None
16 <sup>th</sup>	In the event of oversubscription to a capital increase authorized under resolution 13 (with cancellation of preferential subscription rights and under the framework of a public offering), increase the number of ordinary shares and/or financial securities to be issued in accordance with the provisions of Article L.225-135-1 of the French Commercial Code, at the same price as the initial issue and within thirty days of the end of the subscription period	26 months	15% of the initial issue subject to the ceiling specified in the resolution in question and within the limits of the overall ceiling set in the 23 <sup>rd</sup> resolution	None

Resolution	Purpose	Duration	Maximum nominal value	Utilization
17 <sup>th</sup>	In the event of oversubscription to a capital increase authorized under resolution 14 (with cancellation of preferential subscription rights and under the framework of a private placement), increase the number of ordinary shares and/or financial securities to be issued in accordance with the provisions of Article L.225-135-1 of the French Commercial Code, at the same price as the initial issue and within thirty days of the end of the subscription period	26 months	15% of the initial issue subject to the ceiling specified in the resolution in question and within the limits of the overall ceiling set in the 23 <sup>rd</sup> resolution	None
18 <sup>th</sup>	Issue of ordinary shares and financial securities giving access to share capital, without preferential subscription rights, for the purposes of remunerating contributions in kind granted to the company and comprising shares or financial securities giving access to third-party share capital (not including public exchange offers)	26 months	10% of the company's share capital at 07/28/22  Debt securities: €15,000,000  within the limit of the specific ceiling provided for in the 13 <sup>th</sup> resolution and the overall ceiling set in the 23 <sup>rd</sup> resolution	None
19 <sup>th</sup>	Issue of ordinary shares and financial securities giving access to share capital, without preferential subscription rights, for the purposes of remunerating contributions in kind granted to the company and comprising shares or financial securities giving access to third-party share capital within the framework of a public exchange offer initiated by the company	26 months	10% of the company's share capital at 07/28/22  Debt securities: €15,000,000  within the limit of the specific ceiling provided for in the 13 <sup>th</sup> resolution and the overall ceiling set in the 23 <sup>rd</sup> resolution	None
20 <sup>th</sup>	Issue of ordinary shares and financial securities giving access to the company's share capital, without preferential subscription rights maintained and reserved for staff members who are subscribers to an employee savings plan and to corporate officers eligible for the employee savings plan	26 months	5% of the share capital on the day of implementation of the resolution  within the limit of the overall ceiling set in the 23 <sup>rd</sup> resolution	None

Resolution	Purpose	Duration	Maximum nominal value	Utilization
21 <sup>st</sup>	Free allocation of existing shares or shares to be issued to employees of the company and related companies	38 months	5% of the share capital on the day of implementation of the resolution  within the limit of the overall ceiling set in the 23 <sup>rd</sup> resolution	Employees Plan No. 17 of 07/05/23: Initial allocation of 57,234 shares corresponding to 0.28% of the share capital at the time of allocation  Key People Plan No. 17 of 07/05/23: Initial allocation of 53,856 shares corresponding to 0.27% of the share capital at the time of allocation  International Plan for Everyone No. 3 of 07/05/23: Initial allocation of 9,033 shares corresponding to 0.04% of the share capital at the time of allocation
22 <sup>nd</sup>	Free allocation of existing shares or shares to be issued to corporate officers of the company and related companies	38 months	0.5% of the share capital on the day of implementation of the resolution  within the limit of the overall ceiling set in the 23 <sup>rd</sup> resolution	None
23 <sup>rd</sup>	Aggregate ceiling for issues under the 12 <sup>th</sup> to 22 <sup>nd</sup> resolutions of the Combined General Meeting of 07/28/22		Securities: €151,474  Debt securities: €40,000,000	None
24 <sup>th</sup>	Incorporation of reserves or profits, issue premiums or contribution premiums by the creation and free allocation of ordinary shares or by increasing the par value of shares, or by a combination of these two methods	26 months	€400,000  This ceiling is independent	None



## 5. Information likely to have an impact in the event of a public offering

In accordance with the provisions of Article L.22-10-11 of the French Commercial Code, we draw your attention to the following points:

- the capital structure of Wavestone, as well as the direct and indirect holdings, and all related information, are described in [point 3.1.1](#) "Breakdown of the share capital" of the "Board of Directors' General Report" presented in Chapter I of this document;
- to the best of Wavestone's knowledge, there are no shareholder pacts or any other agreements signed between its shareholders other than the collective lock-up undertakings described in [point 3.1.5](#) "Collective lock-up undertakings" of the "Board of Directors' General Report" presented in Chapter I of this document;
- there are no securities with special controlling rights, with the exception of the double voting rights under Article 11-4 of the Articles of Association and in accordance with regulations;
- there are no statutory restrictions regarding the exercise of the right to vote or the transfer of shares;
- the voting rights attached to Wavestone shares, within the context of the group's employee savings plan mentioned in [point 3.2](#), "Employee shareholding" of the "Board of Directors' General Report" presented in Chapter I of this document, are exercised by the Wavestone Actions FCPE employee shareholding fund;
- the appointment and revoking of executive corporate officers are governed by the applicable laws;
- current delegations related to the powers of the Board of Directors are described in [point 4.1.9](#) "Share buyback program" of the "Board of Directors' General Report" presented in Chapter I of this document and in the table of currently valid authorizations provided in [section 4](#) of this report;
- amendments to Wavestone's Articles of Association are made in accordance with legal and regulatory provisions;
- there is no agreement which entitles executive corporate officers to receive severance compensation upon termination of their functions;

As part of the loan contracted by Wavestone on 03/26/20, as modified by amendments dated 05/19/21 and 12/14/22, in the event of a change in company control, the lending parties may choose whether or not to request the immediate payment of their share in the sums drawn down and the payment of all interest and other amounts due to them under the terms and conditions of the loan agreement. The term change of control refers to the occurrence of one or more of the following events:

- any person, or group of persons acting in concert, not including Pascal Imbert (or his heirs in the event of his death) or his affiliates (or those of his heirs in the event of his death), has control of the borrower within the meaning of Article L.233-3 I (1°, 2° and 3°) and II of the French Commercial Code; or
- Pascal Imbert (or his heirs in the event of his death) and his affiliates (or those of his heirs in the event of his death) cease to hold, directly or indirectly, for any reason whatsoever, at least 15% of the capital and/or voting rights of the borrower.

# 3.

## FINANCIAL INFORMATION

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# Consolidated financial statements at 03/31/24

## Consolidated income statement

(in thousands of euros)	Note	03/31/24	03/31/23
<b>Revenue</b>	<b>1</b>	<b>701,056</b>	<b>532,264</b>
Subcontracting purchases	2	(67,798)	(21,753)
Personnel expenses	3 & 4	(465,469)	(373,278)
External expenses	5	(52,045)	(46,594)
Taxes and duties		(7,839)	(8,044)
Depreciation, amortization and provisions		(8,106)	(5,771)
Other current income and expenses	6	1,542	218
<b>Recurring operating profit</b>		<b>101,341</b>	<b>77,042</b>
Amortization of customer relationships	7	(3,808)	(1,493)
Other operating income and expenses	7	(11,750)	(2,864)
<b>Operating profit</b>		<b>85,783</b>	<b>72,685</b>
Financial income	8	759	10
Costs of gross financial debt	8	(2,376)	(1,766)
<b>Costs of net financial debt</b>		<b>(1,617)</b>	<b>(1,756)</b>
Other financial income and expenses	8	(2,902)	(2,348)
<b>Net income before tax</b>		<b>81,264</b>	<b>68,580</b>
Tax expense	9	(22,673)	(18,513)
<b>Net income</b>		<b>58,591</b>	<b>50,068</b>
Non-controlling interests		(391)	0
<b>Net income - group share</b>		<b>58,199</b>	<b>50,068</b>
Net income - group share, per share (in euros) <sup>(i)</sup>	10	2,71	2,51
Net income - group share, per share after dilution (in euros)	10	2,71	2,51

(i) Weighted number of shares over the period.

**Consolidated balance sheet**

(in thousands of euros)	Note	03/31/24	03/31/23
Goodwill	11	507,889	235,355
Intangible assets	12	74,565	2,644
Tangible assets	12	11,965	8,815
Right-of-use assets	13	23,887	13,179
Non-current financial assets	14	1,737	1,790
Other non-current assets	14	13,661	11,038
<b>Non-current assets</b>		<b>633,705</b>	<b>272,820</b>
Trade receivables and related accounts	15	245,900	176,595
Other receivables	15	20,656	16,549
Cash and cash equivalents	15	77,481	70,824
<b>Current assets</b>		<b>344,036</b>	<b>263,968</b>
<b>Total assets</b>		<b>977,741</b>	<b>536,788</b>
Capital	16	623	505
Additional paid-in capital		265,432	11,218
Consolidated retained earnings and net income		300,059	285,314
Currency translation differences		3,352	2,013
<b>Equity - group share</b>		<b>569,466</b>	<b>299,050</b>
Non-controlling interests		1,926	0
<b>Total equity</b>		<b>571,392</b>	<b>299,050</b>
Long-term provisions	17 & 18	24,657	13,316
Non-current financial liabilities	19	52,231	38,047
Non-current lease liabilities	13	18,013	11,098
Other non-current liabilities	21	25,864	1,023
<b>Non-current liabilities</b>		<b>120,765</b>	<b>63,485</b>
Short-term provisions	17	5,205	4,755
Current financial liabilities	19	5,977	5,654
Current lease liabilities	13	8,174	4,754
Trade payables and related accounts	21	42,293	14,731
Tax and social security liabilities	21	152,575	106,272
Other current liabilities	21	71,360	38,087
<b>Current liabilities</b>		<b>285,583</b>	<b>174,254</b>
<b>Total liabilities</b>		<b>977,741</b>	<b>536,788</b>

## Consolidated cash flow statement

<b>(in thousands of euros)</b>	<b>Note</b>	<b>03/31/24</b>	<b>03/31/23</b>
<b>Consolidated net income</b>		<b>58,591</b>	<b>50,068</b>
Elimination of non-cash items:			
Net depreciation, amortization and provisions <sup>(1)</sup>		12,991	9,907
Expenses / (income) related to share-based payments		4,420	3,305
Losses / gains on disposals, net of tax		27	(217)
Other calculated income and expenses		1,069	256
Costs of net financial debt (incl. interest on lease liabilities)		2,036	1,933
Tax expense / (income)	9	22,673	18,513
<b>Self-financing capacity before costs of net financial debt and tax</b>		<b>101,806</b>	<b>83,764</b>
Tax paid		(21,650)	(21,052)
Change in working capital		2,935	(21,567)
<b>Net operating cash flow</b>		<b>83,091</b>	<b>41,146</b>
Purchase of tangible and intangible assets	12	(3,109)	(3,705)
Disposal of assets		66	168
Change in financial assets		14	3
Impact of changes in consolidation scope	11	(65,990)	(49,196)
<b>Net investing cash flow</b>		<b>(69,018)</b>	<b>(52,731)</b>
Sale / (purchase) of treasury shares <sup>(2)</sup>		(5,914)	(6,403)
Dividends paid to parent company shareholders		(7,593)	(7,612)
Dividends paid to non-controlling interests		0	0
Loan subscriptions	19	19,700	0
Loan repayments	19	(5,646)	(4,435)
Repayments of lease liabilities	13	(6,199)	(5,132)
Net financial interest paid on loans		(1,317)	(2,078)
Net interest paid on lease liabilities	8	(425)	(181)
Other financing cash flows	19	(11)	(6)
<b>Net financing cash flow</b>		<b>(7,406)</b>	<b>(25,847)</b>
<b>Net change in cash and cash equivalents</b>		<b>6,667</b>	<b>(37,432)</b>
Impact of translation differences	19	104	(136)
Opening cash position	19	70,681	108,249
Closing cash position	19	77,452	70,681

(1) Including €5,775k in respect of the amortization of right-of-use assets at 03/31/24 and of €4,322k at 03/31/23.

(2) For information, the company delivered treasury shares worth €904k during 2023/24 fiscal year.

## Change in consolidated shareholders' equity

(in thousands of euros)	Capital	Premiums	Consolidated reserves	Profit for the year	Translation gain (loss)	Total share of the group	Share of minority interests	Total
<b>Consolidated shareholders' equity at 03/31/22</b>	<b>505</b>	<b>11,218</b>	<b>192,107</b>	<b>51,032</b>	<b>2,122</b>	<b>256,984</b>	<b>0</b>	<b>256,984</b>
Consolidated profit for the year	0	0	0	50,068	0	50,068	0	50,068
Change in fair value of hedging instruments	0	0	331	0	0	331	0	331
Translation gain (loss)	0	0	0	0	(109)	(109)	0	(109)
IAS 19 actuarial gain (loss)	0	0	2,456	0	0	2,456	0	2,456
<b>Net comprehensive income</b>	<b>0</b>	<b>0</b>	<b>2,787</b>	<b>50,068</b>	<b>(109)</b>	<b>52,746</b>	<b>0</b>	<b>52,746</b>
Appropriation of profit	0	0	51,032	(51,032)	0	0	0	0
Changes in equity of consolidating company	0	0	0	0	0	0	0	0
Dividends paid out by consolidating company	0	0	(7,612)	0	0	(7,612)	0	(7,612)
Treasury stock transactions	0	0	(6,421)	0	0	(6,421)	0	(6,421)
Share-based payments	0	0	3,354	0	0	3,354	0	3,354
<b>Consolidated shareholders' equity at 03/31/23</b>	<b>505</b>	<b>11,218</b>	<b>235,246</b>	<b>50,068</b>	<b>2,013</b>	<b>299,050</b>	<b>0</b>	<b>299,050</b>
Consolidated profit for the year	0	0	0	58,199	0	58,199	391	58,591
Change in fair value of hedging instruments	0	0	(425)	0	0	(425)	0	(425)
Translation gain (loss)	0	0	0	0	1,340	1,340	(0)	1,340
IAS 19 actuarial gain (loss)	0	0	159	0	0	159	0	159
<b>Net comprehensive income</b>	<b>0</b>	<b>0</b>	<b>(266)</b>	<b>58,199</b>	<b>1,340</b>	<b>59,273</b>	<b>391</b>	<b>59,664</b>
Appropriation of profit	0	0	50,068	(50,068)	0	0	0	0
Changes in equity of consolidating company	118	254,214	(33,911)	0	0	220,421	0	220,421
Dividends paid out by consolidating company	0	0	(7,593)	0	0	(7,593)	0	(7,593)
Treasury stock transactions	0	0	(5,964)	0	0	(5,964)	0	(5,964)
Share-based payments	0	0	4,280	0	0	4,280	0	4,280
Acquisition of Q_PERIOR shares	0	0	0	0	0	0	1,535	1,535
<b>Consolidated shareholders' equity at 03/31/24<sup>(1)</sup></b>	<b>623</b>	<b>265,432</b>	<b>241,860</b>	<b>58,199</b>	<b>3,352</b>	<b>569,466</b>	<b>1,926</b>	<b>571,392</b>

(1) Shareholders' equity contains no taxable items. Cumulative deferred tax assets amounting to €(1,423)k relate to items booked under shareholders' equity since the company was founded. They are generated by actuarial gains and losses arising from the application of IAS 19 and by the fair value remeasurement of hedging instruments.

The dividend distributed during the year amounted to €0.38 per share, i.e. a total of €7,593k.

## Statement of net comprehensive income

(in thousands of euros)	Note	03/31/24	03/31/23
<b>Net income</b>		<b>58,591</b>	<b>50,068</b>
<b>Items recyclable in the income statement:</b>			
Change in fair value of hedging instruments	20	(425)	331
Translation gain (loss)		1,340	(109)
<b>Items not recyclable in the income statement:</b>			
IAS 19 actuarial gain (loss)	18	159	2,456
<b>Total recognized as equity</b>		<b>1,074</b>	<b>2,678</b>
<b>Net comprehensive income</b>		<b>59,664</b>	<b>52,746</b>
Non-controlling interests		(392)	0
<b>Net comprehensive income attributable to owners of the parent</b>		<b>59,273</b>	<b>52,746</b>

# Notes to the consolidated financial statements

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## 1. Overview

Wavestone is a public limited company (*société anonyme*) incorporated in France and subject to all laws and regulations governing commercial companies in France, and notably the provisions of the French Commercial Code. The company is listed in compartment A of Euronext Paris.

The consolidated financial statements of Wavestone (comprising the Wavestone parent company and its subsidiaries) were approved by the Board of Directors on 06/03/24.

All amounts presented in the notes are expressed in thousands of euros (€k).

### Technical data

<b>Name or other identifier of the reporting entity</b>	Wavestone
<b>Explanation of changes in the name or other identification of the reporting entity since the end of the previous reporting period</b>	No change in name
<b>Headquarters</b>	Tour Franklin, 100-101 Terrasse Boieldieu, 92042 La Défense Cedex, France
<b>Country of incorporation</b>	France
<b>Address of the entity</b>	Tour Franklin, 100-101 Terrasse Boieldieu, 92042 La Défense Cedex, France
<b>Main office</b>	France
<b>Legal form</b>	Limited company ( <i>société anonyme</i> )
<b>Description of the nature of the entity's operations and its main activities</b>	Wavestone is a consultancy firm focused on supporting companies and organizations in their strategic transformation in a constantly changing world, aiming to generate positive and sustainable impacts for all its stakeholders. The firm employs over 5,500 people in 17 countries across Europe, North America and Asia.
<b>Name of the parent entity</b>	Wavestone SA
<b>Name of the head company</b>	Wavestone SA

## 2. Significant events in the fiscal year

### Combination with Q\_PERIOR

On 12/05/23, Wavestone acquired 100% of the shares issued by Q\_PERIOR Holding AG, excluding treasury shares, on an enterprise value basis of €330m, excluding an additional consideration, including €321.9m in the value of shareholders' equity (firm price) and €8.1m in adjusted net financial debt. This firm price may be supplemented by an earn-out determined by Q\_PERIOR's adjusted normalized EBIT, calculated as of 03/31/24. In order to prepare these consolidated financial statements, as presented in note 11, this additional consideration was estimated at €35.0m, i.e. the maximum amount stipulated in the Combination Agreement.

This transaction was financed at 79.0% of the firm price by the issue of 4,709,840 new Wavestone shares. These new Wavestone shares are now held by Q\_PERIOR shareholders who are appointed Wavestone shareholders on the same day. The remaining amount of the firm price and the additional

consideration are financed in cash from Wavestone's available resources.

Q\_PERIOR is a German consulting firm, owned by its founders, managers and Partners. It is one of the consultancy leaders in the German-speaking market (Germany, Switzerland and Austria). Q\_PERIOR supports its clients' transformation by drawing on leading business and technological expertise, such as core business processes, digitization and SAP.

As of 03/31/23, Q\_PERIOR had 1,410 employees. The firm has offices in 8 German cities and 11 countries worldwide, with a strong presence in Europe, particularly in Germany, Switzerland, Austria and the United Kingdom, as well as in North America.

As of 12/31/22, Q\_PERIOR had generated consolidated revenue of €285m, up 21%, with EBIT margin of 8.1%<sup>(1)</sup>.

The acquired companies were consolidated in Wavestone's financial statements on 12/01/23. Provisional goodwill has been recognized in the group's financial statements for the year ended 03/31/24, as described in note 11.

(1) Based on German accounting standards.

The acquired company is referred to as “Q\_PERIOR” throughout the notes in this appendix.

### Capital increase

On 12/05/23, Wavestone completed the capital increase for a nominal amount of €118k through the issue of 4,709,840 new shares, issued as consideration of the contribution of shares in Q\_PERIOR Holding AG, and allocated to the contributing shareholders. The difference between the actual value of the contribution and the nominal amount of the capital increase represents a premium.

Following completion of the transaction, Wavestone’s share capital now comprises 24,906,332 shares.

### Aspirant Consulting acquisition

On 01/16/24, Wavestone acquired 100% of the share capital of Aspirant Consulting LLC and Aspirant Limited.

Founded in 2003, headquartered in Pittsburgh, PA, and also active in the United Kingdom, Aspirant Consulting is a best-in-class consultancy firm providing deep expertise on Strategy, Marketing & Innovation, Organizational Effectiveness & Change Management, and Technology Consulting.

In its 2023 fiscal year, Aspirant Consulting generated consolidated revenue of about \$26m (i.e. approximately €23.8m, converted at the exchange rate applicable on the acquisition date) and an adjusted EBITDA margin of approximately 10%. On the acquisition date, the companies had 100 employees and 30 independent consultants.

This acquisition was financed entirely in cash, through the use of credit facilities already available to Wavestone from its banking partners.

Both companies were consolidated in Wavestone’s financial statements on 02/01/24.

Provisional goodwill has been recognized in the group’s financial statements for the year ended 03/31/24, as described in note 11.

### Impact of business combinations

On a like-for-like basis and constant forex basis, revenue came to €558,479k, ROP (as defined in 3.4) to €85,904k and net income (group share) to €59,059k at 03/31/24, compared with revenue of €513,509k, ROP of €73,300k and net income (group share) of €50,179k at 03/31/23.

On a like-for-like and current forex basis, revenue came in at €557,443k, ROP was €85,918k, and group share of net income stood at €59,147k at 03/31/24.

On a full-scope basis, revenue was €701,056k, ROP of €101,341k and group share of net income €58,199k at 03/31/24.

### Ukraine conflict and macroeconomic conditions

The company did not report any direct material impacts from the wars in Ukraine and the Middle East considering that it does not operate in these markets. The effects of the current inflationary pressures, coupled with the additional indirect impact of global conflicts—particularly rising energy costs—were factored into impairment tests, but did not result in the recognition of any additional impairment.

## 3. Accounting principles and methods

### 3.1. Consolidation principles

#### 3.1.1. Reporting framework

Since 04/01/05, Wavestone’s consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, and EU regulation No.1606/2002 dated 07/19/02. These standards consist of the IFRS and IAS, and their interpretations, which had been adopted by the EU at 03/31/24.

The accounting principles used to prepare Wavestone’s consolidated financial statements are the same as those used to prepare its consolidated financial statements at 03/31/23, with the exception of the normative changes presented below.

#### 3.1.2. Changes in accounting standards – France

The firm has applied the IASB’s IFRS and the IFRIC interpretations, as adopted by the European Union, for annual reporting periods beginning on or after 04/01/23 (available on the [European Commission’s website](#)) without any significant impacts on the presentation of the financial statements.

### IFRS standards, IFRIC interpretations and amendments applied by the firm as of 04/01/23

Standards, amendments and interpretations	Date of adoption by the EU	Date of application <sup>(1)</sup> : fiscal years beginning on or after
Amendments to IAS 1 "Disclosure of Accounting Policies"	03/02/22	01/01/23
Amendments to IAS 8 "Definition of an accounting estimate"	03/02/22	01/01/23
Amendments to IAS 12 "Income Taxes"	08/11/22	01/01/23
Amendments to IAS 12 "International Tax Reform – Model rules for Pillar 2"	11/08/23	01/01/23

(1) Date of EU application.

### Accounting standards and interpretations that the firm will apply in the future

The firm has chosen not to apply the following standards and interpretations published by the IASB but not yet adopted by the European Union at 03/31/24.

Standards, amendments and interpretations	Date published by the IAS	Date of application: fiscal years beginning on or after
Amendments to IAS 28 and IFRS 10 "Sale or contribution of assets between associated companies and joint ventures"	09/11/14	Undetermined
Amendments to IAS 7 and IFRS 7 "Supplier Financing Arrangements"	05/25/23	01/01/24
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates	08/15/23	01/01/24

The IASB has published standards and interpretations, adopted by the European Union at 03/31/24, that are applicable to reporting periods beginning on or after 01/01/24. The group has chosen not to early adopt these texts.

Standards, amendments and interpretations	Date of adoption by the EU	Date of application <sup>(1)</sup> : fiscal years beginning on or after
Amendments to IFRS 16 "Lease liabilities in a sale and leaseback"	11/20/23	01/01/24
Amendments to IAS 1 on classification of liabilities as current and non-current	12/19/23	01/01/24

(1) Date of EU application.

The impact of draft standards and interpretations currently being reviewed by the IASB has not been taken into account in these consolidated financial statements and cannot reasonably be estimated at this time.

#### 3.1.3. Comparability of financial statements

The financial statements for the fiscal years ended 03/31/24 and 03/31/23 are comparable, except for changes in the scope of consolidation.

#### 3.2. Consolidation methods

Wavestone is the consolidating company.

The financial statements of the companies placed under its exclusive control are fully consolidated.

Wavestone does not exert significant influence or joint control over any company. It does not directly or indirectly control any *ad hoc* entity.

The financial statements of the consolidated companies are, if necessary, restated to ensure the uniform application of accounting and measurement rules.

The financial statements of the consolidated companies were all prepared as of 03/31/24.

As at 03/31/24, the consolidated financial statements include all the firm's companies over a 12-month period, with the exception of companies representing the acquired Q\_PERIOR company (four months) and those representing the acquired Aspirant Consulting company (two months).

### 3.3. Currency translation methods

#### Translation of financial statements denominated in foreign currencies

The balance sheets of foreign companies are translated into euros at the prevailing exchange rate at the reporting date. The income and cash flow statements are translated at the average exchange rate for the period, and the group's share of the resulting translation differences is recognized in shareholders' equity under "Translation adjustments".

Currency		Closing rate		Average rate	
		03/31/24	03/31/23	03/31/24	03/31/23
Swiss franc	CHF	1.023961	1.003210	1.040763	1.007185
Pound sterling	GBP	1.169454	1.137398	1.158902	1.155868
Hong Kong dollar	HKD	0.118212	0.117141	0.117870	0.122591
Moroccan dirham	MAD	0.091872	0.089953	0.091617	0.092458
Singapore dollar	SGD	0.685542	0.691372	0.685483	0.700374
US dollar	USD	0.924984	0.919540	0.922445	0.961007

Source: Banque de France (and Banque du Maroc for the Moroccan dirham).

The average exchange rate is determined by calculating the average monthly closing rate over the period.

The price retained for the inclusion of the Q\_PERIOR companies acquired is that prevailing on 11/30/23 for inclusion in the scope of consolidation, and the four-month average for the income statement.

The price retained for the inclusion of the Aspirant Consulting companies acquired is that prevailing on 01/31/24, for inclusion in the scope of consolidation, and the two-month average for the income statement.

#### Specifics rates on entry of Q\_PERIOR

Currency			Closing rate	Rate on scope entry	Four-month average price
			03/31/24	11/30/23	03/31/24
Canadian dollar	CAD		0.681570	0.672495	0.682699
Swiss franc	CHF		1.023961	1.045806	1.055186
Pound sterling	GBP		1.169454	1.157836	1.164466
Zloty	PLN		0.231895	0.229938	0.231139
Romanian Leu	RON		0.201066	0.201134	0.201050
US dollar	USD		0.924984	0.914829	0.919033

Source: Banque de France.

#### Specific rates on entry of Aspirant Consulting

Currency			Closing rate	Rate on scope entry	Average rate over two months
			03/31/24	01/31/24	03/31/24
Pound sterling	GBP		1.169454	1.170480	1.168463
US dollar	USD		0.924984	0.922765	0.924343

Source: Banque de France.

#### Recognition of foreign currency transactions

Transactions denominated in foreign currencies are translated into euros at the exchange rate on the transaction date.

### 3.4. Alternative profitability indicators

#### Recurring operating profit

An aggregate entitled "Recurring operating profit" is presented before "Operating profit." This is an alternative performance indicator used by Management, resulting from the deduction of operating expenses from revenue to assess the performance of day-to-day activities. This indicator corresponds to "Operating profit" restated for:

- "Amortization of customer relationships";
- "Other operating income and expenses" as defined below.

Recurring operating profit replaces current operating income, but is calculated in the same way. Recurring operating profit and current operating income are therefore directly comparable.

#### Other operating income and expenses

"Other operating income and expenses" correspond to a small number of clearly identified, non-recurring and material items of income and expenses with respect to consolidated performance. They are presented separately to ensure a better understanding of the performance of day-to-day activities. In particular, "other operating income and expenses" refer to:

- acquisition costs of companies or business assets acquired by the group;
- disposal costs and related capital gains and losses on companies or business assets sold by the group;
- income and expenses for premises that are or will no longer be used towards operations in the near future.

### 3.5. Use of estimates

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions concerning the measurement of certain amounts in the financial statements, notably with regard to:

- duration of asset depreciation;
- measurement of provisions and pension obligations;
- measurements used for impairment testing;
- fair value measurement of financial instruments;
- estimates of accrued income and expenses;
- measurement of share-based payments;
- the performance estimates used for the additional considerations in the subsidiary acquisition prices;
- recognition of deferred tax assets;
- recognition of revenue from fixed-price contracts;
- assessment of customer relationships and their depreciation periods.

Management reviews these estimates and assessments on a regular basis to take into account past experience and other factors deemed reasonable, which serve as the basis for these assessments. Future results may differ significantly under different assumptions or conditions.

### 3.6. Contingent liabilities and contingent assets

None.

#### 4. Scope of consolidation

Wavestone's consolidated financial statements include the accounts of the following companies:

Companies	Head Office	Company registration number	Holding (%)	Nationality	Number of months consolidated
Wavestone SA	Tour Franklin 100-101 Terrasse Boieldieu 92042 La Défense Cedex	37755024900041	Company parent	France	12
Wavestone Advisors UK Ltd.	Warnford Court 29-30 (1 <sup>st</sup> Floor) Cornhill London, EC3V 3NF	05896422	100%	United Kingdom	12
Wavestone Switzerland SA	1 Place de Pont-Rouge 1212 Grand-Lancy, Geneva	CHE-109.688.302	100%	Switzerland	12
Wavestone US Inc.	600 North Second Street, Suite 401, Harrisburg, PA 17101	5905389	100%	United States	12
Wavestone Luxembourg SA	10 rue du Château d'Eau 3364 Leudelange	B114630	100%	Luxembourg	12
Wavestone Belgium SA/NV	6 Avenue des arts The Artist building 1210 Brussels	0879.426.546	100%	Belgium	12
Wavestone Advisors Morocco SARL	Capital Tower Angle Main Street et Bd Moulay Abdellah Bencherif 20100 Casablanca	219375	100%	Morocco	12
Wavestone HK Limited	21/F, On Building, 162 Queen's Road Central Central, Hong Kong	2403871	100%	Hong Kong	12
Xceed Group (Holdings) Limited	Warnford Court 29-30 (1 <sup>st</sup> Floor) Cornhill London, EC3V 3NF	10468064	100%	United Kingdom	12
Xceed Group Limited	Warnford Court 29-30 (1 <sup>st</sup> Floor) Cornhill London, EC3V 3NF	06526750	100%	United Kingdom	12
Wavestone Consulting UK Ltd.	Warnford Court 29-30 (1 <sup>st</sup> Floor) Cornhill London, EC3V 3NF	04965100	100%	United Kingdom	12
why Innovation! Pte Ltd.	380 Jalan Besar #08-06/07 ARC 380 209000, Singapore	201113021K	100%	Singapore	12
why academy! Pte Ltd.	380 Jalan Besar #08-06/07 ARC 380 209000, Singapore	201932428N	100%	Singapore	12
why innovation! Limited	21/F, On Building, 162 Queen's Road Central Central, Hong Kong	2124014	100%	Hong Kong	12
PEN Partnership Limited	Camburg House 27 New Dover Road Canterbury Kent United Kingdom CT1 3DN	10618417	100%	United Kingdom	12
PEN Partnership GmbH	Untermuli 3, 6300 Zug	CHE-267.105.509	100%	Switzerland	12
Coeus Consulting Limited	29-30 Cornhill London, EC3V 3NF	08360921	100%	United Kingdom	12
Coeus Consulting International Limited	29-30 Cornhill London, EC3V 3NF	11692719	100%	United Kingdom	12

Companies	Head Office	Company registration number	Holding (%)	Nationality	Number of months consolidated
Coeus Verwaltungs GmbH	Bleichstraße 8-10, c/o RWP Rechtsanwälte, 40211 Düsseldorf	HRB 85619	100%	Germany	12
Coeus Consulting GmbH & Co. KG	Bleichstraße 8-10, c/o RWP Rechtsanwälte, 40211 Düsseldorf	HRA 25293	100%	Germany	12
Q_PERIOR Holding AG	Leopoldstraße 28a, 80802 München	HRB 190228	100%	Germany	4
Q_PERIOR AG	Leopoldstraße 28a, 80802 München	HRB 140669	100%	Germany	4
Q_PERIOR AG	Weltpoststraße 5, 3015 Bern	CHE-105.068.069	100%	Switzerland	4
Q_PERIOR GmbH	Josefstädter Straße 43-45/1/2, 1080 Wien	FN 325336 k	100%	Austria	4
Q_PERIOR Inc.	Corporation Service Company 251 Little Falls Drive, Wilmington, DE 19808	87-0737588	100%	United States	4
Q_PERIOR Inc.	44 Chipman Hill, Suite 1000, Saint John NB, E2L 2A9	620893	100%	Canada	4
ESPRIT Engineering GmbH	Leopoldstraße 254, 80807 München	HRB 171232	75%	Germany	4
ESPRIT Engineering S.R.L.	Cluj Business Campus Strada Henri Barbusse, 44-46, Imobil CBC2, Etaj 1 400616 Cluj-Napoca	J12/3744/2021	75%	Romania	4
Q_PERIOR Ltd.	73 Cornhill, London, EC3V 3QQ	10118556	100%	United Kingdom	4
Q_PERIOR Energy GmbH	Leopoldstraße 28a, 80802 München	HRB 230773	100%	Germany	4
Q_VERTION GmbH	Leopoldstraße 28a, 80802 München	HRB 247328	100%	Germany	4
Qdive GmbH	Leopoldstraße 28a, 80802 München	HRB 248679	100%	Germany	4
Q_PERIOR S.R.L.	Cluj Business Campus Strada Henri Barbusse, Nr.44-46, Imobil CBC2, Etaj 1 400616 Cluj-Napoca	J12/2899/2013	100%	Romania	4
New Outcome GmbH	Leopoldstraße 28a, 80802 München	HRB 261209	100%	Germany	4
Q_PERIOR sp. z o.o.	Bojkowska 37C, 44-101 Gliwice	0000130970	100%	Poland	4
Q_PERIOR Italia S.R.L.	Via Boroggna 2, 20122 Milan	MI-2657992	100%	Italy	4
Q_PERIOR España S.L.	Paseo de la Castellana 18, 7a 28046 Madrid	B10700235	100%	Spain	4
Aspirant Consulting LLC	1, Allegheny Square Suite 502 Pittsburgh, PA 15212	0013504393	100%	United States	2
Aspirant Ltd.	Herschel House, 58 Herschel Street, Slough, Berkshire, SL1 1PG	07530670	100%	United Kingdom	2

All these companies have been fully consolidated.

## 5. Notes relative to certain income statement and balance sheet items

### Note 1. Revenue

Wavestone specializes in the specific market segment of management and information systems consulting. Since all these services are subject to the same risks and generate similar levels of profitability, company revenue is not broken down by business line.

#### Revenue recognition

Revenue is recognized according to the type of contract entered into with the client:

IFRS 15 "Revenue from Contracts with Customers" is mandatory as of the fiscal year starting on 04/01/18.

This standard provides for revenue recognition that reflects the consideration expected in return for the service rendered. Where appropriate, it is recorded as contract assets (hereafter "bills to issue") and contract liabilities (hereafter "prepayments").

The services we provide, accounted for either on a time or progress basis, are specific and match the context of each client and/or assignment, and cannot be directly reproduced by others. In addition, contracts provide for the intellectual property of deliverables and their content to be transferred to clients. To this end, the firm considers that the services do not create an asset for use in other scenarios or circumstances.

Assuming a client decides to end an assignment, they must pay the firm for the services provided. Such payment is based on the project progress and the daily rates specified in the sales proposal. This remuneration covers project-related costs and a portion of the contract margin. As such, the firm has an enforceable right to payment for services performed under each contract.

Consolidated revenue by region breaks down as follows:

Revenue	03/31/24	03/31/23
France	483,782	425,211
Germany	77,439	0
Switzerland	37,046	13,006
United States - Canada	42,080	36,018
United Kingdom	45,563	41,020
Other	15,146	17,008
<b>Total</b>	<b>701,056</b>	<b>532,264</b>

Revenue is 57% made up of fixed-price contracts, and 43% time based services contracts.

The order book represents 4.1 months of business as of 03/31/24.

#### Time-based services contracts

The revenue from these services is recognized as the service is rendered. Revenue is calculated on the basis of the contracted selling price and the number of billable hours spent. Unbilled receivables and deferred income are recognized when the invoicing does not reflect the actual progress of work.

#### Fixed-price services contracts

Revenue generated on fixed-price services contracts is recognized as the work progresses based on costs incurred and future costs. A provision for loss on completion is written on a contract-by-contract basis when a loss is expected. Unbilled receivables and deferred income are recognized when the invoicing does not reflect the actual progress of work. This method is consistent with the percentage of completion method defined in IFRS 15.

#### Subscription services

Revenue from subscription services is recognized on a prorated basis over the term of the contract. Unbilled receivables and deferred income are recognized when the invoicing does not reflect the prorated amounts.

#### Contracting costs

In the consulting sector, contracting costs are extremely marginal and generally do not require external expenditure. Moreover, assignments last less than a year on average. The firm implemented the simplification measure as stipulated in IFRS 15 §94. The latter enables incremental contracting costs not to be capitalized provided the asset's amortization period does not exceed one year.



Average workforce by region breaks down as follows:

<b>Average headcount</b>	<b>03/31/24</b>	<b>03/31/23</b>
France	3,134	3,360
Germany	745	0
Switzerland	234	71
United States - Canada	192	119
United Kingdom	224	218
Other	269	139
<b>Total</b>	<b>4,797</b>	<b>3,907</b>

### Note 2. Subcontracting purchases

The majority of the purchases are the purchase of subcontracting services. The increase in this item is mainly due to the merger with Q\_PERIOR, which currently uses more subcontractors than the rest of the firm.

### Note 3. Personnel expenses

<b>Personnel expenses</b>	<b>03/31/24</b>	<b>03/31/23</b>
Wages and salaries	(345,880)	(273,124)
Payroll expenses	(119,589)	(100,154)
<b>Total</b>	<b>(465,469)</b>	<b>(373,278)</b>

Effective from the 2023/24 fiscal year, the company decided to categorize changes in the provision for employer contributions on bonus share allocations as personnel expenses, in order to relate them to the benefit granted to employees under these plans, measured in accordance with IFRS 2.

These changes in provisions were previously reported under "Net depreciation and provisions." Net, these amounted to €(779)k at 03/31/24 compared with €(95)k at 03/31/23. "Personnel expenses" would then have amounted to €(373,373)k at 03/31/23.

The following table shows the average FTE headcount, taking into account the dates of first consolidation of companies acquired during the year:

<b>Average headcount FTE</b>	<b>03/31/24</b>	<b>03/31/23</b>
Engineers and managers	4,663	3,844
Employees	134	62
<b>Total</b>	<b>4,797</b>	<b>3,907</b>

### Note 4. Compensation paid to management

<b>Compensation paid to management</b>	<b>03/31/24</b>	<b>03/31/23</b>
Compensation of members of the Board of Directors	1,291	571
Compensation of Management Board members	-	351
Compensation of Supervisory Board members	-	185
<b>Total</b>	<b>1,291</b>	<b>1,108</b>

**Note 5. External expenses**

	<b>03/31/24</b>	<b>03/31/23</b>
Rent and other lease expenses	(15,428)	(12,908)
IFRS 16 restatement	5,773	4,238
Professional fees	(14,104)	(14,576)
Travel, assignments	(11,958)	(9,788)
Other external expenses	(16,327)	(13,561)
<b>Total</b>	<b>(52,045)</b>	<b>(46,594)</b>

Most other external expenses are for non-stock equipment and supplies, maintenance and repair costs, and expenditure on advertising.

**Note 6. Other current income and expenses**

Other current income and expenses mainly comprise credit notes issued and time-barred for sales purposes, totaling €1,104k at 03/31/24, versus €343k at 03/31/23.

**Note 7. Other operating income and expenses**

As a reminder, the amortization of customer relationships is recognized as non-current given the non-recurring nature and the scale of the Kurt Salmon and Q\_PERIOR transactions. This amortization expense amounted to €(1,493)k and €(2,315)k for Kurt Salmon and Q\_PERIOR respectively. The latter comprises three sub-totals presented in note 11.

	<b>03/31/24</b>	<b>03/31/23</b>
Various	213	1,576
<b>Other operating income</b>	<b>213</b>	<b>1,576</b>
Securities and goodwill acquisition costs	(10,441)	(3,174)
Various	(1,522)	(1,267)
<b>Other operating expenses</b>	<b>(11,963)</b>	<b>(4,440)</b>
<b>Net total</b>	<b>(11,750)</b>	<b>(2,864)</b>

Other miscellaneous operating expenses principally include, as of 03/31/24, €(406)k in costs for unoccupied premises, as well as €(800)k in costs related to ongoing projects aimed at returning premises to their owners.

Other miscellaneous operating income is tied to the cancelation of remaining lease liabilities on the date the premises were returned for €213k.

**Note 8. Financial profit (loss)**

	<b>03/31/24</b>	<b>03/31/23</b>
Net income from cash and cash equivalents	759	10
Interest on loans	(2,376)	(1,766)
<b>Cost of net debt</b>	<b>(1,617)</b>	<b>(1,756)</b>
Other financial income and expenses	(2,902)	(2,348)
<b>Financial profit (loss)</b>	<b>(4,519)</b>	<b>(4,104)</b>

The increase in net income from cash and cash equivalents was driven by a higher average level of equity-type investments during the fiscal year.

Interest on borrowings mainly comprises interest on the Refinancing and External Growth Loans amounting to €(1,787)k, including the effect of interest-rate hedging contracts, and non-utilization fees on the External Growth Loan amounting to €(411)k.

Other financial income and expenses include the accretion expense of long-term provisions for €1,265k. The group decided to present the accretion of provisions for retirement benefits in financial profit (loss), consistent with the principle of free choice afforded by IAS 19. Previously, these items were detailed in the "Personnel expenses" line. These amounted to €(509)k at 03/03/24, compared with €(204)k at 03/03/23. As a result, the

"Other financial income and expenses" line totaled €(2,592)k as of 03/31/23.

Other financial income and expenses also include the cost of hedging instruments for €(243)k at 03/31/24 and for €(707)k at 03/31/23.

## Note 9. Tax expense

Deferred tax is calculated on a company-by-company basis for temporary differences between the carrying value of assets and liabilities, and their taxable value.

Deferred tax assets and liabilities are measured at the expected tax rate for the fiscal year in which the asset will be realized or the liability settled.

In accordance with IAS 12, tax assets are recognized, on a company-by-company basis, only when the estimated future profit is sufficient to cover these assets within a reasonable period of time, and when their maturity does not exceed 10 years.

Tax on items recognized directly as equity is booked under shareholders' equity.

### Net impact of taxes on income:

	03/31/24	03/31/23
Current tax	(24,914)	(18,686)
Deferred tax	2,241	173
<b>Total</b>	<b>(22,673)</b>	<b>(18,513)</b>

In accordance with the French Accounting Board (CNC) circular of 01/14/10, Wavestone opted to record the company Added-Value Contribution (CVAE) under income tax. The CVAE booked under "Tax expense" totaled €(1,222)k.

Factoring in the firm's consolidated revenue, the Organisation for Economic Co-operation and Development (OECD) model Pillar 2 rules, introducing an effective national minimum tax rate, do not apply as of 03/31/24.

	Consolidated balance sheet		Income statement	
	03/31/24	03/31/23	03/31/24	03/31/23
Tax loss carryforwards capitalized	2,207	3,896	(1,722)	(412)
Temporary time differences on provisions	4,548	1,712	2,837	(486)
Consolidation entries	6,906	3,979	633	1,070
<b>Total deferred tax assets</b>	<b>13,661</b>	<b>9,588</b>	<b>1,748</b>	<b>172</b>
Tax loss carryforwards capitalized	-	-	-	-
Temporary time differences on provisions	(2)	(5)	3	1
Consolidation entries <sup>(1)</sup>	(24,046)	-	490	-
<b>Total deferred tax liabilities</b>	<b>(24,048)</b>	<b>(5)</b>	<b>493</b>	<b>1</b>
<b>Deferred tax expense</b>			<b>2,241</b>	<b>173</b>

(1) Including €(23,725)k in respect of the customer relationships of Q\_PERIOR at 03/31/24.

Except for uncapitalized tax losses, all deferred taxes generated by transactions carried out over the period have been recognized.

The below tax losses were not capitalized due to the low likelihood they will be used within a reasonable timeframe:

The losses generated by the former subsidiary Audisoft Oxéa before its acquisition by Wavestone, in the amount of €1,845k, have not been capitalized, pending the tax administration's response to the request for approval to transfer them to Wavestone SA.

- Wavestone US for €3,519k;
- Q\_VERTION GmbH for €17k;
- Q\_PERIOR Italia for €394k;
- Q\_PERIOR España for €135k.

**Tax expense rationalization**

The difference between the theoretical and the effective tax expense breaks down as follows:

	<b>03/31/24</b>	<b>03/31/23</b>
Consolidated net income	58,591	50,068
Tax income (expense)	(22,673)	(18,513)
IAS 12: CVAE and other	1,222	3,018
Tax credits	497	1,436
Net income before tax	79,545	64,127
Theoretical tax rate	25,83%	25,83%
<b>Theoretical tax income (expense)</b>	<b>(20,546)</b>	<b>(16,564)</b>
<b>Reconciliation:</b>		
Permanent differences	(1,370)	(913)
Reactivation (deactivation) of previous deficit	(925)	-
Activities taxed at a different rate	18	483
Tax credit	1,373	1,499
IAS 12: CVAE and other	(1,222)	(3,018)
<b>Actual tax income (expense)</b>	<b>(22,673)</b>	<b>(18,513)</b>

**Note 10. Earnings per share**

	<b>03/31/24</b>	<b>03/31/23</b>
<b>Earnings per share</b>		
Net profit from companies attributable to owners of the parent	58,199	50,068
Weighted average number of shares outstanding <sup>(1)</sup>	21,445,744	19,951,609
<b>Net undiluted income - group share, per share (in euros)</b>	<b>2.71</b>	<b>2.51</b>
Weighted average number of shares outstanding <sup>(1)</sup>	21,445,744	19,951,609
Average number of potentially dilutive shares	-	-
Weighted average number of issued and potential shares	21,445,744	19,951,609
<b>Net diluted income - group share, per share (in euros)</b>	<b>2.71</b>	<b>2.51</b>

(1) Excluding treasury shares.

**Note 11. Goodwill on the assets side of the balance sheet**

The integrated operating model enables Wavestone to develop synergies between all its units, regardless of the legal form of their affiliation with the group, to establish individual commercial interfaces with all of its clients, and to efficiently form project teams on a daily basis comprising consultants from its different units. These units are not identified by business sector, region or legal structure. This operating model will be regularly updated to better meet market needs.

Implementation of this operating model, the organization of which transcends the scopes of the companies and activities that Wavestone SA has acquired as it has grown, makes it

impossible to track the individual goodwill initially associated with the different companies or activities concerned. For this reason, the Wavestone firm constitutes a single Cash Generating Unit (CGU).

Impairment tests are conducted using, first, the market value derived from Wavestone's market capitalization, and second, the discounted future cash flow method.

Cash flows are determined on the basis of projections for a five-year period, and a perpetual growth rate assumption thereafter. The cash flows derived from these estimates are then discounted. If necessary, the five-year horizon may be shortened, but only if that simplification has no impact on the outcome of the impairment test.

These tests are based on the following key assumptions:

- a perpetual growth rate of 2%, a level deemed reasonable in light of past performances observed in the management and IT services consulting sector;
- a discount rate of 10.5% after tax determined by an independent appraiser. This rate factors in a 10-year risk-free rate, a market risk premium, the beta observed for comparable listed companies (including Wavestone) and a company-specific risk premium.

To establish market value, the group's market capitalization is measured at the end of the fiscal year, less 2% for disposal costs.

Assets with an indefinite useful life, such as goodwill, are tested for impairment at least once a year and whenever there is evidence of impairment.

	Net value at 03/31/23	Change in scope	Increase in the year	Translation diff.	Net value at 03/31/24
<b>Goodwill</b>	<b>235,355</b>	<b>270,020</b>	<b>235</b>	<b>2,280</b>	<b>507,889</b>
incl:					
Coeus Consulting			235		
Q_PERIOR		246,864			
Aspirant Consulting		23,156			

The provisional goodwill of Coeus Consulting has been modified in consideration of an adjustment to the tax liability.

### Calculating goodwill for new acquisitions

Goodwill for new acquisitions breaks down as follows:

	Q_PERIOR	Aspirant Consulting	Total
<b>Acquisition cost</b>			
Acquisition price	288,012	23,542	311,555
Price adjustment	-	-	-
Earn-out	33,861	5,214	39,075
<b>Total I</b>	<b>321,873</b>	<b>28,756</b>	<b>350,629</b>

	Q_PERIOR	Aspirant Consulting	Total
<b>Assets acquired on acquisition date</b>			
Net fixed assets	85,880	88	85,968
Non-current assets	2,240	(11)	2,229
Current assets	113,004	9,304	122,308
<b>Sub total B</b>	<b>201,124</b>	<b>9,380</b>	<b>210,504</b>
<b>Liabilities acquired on acquisition date</b>			
Non-current liabilities	41,303	-	41,303
Short-term provisions	814	-	814
Current liabilities	82,464	3,780	86,244
<b>Subtotal C</b>	<b>124,581</b>	<b>3,780</b>	<b>128,361</b>
<b>Integrated net assets (B-C)</b>	<b>76,543</b>	<b>5,600</b>	<b>82,144</b>
Minority interests	(1,535)	-	(1,535)
<b>Total II - Net assets acquired (B-C)</b>	<b>75,009</b>	<b>5,600</b>	<b>80,609</b>

	Q_PERIOR	Aspirant Consulting	Total
<b>Provisional goodwill (I-II)</b>	<b>246,864</b>	<b>23,156</b>	<b>270,020</b>

## Combination with Q\_PERIOR

This acquisition being recent, the cost of consolidation was provisionally estimated on the basis of the following assumptions.

To appraise Q\_PERIOR, 100% of the company was estimated on an enterprise value basis. The value retained results from negotiations carried out between the parties.

The acquisition price was agreed upon based on the enterprise value after deduction of adjusted net financial debt, as presented below:

### Determination of the initial acquisition price

Enterprise value	330,000
Adjusted net financial debt	(8,077)
<b>Total</b>	<b>321,923</b>

The initial purchase price was paid in cash in the amount of €67,592k and remunerated by a capital increase in the amount of 4,709,840 new Wavestone shares. The resolution of the Extraordinary General Meeting was approved based on an agreed share price set at €54 per share, leading to a capital increase of €254,331k in the company accounts of Wavestone SA, which breaks down as a nominal amount of €118k and a contribution premium of €254,214k.

In consolidated accounts, securities issued by Wavestone shall be measured at fair value at the date of consolidation according to IFRS 3. Therefore, Wavestone has retained the stock exchange price on the date of the Extraordinary General Meeting, which is €46.80. Thus, the fair value of the amount financed by issue of 4,709,840 shares in Wavestone amounts to €220,421k.

The difference between the trading value and the fair value of the shares issued in remuneration of the contribution of the Q\_PERIOR shares, i.e. €33,911k is booked to consolidation reserves, leading to an initial IFRS acquisition price of €288,012k as presented in the table hereafter.

### Financing

In cash	67,592
In new shares issued	254,331
<b>Subtotal</b>	<b>321,923</b>
Fair value adjustment of shares issued	(33,911)
<b>IFRS initial acquisition price</b>	<b>288,012</b>

Lastly, the earn-out is booked at its maximum amount of €35,000 in nominal terms, determined based on a level of adjusted normalized EBIT for the Q\_PERIOR Group at 03/31/24 of more than €31,600k under German GAAP. Unless otherwise agreed, this additional consideration will be paid within 6 months of 03/31/24. The fair value, including the discounting impact amounting to €1,139k, comes to €33,861k.

The total acquisition cost therefore comes to €321,873k under IFRS, used as the basis for the Purchase Price Allocation. This Allocation was completed due to the significant size of the acquisition.

At the date of the business combination, the work conducted resulted in the booking of customer relationships for a total of €75,700k which breaks down as follows:

- Q\_PERIOR Consulting activities - Top Clients, amortized over 11 years;
- Q\_PERIOR Consulting activities - Other, amortized over 6 years;
- Q\_PERIOR Embedded Systems activities, amortized over 14 years.

They were allocated to the "Intangible assets" line.

The acquired workforce, which is not an identifiable intangible asset within the meaning of IFRS 3R, remains included in goodwill.

The firm opted for the partial goodwill method to value non-controlling interests at the date of acquiring Q\_PERIOR.

### Aspirant Consulting acquisition

This acquisition being recent, its capitalized cost was provisionally estimated by factoring in the most likely amount of additional consideration, based on expected performance at 12/31/24.

Since this acquisition was not made to acquire long-standing client portfolios, but to develop the expertise and size of the American teams in order to build and foster business relationships with new key accounts in the United States, no material assets were identified and the entire purchase price was allocated to goodwill.

### Impact of changes in consolidation scope on the firm's cash position

The table below presents the impacts on the cash position of additions to the scope of consolidation over the year as well as payments carried out or received linked to transactions from the prior year.

	Q_PERIOR	Aspirant Consulting	PEN Partnership Ltd	Coeus Consulting	Wavestone India (sale)	Total
Acquisition price	(67,592)	(23,312)	-	-	-	(90,903)
Price adjustment (nominal amount)	-	-	(1,325)	-	-	(1,325)
Price supplement (nominal amount)	-	-	(8,692)	(4,056)	-	(12,748)
<b>Total payments (A)</b>	<b>(67,592)</b>	<b>(23,312)</b>	<b>(10,017)</b>	<b>(4,056)</b>	<b>-</b>	<b>(104,976)</b>
<b>Cash and cash equivalents of entities acquired (B)</b>	<b>37,024</b>	<b>1,899</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38,923</b>
Payments from entities sold (C)	-	-	-	-	64	64
<b>Net payments (A+B+C)</b>	<b>(30,568)</b>	<b>(21,413)</b>	<b>(10,017)</b>	<b>(4,056)</b>	<b>64</b>	<b>(65,990)</b>

### Impairment tests

Goodwill impairment tests have confirmed the value of goodwill on the basis of the nominal assumptions used.

In view of Wavestone's market value, calculated on the basis of its market capitalization at the end of the fiscal year, which is significantly higher than the carrying value of the group's shareholders' equity, which includes goodwill, the tests revealed that the goodwill was not impaired.

### Financial risks associated with acquisitions

#### Description of the risk

Wavestone's external growth strategy involves regularly acquiring new companies or businesses, in France and internationally. In carrying out such transactions, Wavestone is exposed to a number of risks, including carrying out acquisitions that are not suitable or that do not result in the acquired company being properly integrated. In such situations, the value of the acquired company may fall significantly if a material percentage of its key employees leave the company soon after the acquisition, or if the company is unable to be efficiently integrated into Wavestone's operating model. As a result, it is important for Wavestone to consolidate its expertise, both in terms of assessing target companies and in the resulting integration process.

### Management of the risk

Wavestone engages specialist firms to screen potential targets. In order to limit the risk of a target being poorly evaluated, Wavestone's Strategic Development Department and Senior Management hold discussions with the target company's management team prior to the transaction. These discussions are aimed at determining the strategic and cultural alignment of the two companies.

When preparing the indicative offer, Wavestone and the target company's management team produce a common rationale for the proposed acquisition. The purpose of this approach is to establish, from the very outset of the process, a mutual understanding between the stakeholders, and to define shared objectives for the acquisition. The approval of the Board of Directors is needed for any acquisition that exceeds certain quantitative criteria.

After the acquisition has been completed, and to limit the risks associated with integrating the target company, Wavestone ensures the following:

- involvement of directors and key employees in steering Wavestone's operations;
- group-wide target for integration into Wavestone's business model within 12 to 18 months;
- search for revenue synergies by focusing on applying the acquired company's know-how to Wavestone's existing clients;
- group-wide deployment of the firm's management tools within the new entity.

## Note 12. Intangible and tangible assets

Wavestone legally owns all the intangible fixed assets and property, plant and machinery included on its balance sheet.

Software and tangible assets are measured at their acquisition cost, less total depreciation and impairment. Financial expenses are not capitalized and are therefore booked as expenses over the period.

Identified asset components are recognized and depreciated separately.

Depreciation and amortization are calculated on the basis of the straight-line method without any deduction of residual value, applied over the estimated service life of the assets. The service life of major fixed assets is reviewed at the end of every fiscal period. The initial estimated service life is extended or reduced in accordance with the actual conditions of use.

The depreciation periods generally applied are as follows:

- software: 3-5 years;
- customer relationships: 6, 9, 11 or 14 years;
- buildings: 40 years;
- fixtures and fittings: 5-10 years, depending on the term of the leases in question;
- passenger vehicles: 4 years;
- it equipment: 3 to 4 years, extended to 5, effective from the fiscal year ending 03/31/24, in accordance with firm's renewal policy;
- office furniture: 9 years.

The company carries out R&D activities on a regular basis. These R&D activities are capitalized only on an exceptional basis.

In certain circumstances, intangible and tangible fixed assets may be subject to impairment tests.

Gross value	03/31/23	Change in scope	Increase	Decrease	Translation diff.	03/31/24
Software	2,849	404	19	(18)	(1)	3,252
Clients	16,546	75,700	-	-	-	92,246
Intangible assets in progress	-	-	-	-	-	-
<b>Total intangible assets</b>	<b>19,394</b>	<b>76,104</b>	<b>19</b>	<b>(18)</b>	<b>(1)</b>	<b>95,498</b>
Land	-	330	-	-	3	333
Buildings	-	836	-	-	7	843
Other tangible assets	19,674	3,647	2,038	(719)	51	24,691
Intangible assets in progress	156	28	2,059	(158)	21	2,106
<b>Total intangible assets</b>	<b>19,829</b>	<b>4,841</b>	<b>4,097</b>	<b>(877)</b>	<b>82</b>	<b>27,973</b>

Depreciation and amortization	03/31/23	Change in scope	Increase	Decrease	Translation diff.	03/31/24
Software	2,837	377	17	(18)	(1)	3,212
Clients	13,903	-	3,808	-	-	17,711
<b>Total intangible assets</b>	<b>16,740</b>	<b>377</b>	<b>3,825</b>	<b>(18)</b>	<b>(1)</b>	<b>20,923</b>
Buildings	-	204	8	-	2	213
Other tangible assets	11,002	2,393	2,836	(603)	29	15,658
<b>Total intangible assets</b>	<b>11,002</b>	<b>2,597</b>	<b>2,843</b>	<b>(603)</b>	<b>31</b>	<b>15,871</b>

Depreciation	03/31/23	Change in scope	Increase	Decrease	Translation diff.	03/31/24
Software	10	-	-	-	-	10
<b>Total intangible assets</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10</b>
Other tangible assets	13	-	125	(1)	-	137
<b>Total intangible assets</b>	<b>13</b>	<b>-</b>	<b>125</b>	<b>(1)</b>	<b>-</b>	<b>137</b>
<b>Total intangible assets</b>	<b>2,644</b>	<b>75,727</b>	<b>(3,806)</b>	<b>-</b>	<b>-</b>	<b>74,565</b>
<b>Total tangible assets</b>	<b>8,815</b>	<b>2,244</b>	<b>1,129</b>	<b>(273)</b>	<b>51</b>	<b>11,965</b>

None of Wavestone's tangible and intangible assets are subject to ownership restrictions.



Fixed assets under construction consist of ongoing development works at the London premises. Decreases in fixed assets under construction consist mainly of the activation of the corresponding assets.

The change in "Payables to suppliers of fixed assets" was €833k at 03/31/24, versus €274k for the same period last year.

### Note 13. Leases

The group has applied IFRS 16 since 04/01/19. The standard provides a single lessee accounting model for all leases: a right-of-use is recognized under assets and a lease liability under liabilities. In the income statement, the lessee recognizes depreciation of the right-of-use asset and interest on the lease liability. It removes the distinction between financial leases and operating leases.

The right-of-use asset and lease liability are booked at the start date of the leasing contract, i.e. the date at which the lessor makes the underlying asset available to the lessee. The initial value is equal to the lease's discounted value and, where appropriate, any advantages received from the lessor. The discount rate used for all entities corresponds to the rate used on the principal outstanding current facilities.

The right-of-use assets are amortized on a straight-line basis over the term of the contract.

The group applies the exemptions provided for in the standard relating to contracts with a duration of 12 months or less or with a value of less than \$5k.

In accordance with the IFRIC Interpretations Committee's decision of November 2019 published on 12/16/19 regarding the lease term and useful life of leasehold improvements, a maximum term of 9 years has been adopted for so-called "3 6 9" leases in France. This period is aligned with the depreciation periods for the fixtures and fittings of said premises.

### Rights of use

Gross value	03/31/23	Change in scope	Increase	Decrease	Translation diff.	03/31/24
<b>Operating lease</b>	<b>27,897</b>	<b>5,973</b>	<b>9,237</b>	<b>(1,343)</b>	<b>140</b>	<b>41,905</b>
Real estate lease	27,897	5,973	9,237	(1,343)	140	41,905
<b>Credit lease</b>	<b>2,618</b>	<b>1,771</b>	<b>483</b>	<b>(1,392)</b>	<b>2</b>	<b>3,484</b>
IT and office equipment	2,508	-	-	(1,381)	-	1,127
Transport equipment	110	1,771	483	(10)	2	2,357
<b>Total rights of use</b>	<b>30,516</b>	<b>7,744</b>	<b>9,720</b>	<b>(2,735)</b>	<b>143</b>	<b>45,388</b>

Depreciation and amortization	03/31/23	Change in scope	Increase	Decrease	Translation diff.	03/31/24
<b>Operating lease</b>	<b>14,762</b>	<b>-</b>	<b>5,410</b>	<b>(294)</b>	<b>63</b>	<b>19,941</b>
Real estate lease	14,762	-	5,410	(294)	63	19,941
<b>Credit lease</b>	<b>2,575</b>	<b>-</b>	<b>365</b>	<b>(1,381)</b>	<b>1</b>	<b>1,560</b>
IT and office equipment	2,508	-	-	(1,381)	-	1,127
Transport equipment	67	-	365	-	1	433
<b>Total rights of use</b>	<b>17,337</b>	<b>-</b>	<b>5,775</b>	<b>(1,676)</b>	<b>64</b>	<b>21,501</b>

Depreciation	03/31/23	Change in scope	Increase	Decrease	Translation diff.	03/31/24
<b>Operating lease</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Real estate lease	-	-	-	-	-	-
<b>Credit lease</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
IT equipment	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-
<b>Total rights of use</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total net rights of use</b>	<b>13,179</b>	<b>7,744</b>	<b>3,945</b>	<b>(1,059)</b>	<b>78</b>	<b>23,887</b>

Assets financed by a leasing contract are subject to an ownership restriction.

## Lease liabilities

	03/31/23	Change in scope	Change	Translation diff.	03/31/24
Debt > 5 years	1,269	-	3,729	40	5,038
Lease liabilities from one to five years	9,830	5,099	(1,996)	43	12,975
<b>Total non-current lease liabilities</b>	<b>11,098</b>	<b>5,099</b>	<b>1,733</b>	<b>83</b>	<b>18,013</b>
Total current lease liabilities (including credit leases)	4,754	2,730	686	4	8,174
<b>Total lease liabilities</b>	<b>15,852</b>	<b>7,830</b>	<b>2,418</b>	<b>87</b>	<b>26,187</b>

Guarantees pledged as collateral against these lease liabilities are described in note 22 below.

## Note 14. Other assets

Non-current financial assets include loans and receivables with maturities of more than one year measured at amortized cost. Purchases and sales of financial assets are recognized on the settlement date.

In accordance with IFRS 9 "Financial Instruments," non-interest-bearing deposits and guarantees with maturities of more than one year are discounted when this discount is significant.

Financial assets consist mainly of deposits and guarantees.

Other non-current assets mainly comprise deferred tax assets of €13,661k (€9,588k at 03/31/23), as presented in note 9.

## Note 15. Current assets

Receivables are measured at their nominal value. A provision for impairment is recognized when their recoverable value is less than their carrying value. In accordance with IFRS 9, the group regularly verifies the observed historical credit loss rate.

Cash and cash equivalents booked as balance sheet assets comprise available cash, sight deposits and cash equivalents.

Cash equivalents are marketable securities that meet IAS 7 criteria. These include short-term investments which are easily

convertible into a known amount of cash and do not present any great risk of changes in value.

Marketable securities are initially recognized at acquisition cost, and then measured at fair value which, for listed securities, is the market price at the balance sheet date. Any change in fair value is booked under financial income, as is net income and/or expenses from disposals.

Trade receivables and related accounts	03/31/23	Change in scope	Change	Translation diff.	03/31/24
Client receivables	113,403	69,311	2,857	192	185,763
Invoices to be issued	64,096	12,413	(15,903)	104	60,710
<b>Gross value</b>	<b>177,500</b>	<b>81,723</b>	<b>(13,047)</b>	<b>296</b>	<b>246,473</b>
<b>Impairment</b>	<b>(905)</b>	<b>(114)</b>	<b>448</b>	<b>(1)</b>	<b>(573)</b>
<b>Net book value</b>	<b>176,595</b>	<b>81,609</b>	<b>(12,599)</b>	<b>295</b>	<b>245,900</b>

In view of the quality of Wavestone's clients, no overall first-level risk has been identified. Nevertheless, the firm analyzes its trade receivables on a case-by-case basis and recognizes impairment on an individual basis, taking into account the client's specific

situation and delays in payments. Expected credit losses remain at a particularly low level, and consequently the impairment of trade receivables has not been adjusted.

**Past due trade receivables**

<b>At 03/31/24</b>	<b>Book value</b>	<b>Not yet due</b>	<b>Less than 30 days</b>	<b>From 31 to 90 days</b>	<b>More than 90 days</b>
Client receivables	185,763	144,036	26,061	12,210	3,456
As a percentage of accounts receivable	100%	78%	14%	7%	2%

<b>At 03/31/23</b>	<b>Book value</b>	<b>Not yet due</b>	<b>Less than 30 days</b>	<b>From 31 to 90 days</b>	<b>More than 90 days</b>
Client receivables	113,403	87,823	17,549	5,690	2,342
As a percentage of accounts receivable	100%	77%	15%	5%	2%

**Other current assets**

<b>Other receivables</b>	<b>03/31/23</b>	<b>Change in scope</b>	<b>Change</b>	<b>Translation diff.</b>	<b>03/31/24</b>
Advances and down-payments	656	3	1,502	1	2,162
Tax receivables	10,719	426	(125)	81	11,101
Other debtors	1,725	628	3	2	2,358
Prepaid expenses	3,488	719	869	(5)	5,071
<b>Gross value</b>	<b>16,588</b>	<b>1,776</b>	<b>2,248</b>	<b>80</b>	<b>20,693</b>
Impairment of other receivables	(39)	-	3	-	(37)
<b>Impairment</b>	<b>(39)</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>(37)</b>
<b>Net book value</b>	<b>16,549</b>	<b>1,776</b>	<b>2,251</b>	<b>80</b>	<b>20,656</b>

<b>Cash and cash equivalents</b>	<b>03/31/23</b>	<b>Change in scope</b>	<b>Change</b>	<b>Translation diff.</b>	<b>03/31/24</b>
Liquid assets	70,824	38,923	(32,370)	104	77,481
<b>Gross value</b>	<b>70,824</b>	<b>38,923</b>	<b>(32,370)</b>	<b>104</b>	<b>77,481</b>
<b>Impairment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net book value</b>	<b>70,824</b>	<b>38,923</b>	<b>(32,370)</b>	<b>104</b>	<b>77,481</b>

**Note 16. Capital**

Wavestone owns treasury shares under the share buyback program authorized by the General Shareholders' Meeting.

In accordance with IAS 32 and IFRS 9, all treasury shares are deducted from consolidated shareholders' equity, regardless of why they were bought or held, or how they are recognized in the individual financial statements of the companies that hold them. In addition, proceeds from the sale of treasury shares, along with any provisions written for their impairment, are also offset in shareholders' equity.

In accordance with IFRS 2 "Share-based payment", the benefit granted to employees under the free share plans is measured at the fair value of the equity instrument at the date of grant, and recognized as an expense. This fair value corresponds to the market price at that date.

At 03/31/24, the capital of the Wavestone parent company comprised 24,906,332 fully paid-up shares at €0.025 per unit. The capital increase transaction completed on 12/05/23 is presented in significant events of the fiscal year.

At the same date, the company owned 320,695 Wavestone shares.

## Free share allotment plans

At 03/31/24, the firm had several free share plans. Beneficiaries must remain employees of the firm until the final allotment date.

Details of the free share allotment plans are set out below:

Name of plan	Initial allocation date	Final acquisition date	Initial quantity of shares	Initial number of beneficiaries	Fair value of shares allocated
Plan Key People No. 15	07/06/21	07/06/24	55,499	19	2,138
Employee Plan No. 16	07/06/22	07/06/24	60,322	1,521	2,217
Plan Key People No. 16	07/06/22	07/06/25	57,135	15	2,363
International Plan for Everyone No. 2	07/06/22	07/06/24	9,036	98	332
Employee Plan No. 17	07/05/23	07/05/25	57,234	1,596	2,381
International Plan for Everyone No. 3	07/05/23	07/05/25	9,033	104	376
Plan Key People No. 17	07/05/23	07/05/26	53,856	16	2,520

During the past fiscal year, Wavestone granted the following free shares:

### Final allotment under the 07/06/21 plan: (“Employee Plan No. 15”)

On 07/06/21, a free share allocation plan (“Employee Plan No. 15”) was set up as part of the firm’s employee savings plan. “Employee Plan No. 15” is for Wavestone’s employees, depending on the employee savings plan option they have selected.

This plan had a vesting period of twenty-four (24) months and expired on 07/06/23.

The initial allotment was up to 38,699 shares. In accordance with the conditions of the plan, 28,722 shares were fully acquired by 873 employees at the end of the vesting period.

The shares delivered under the “Employee Plan No. 15” are existing shares previously acquired by the company during a share buy-back plan.

### Final allotment under the 10/15/21 plan (“International Plan for Everyone No. 1”)

On 10/15/21, a free share allocation plan (“International Plan for Everyone No. 1”) was set up as part of the firm’s employee savings scheme. “International Plan for Everyone No. 1” is for the employees of Wavestone’s foreign subsidiaries who have signed up to the Wavestone Shares FCPE (collective employee shareholding fund) or for registered Wavestone shares as part of the 2023 international employee shareholding plan.

The vesting period of “International Plan for Everyone No. 1”, which was twenty-four (24) months, expired on 10/15/23.

The initial allotment was up to 6,052 shares. In accordance with the conditions of the plan, 5,121 shares were fully acquired by 78 employees at the end of the vesting period.

Recognition of the respective benefits awarded within the context of these plans, for which a provision of €4,420k was booked, versus €3,305k for the previous year, and the impact on shareholders’ equity in the financial statements at 03/31/24.

The shares delivered under the “International Plan for Everyone No. 1” are existing shares previously acquired by the company during a specific share buy-back program.

Furthermore, upon authorization of the Annual General Meeting, the Board of Directors decided, at its meeting on 05/31/23, to implement the plans presented hereafter.

### Initial allotment under the 07/05/23 plan (“Employee Plan No. 17”)

“Employee Plan No. 17” is for Wavestone’s employees, depending on the employee savings plan option they have selected.

At initial allotment, the number of beneficiaries was 1,596 and the number of Wavestone shares available (to people meeting the plan’s conditions by the end of the 24-month vesting period) was 57,234 or 0.28% of Wavestone equity at 07/05/23.

### Initial allotment under the 07/05/23 plan (“International Plan for Everyone No. 3”)

“International Plan for Everyone No. 3” is for the employees of Wavestone’s foreign subsidiaries who signed up to the Wavestone Shares FCPE (collective employee shareholding fund) or for registered Wavestone shares as part of the 2023 international employee shareholding program.

At initial allotment, the number of beneficiaries was 104 and the number of Wavestone shares available (to people meeting the plan’s conditions by the end of the 24-month vesting period) was 9,033 or 0.04% of Wavestone equity at 07/05/23.

### Initial allotment under the 07/05/23 plan (“Key People Plan No. 17”)

“Key People Plan No. 17” is for key Wavestone employees designated by the Board of Directors at the recommendation of the Compensation and Nomination Committee.

The final allotment of those free shares is conditional on the beneficiary’s personal investment in Wavestone shares, and on

the achievement of a performance criterion relating to the firm’s consolidated current operating income.

At initial allotment, the number of beneficiaries was 16 and the number of Wavestone shares available (to people meeting the plan’s conditions by the end of the 36-month vesting period) was 53,856 or 0.27% of Wavestone equity at 07/05/23.

### Note 17. Provisions

Most of the provisions relate to retirement benefits, which were measured by independent actuaries (see note 18) proceedings before the labor courts, measured based on legal counsel’s

estimates of the most probable risk; and, if applicable, provisions for trade disputes.

	03/31/23	Change in scope	Reclassification	Reversal			Translation diff.	03/31/24
				Increase	Increase	Reversal		
Provisions for retirement benefits	13,316	11,185	-	1,315	(724)	(225)	(210)	24,657
<b>Total long-term provisions</b>	<b>13,316</b>	<b>11,185</b>	<b>-</b>	<b>1,315</b>	<b>(724)</b>	<b>(225)</b>	<b>(210)</b>	<b>24,657</b>
Provisions for risks and charges	4,755	814	(756)	1,360	(538)	(466)	35	5,205
<b>Total short-term provisions</b>	<b>4,755</b>	<b>814</b>	<b>(756)</b>	<b>1,360</b>	<b>(538)</b>	<b>(466)</b>	<b>35</b>	<b>5,205</b>
<b>Total provisions</b>	<b>18,071</b>	<b>11,998</b>	<b>(756)</b>	<b>2,676</b>	<b>(1,262)</b>	<b>(691)</b>	<b>(175)</b>	<b>29,862</b>

Changes in provisions for the fiscal year had a €(299)k impact on recurring operating profit, a €(140)k impact other operating income and expenses and a €(509)k impact on financial profit (loss).

Effective from the 2023/24 fiscal year, Wavestone decided to categorize provisions for employer contributions in respect of bonus share allocations under “social security liabilities,” in order to adopt a uniform treatment with the presentation under personnel expenses (see note 3). This reclassification amounts to €756k.

### Provision for annual paid leave (Paid Time Off – PTO) in France, in the event of non-occupational illness

In a decision made on 09/13/23 and pursuant to European regulations, the judges of the French Supreme Court (*Cour de cassation*) challenged the provisions of the French Labor Code (“*Code du travail*”) regarding annual paid leave entitlement during periods where the employment contract is suspended due to non-occupational illness and accidents lasting more than one year. On 03/11/24, the French Council of State (*Conseil d’État*) issued an opinion forming the basis for future legislative changes. The French Labor Code was subsequently amended as part of proposed French Law No. 2024-364 concerning various provisions for adapting to European Union legislation (Law on various

provisions adapting to European Union law in economic and financial matters – “DDADUE”), as adopted on 04/10/24 by France’s National Assembly and published in the country’s Official Gazette (*Journal Officiel*) on 04/22/24.

This arrangement entitles employees to two (2) working days of annual paid leave per month during periods of absence, i.e. a minimum four (4) weeks (24 days) of annual paid leave as guaranteed by European law. It stipulates a 15-month deferral period for employees unable to take their annual paid leave due to stopping work through an illness or accident, effective from the time they notify their employer following a return to work, or at the end of the annual paid leave entitlement period assuming that, on that date, their absence through illness or accident lasted at least one (1) year.

The statute of limitations is as follows:

- the three-year statute of limitations that applies to salaries for employees who left the company;
- retroactive effects since 12/01/09 for employees still contracted with the company.

In response to the above scenarios, Wavestone estimated the likely outflow of resources with the number of days of recoverable annual paid leave capped at 40 days per employee. This resulted in a provision of €704k as of 03/31/24.

**Note 18. Provisions for retirement benefits**

In accordance with IAS 19 (Employee benefits), defined benefit program obligations and their cost are valued by independent actuaries on a projected unit credit basis. Wavestone's obligations are limited to the payment of termination benefits to its employees in France and to employer contributions within the context of the "second pillar" of the Swiss social protection system.

There is also a retirement and welfare liability in Belgium, but this is not material.

As required under the 06/16/11 amendment of IAS 19 (Employee benefits), which applies to reporting periods beginning on or after 01/01/13, Wavestone recognizes all actuarial gains and losses directly in equity.

Certain benefits are also provided under defined contribution plans. Contributions made to these plans are expensed when incurred.

Wavestone has no other long-term or termination benefit obligations.

	France	Switzerland	Total
<b>Provision at 03/31/23</b>	<b>12,897</b>	<b>419</b>	<b>13,316</b>
Change in scope	-	11,185	11,185
Cost of services rendered	863	1,504	2,367
Interest expense	456	53	509
Benefits provided	(586)	-	(586)
Employer contributions	-	(1,698)	(1,698)
<b>Booked net expense</b>	<b>733</b>	<b>(142)</b>	<b>591</b>
Actuarial losses (gains)	(16)	(209)	(225)
Translation gain (loss)	-	(210)	(210)
<b>Provision at 03/31/24</b>	<b>13,614</b>	<b>11,043</b>	<b>24,657</b>

An actuarial difference was generated, primarily as a result of changes to assumptions (discount rate, staff turnover rate, etc.) as presented below by country.

**France**

Retirement benefits for France are based on the following assumptions:

- application of the Syntec No.3018 collective bargaining agreement;
- staff turnover rate: 15%, i.e. the same as the assumption applied at 03/31/23;
- TGHF 2005 mortality table with extension of age brackets to take into account the longer life expectancy of younger generations;
- payroll tax rate: 45%;
- salary increases: 2.20% versus 2.20% as of 03/31/23;
- discount rate: 3.30% versus 3.60% as of 03/31/23;
- retirement age: 66, versus 65 as of 03/31/23;
- voluntary departure.

**Retirement reform plan**

Introduced by the French Law of 03/14/23, the reform stipulates a gradual increase in the legal retirement age from 62 to 64, with an extended contribution period in order to qualify for the full-rate pension.

This reform has no impact due to the calculation assumptions applied.

**Switzerland**

Retirement benefits for Switzerland are based on the following assumptions:

- BVG2020 mortality table;
- salary increases: 2.20% for Wavestone Switzerland, i.e. the same assumption as 03/31/23 and 1.75% for Q\_PERIOR AG;
- discount rate: 1.50% versus 2.10% as of 03/31/23;
- retirement age: 65.

The commitment booked in Switzerland in respect of retirement commitments corresponds to the differential observed between the defined-benefit regime and hedging assets made up of contributions already paid.

Employee health and social coverage:

- Wavestone Switzerland is affiliated with the Helvetia Group Foundation (Helvetia Sammelstiftung für Personalvorsorge);
- Q\_PERIOR AG is affiliated with the Profond collective pension foundation.

The plan is fully insured and there are no individual financial statements for each contract. As a result, fair value of the plan's assets corresponds to:

- the fixed-price amount of capital payments by policyholders to the regime combined with actuarial reserves;
- the fixed-price amount of capital savings for retired employees at the closing date;
- the current situation of the corresponding accounts.

Hedging assets, gross commitments, as well as net commitments are presented below:

	03/31/23	Change in scope	Other changes	03/31/24
Hedging assets (A)	4,646	47,411	(548)	51,509
Gross commitments (B)	5,065	58,596	(1,109)	62,553
<b>Net commitments (B-A)</b>	<b>419</b>	<b>11,185</b>	<b>(561)</b>	<b>11,043</b>

### Sensitivity tests

Tests of sensitivity to the discount rate were performed on the provision for retirement benefits.

A 0.25% increase in the discount rate would represent a €2,871k decrease in actuarial differences (recognized in shareholders' equity) while a 0.25% decrease in the discount rate would represent a €3,084k increase in actuarial differences.

### Note 19. Financial liabilities and net debt

Financial liabilities include bonds, bank borrowings and overdrafts. Financial liabilities maturing in less than one year are recognized under current financial liabilities. Financial debt is booked at amortized cost using the effective interest rate method.

	03/31/23	Change in scope	Change	Translation diff.	03/31/24
Bank borrowings	43,437	4	14,261	-	57,702
Borrowings and other financial liabilities	24	316	(11)	-	329
Accrued interest outstanding	98	-	51	-	148
<b>Total financial liabilities excluding current bank overdrafts</b>	<b>43,559</b>	<b>320</b>	<b>14,301</b>	<b>-</b>	<b>58,180</b>
Bank overdrafts	143	-	(114)	-	29
<b>Total financial liabilities</b>	<b>43,702</b>	<b>320</b>	<b>14,186</b>	<b>-</b>	<b>58,208</b>

### Breakdown of financial liabilities by maturity:

	Total amount 03/31/24	< 1 year	1 > 5 years	> 5 years
Bank borrowings	57,702	5,471	41,227	11,004
Borrowings and other financial liabilities	329	329	-	-
Bank overdrafts	29	29	-	-
Accrued interest outstanding	148	148	-	-
<b>Total financial liabilities</b>	<b>58,208</b>	<b>5,977</b>	<b>41,227</b>	<b>11,004</b>

	Total amount 03/31/23	< 1 year	1 > 5 years	> 5 years
Bank borrowings	43,437	5,414	21,967	16,056
Borrowings and other financial liabilities	24	-	24	-
Bank overdrafts	143	143	-	-
Accrued interest outstanding	98	98	-	-
<b>Total financial liabilities</b>	<b>43,702</b>	<b>5,654</b>	<b>21,991</b>	<b>16,056</b>

	03/31/23	Change in scope	Subscription	Repayment	Other	Translation diff.	03/31/24
Bank borrowings	43,437	4	19,700	(5,646)	208	-	57,702
<b>Total</b>	<b>43,437</b>	<b>4</b>	<b>19,700</b>	<b>(5,646)</b>	<b>208</b>	<b>-</b>	<b>57,702</b>

On 01/09/24, as part of the Aspirant Consulting acquisition, as presented in the significant events section, Wavestone drew down €19,700k under the External Growth Loan.

Rate	03/31/23		03/31/24	
	fixed	variable	fixed	variable
Current financial liabilities	24	38,023	-	52,231
Total financial liabilities	-	5,654	24	5,953
<b>Total financial liabilities</b>	<b>24</b>	<b>43,677</b>	<b>24</b>	<b>58,184</b>

The group did not default on any of its debt repayment obligations during the period.

These borrowings are not backed by any guarantees.

### Syndicated credit facilities

Characteristics of the Refinancing loan:

- Nominal: €65,000k
- Rate: variable (Euribor + margin)
- Maturity: 12/14/28
- Date of issue: 03/26/20

Characteristics of the Revolving Credit facility:

- Nominal: €40,000k
- Rate: variable (Euribor + margin)
- Maturity: 12/14/27
- Date of issue: 12/14/22

### Covenant

Credit agreements require compliance with a Leverage Ratio which represents the ratio of Net Financial Debt to consolidated EBITDA. The commitment to maintain the Leverage Ratio below 2.5 was respected over the period.

Cash and cash equivalents	03/31/23	Change in scope	Change	Translation diff.	03/31/24
Liquid assets	70,824	38,923	(32,370)	104	77,481
Bank overdrafts	(143)	-	114	-	(29)
<b>Consolidated cash</b>	<b>70,681</b>	<b>38,923</b>	<b>(32,255)</b>	<b>104</b>	<b>77,452</b>
<b>Financial liabilities excluding bank overdrafts</b>	<b>(43,559)</b>	<b>(316)</b>	<b>(14,305)</b>	<b>-</b>	<b>(58,180)</b>
<b>Net financial cash / (debt)</b>	<b>27,122</b>	<b>38,607</b>	<b>(46,560)</b>	<b>104</b>	<b>19,272</b>

### Interest rate risk: sensitivity analysis

As at 03/31/24, the group's variable-rate financial liabilities totaled €58,184k. In line with its commitments under the Credit Agreement, the group has taken out two interest-rate hedging contracts (0% cap for a notional amount of €15,000k and 4% cap for a notional amount of €5,752)k. These hedges expire in June

Characteristics of the Acquisition loan:

- Nominal: €105,000k
- Rate: variable (Euribor + margin)
- Maturity: 12/14/29
- Date of issue: 12/14/22

The unused portion of the Revolving Credit facility and Acquisition loan is set out in note 22.

The agreement also provides for an unconfirmed loan of up to €70,000k specifically for acquisitions.

### Other credit facilities

Wavestone has a contract with a US bank for a \$15 million "all uses" bilateral facility.

2024. In an effort to honor the firm's commitments, they will be replaced by new protection arrangements in the 2024/25 fiscal year.

Factoring in the maturity of interest-rate hedging instruments, the firm's sensitivity to a +/-1% change in interest rates is estimated at approximately +/-€500k.



**Note 20. Financial instruments**

The firm has entered into currency futures contracts and cross-currency swaps to hedge its foreign-currency loans and current accounts. The firm has also entered into interest rate hedges (caps) to cover the risk of an increase in the interest rate on the loans taken out.

As regards Cash-Flow Hedges, the gain or loss resulting from the fair value measurement of hedging instruments is booked under "Other comprehensive income" (OCI). Unrealized gains and losses

are written to the income statement when the hedged item is realized. Held For Trading instruments are measured at fair value through profit or loss under "Other financial income and expenses".

At the end of the fiscal year, Wavestone's financial instrument portfolio was made up of:

- treasury stock;
- cross-currency swaps;
- interest rate hedges (caps).

**Accounting classification and fair value of financial assets and liabilities**

In accordance with IFRS 13 "Fair Value Measurement", financial assets and liabilities are classified according to the following three fair value levels:

- level 1: price listed on an active market;
- level 2: in-house model with parameters observable;
- level 3: in-house model with parameters non-observable.

	Net balance sheet value by instrument category				Fair value	
	Derivatives with hedging	Fair value by result	Fair value by shareholders' equity	Amortized cost	Level	Fair value
<b>At 03/31/24</b>						
Non-consolidated equity investments	-	30	-	-	Level 3	30
Guarantee deposits and financial receivables	-	-	-	1,939	Level 2	1,939
Trade receivables and related accounts	-	-	-	245,900	Level 2	245,900
Derivative instrument assets	196	-	-	-	Level 2	196
Liquid assets	-	77,481	-	-	Level 1	77,481
<b>Total assets</b>	<b>196</b>	<b>77,511</b>	<b>-</b>	<b>247,839</b>		<b>325,545</b>
Bank loans	-	-	-	57,851	Level 2	57,851
Lease liabilities	-	-	-	26,187	Level 2	26,187
Trade payables and related accounts	-	-	-	42,293	Level 2	42,293
Payables on acquisition of investments	-	-	-	40,280	Level 2	40,280
Bank overdrafts	-	29	-	-	Level 1	29
Derivative instrument assets	930	-	-	-	Level 2	930
<b>Total liabilities</b>	<b>930</b>	<b>29</b>	<b>-</b>	<b>166,610</b>		<b>167,569</b>

At 03/31/23	Net balance sheet value by instrument category				Fair value	
	Derivatives with hedging	Fair value by result	Fair value by shareholders' equity	Amortized cost	Level	Fair value
Non-consolidated equity investments	-	30	-	-	Level 3	30
Guarantee deposits and financial receivables	-	-	-	1,779	Level 2	1,779
Trade receivables and related accounts	-	-	-	176,595	Level 2	176,595
Derivative instrument assets	1,673	-	-	-	Level 2	1,673
Liquid assets	-	70,824	-	-	Level 1	70,824
<b>Total assets</b>	<b>1,673</b>	<b>70,824</b>	<b>-</b>	<b>115,182</b>		<b>187,679</b>
Bank loans	-	-	-	43,534	Level 2	43,534
Lease liabilities	-	-	-	15,852	Level 2	15,852
Trade payables and related accounts	-	-	-	14,731	Level 2	14,731
Payables on acquisition of investments	-	-	-	14,237	Level 2	14,237
Bank overdrafts	-	143	-	-	Level 1	143
Derivative instrument assets	485	-	-	-	Level 2	485
<b>Total liabilities</b>	<b>485</b>	<b>-</b>	<b>-</b>	<b>88,498</b>		<b>88,983</b>

### Financial risks associated with exchange rates and hedging transactions

#### Description of the risk

Fluctuations in exchange rates may have a significant impact on the firm's financial results. This risk arises when Wavestone carries out transactions in foreign currencies, such as purchasing or selling products or services, or holds assets or liabilities denominated in a foreign currency. Hedging transactions are used to manage this risk, as they reduce the company's exposure to exchange rate fluctuations. As such, Wavestone is exposed to the risk of entering into hedging instruments that are inadequate, ineffective or whose cost is not proportional to the risk being hedged.

#### Management of the risk

For the most part, Wavestone invoices its services to clients located in France or the euro zone. The revenue contributions from non-euro zone foreign subsidiaries accounted for 17% of revenue at 03/31/24.

Wavestone has a currency hedging policy in place to cover the main risks involved in foreign-currency sales of services and in intra-group current account advances denominated in foreign currencies.

The Finance Department is responsible for putting in place the appropriate financial instruments as soon as a significant foreign-currency transaction shows signs of being a potential source of risk for the firm. During the 2023/24 fiscal year, Wavestone therefore entered into forward currency sales. In view of the technical nature of the transactions to be designed, Wavestone relies on external risk, debt and treasury experts when entering into hedging and foreign exchange instruments. A risk arises where the information required by these experts to carry out their work is not properly provided or if their instructions are misunderstood.

**Note 21. Other liabilities**

	03/31/23	Reclassi- fication	Change in scope	Change	Translation diff.	03/31/24
<b>Other non-current liabilities</b>						
Tax and social security liabilities	228	501	20	202	7	958
<i>o/w tax liabilities</i>	228	-	-	9	-	236
<i>o/w social security liabilities</i>	-	501	20	193	7	722
Payables on acquisition of investments	388	-	-	(392)	4	-
Other debt <sup>(1)</sup>	407	-	24,524	(26)	1	24,906
<b>Total</b>	<b>1,023</b>	<b>501</b>	<b>24,544</b>	<b>(216)</b>	<b>11</b>	<b>25,864</b>
<b>Current liabilities</b>						
Trade payables and related accounts	14,731	-	24,990	2,603	(32)	42,293
Tax and social security liabilities	106,272	255	47,026	(1,128)	149	152,575
<i>o/w tax liabilities</i>	39,722	-	14,306	4,157	9	58,193
<i>o/w social security liabilities</i>	66,551	255	32,721	(5,285)	140	94,382
Other current liabilities	38,087	-	11,651	21,335	287	71,360
<i>o/w suppliers of fixed assets</i>	476	-	-	637	6	1,118
<i>including payables on acquisition of investments</i>	13,849	-	-	26,143	288	40,280
<i>o/w other debt</i>	10,189	-	11,032	(5,460)	(29)	15,732
<i>o/w deferred income</i>	13,573	-	619	15	23	14,230
<b>Total</b>	<b>159,091</b>	<b>255</b>	<b>83,668</b>	<b>22,810</b>	<b>404</b>	<b>266,228</b>
<b>Total other liabilities</b>	<b>160,114</b>	<b>756</b>	<b>108,212</b>	<b>22,594</b>	<b>416</b>	<b>292,091</b>

(1) Including €(23,725)k in deferred tax liabilities in respect of the customer relationships of Q\_PERIOR at 03/31/24.

Effective from the 2023/24 fiscal year, Wavestone decided to categorize provisions for employer contributions in respect of bonus share allocations under "social security liabilities," in order to adopt a uniform treatment with the presentation under personnel expenses (see note 3). These amounted to €1,534k at 03/31/24, compared with €755k at 03/31/23.

The increase in "Debt on payables on acquisition of investments" can be explained notably:

- by the recognition of an earn-out reasonably estimated on the basis of information available at the closing date, relative to the acquisitions of Q\_PERIOR and Aspirant Consulting for an amount of €39,068k;
- and the payment of two earn-outs and part of the price adjustment relating to the PEN Partnership and Coeus Consulting acquisitions carried out during the year for an amount of €(14,073)k.

At 03/31/24, there were no other outstanding earn outs.

**Note 22. Off-balance sheet commitments**

	Total amount at 03/31/24	< 1 year	1 > 5 years	> 5 years
<b>Commitments given</b>				
Guarantees and sureties	4,031	2,188	1,389	455
Pledges	-	-	-	-
Operating lease commitments	7,396	4,437	2,959	-
<b>Total</b>	<b>11,428</b>	<b>6,625</b>	<b>4,347</b>	<b>455</b>
<b>Commitments received</b>				
Guarantees and sureties	158	55	-	102
Undrawn credit lines	139,175	-	139,175	-
Liability guarantees <sup>(1)</sup>	114,574	6,898	38,486	69,190
<b>Total</b>	<b>253,906</b>	<b>6,953</b>	<b>177,661</b>	<b>69,292</b>

(1) Including sequestered accounts for €7,493k, insurance of €11,696k relative to the Coeus acquisition and the specific guarantees relative to the Q\_PERIOR acquisition described below.

Real estate leases are now reported as lease liabilities:

- the New York (USA) lease is covered by an unlimited guarantee from Wavestone SA which would substitute for Wavestone US should it fail to meet its commitments to its lessors;
- the leases in the United Kingdom are covered by an unlimited guarantee from Wavestone SA which would substitute for Wavestone Advisors UK should it fail to meet its commitments to its lessors;
- the Luxembourg lease is covered by a rental guarantee from a bank in the amount of €92k granted to Wavestone Luxembourg, maturing in 2027;
- the Belgian lease is covered by a €28k rental guarantee from Wavestone SA maturing in 2028;
- the Swiss lease is covered by a €139k bank rental guarantee maturing in 2030.

The liability guarantees were received in connection with the acquisitions of companies carried out during the 2018/19, 2021/22, 2022/23 and 2023/24 fiscal years.

**Q\_PERIOR assets and liabilities guarantee facility**

The assets and liabilities guarantee granted by all of the shareholders of Q\_PERIOR amounts to €30,000k until the second anniversary of the date of completion of the transaction. It then declines until the fourth anniversary of the date of completion of the transaction.

As a counter-guarantee for the commitments made by all Q\_PERIOR shareholders under the assets and liabilities guarantee, group 7B (the seven main Q\_PERIOR shareholders) agreed to establish a trust with IQ-EQ Management (the trustee) which will benefit Wavestone and transfer the following on the date the acquisition is completed:

- €15,000k in cash and;
- 1,388,889 Wavestone shares (i.e. a portion of the new Wavestone shares received by group 7B in consideration for their contribution), valued at €77,917k at the closing share price.

The trust will have a term of four years from the date of completion of the acquisition (increased, where applicable, by the term of any outstanding claims, up to a maximum of fifteen (15) years from the date of completion of the transaction).

The trustee will release to group 7B, over subsequent years, a number of shares, followed by a proportion of the cash held in the trust, as agreed by the parties, in correlation with the cap on the guarantee facility.

In addition to the guarantee facility, Wavestone took out an assets and liabilities guarantee insurance policy for €35,000k.

	Total amount at 03/31/23	< 1 year	1 > 5 years	> 5 years
<b>Commitments given</b>				
Guarantees and sureties	1,730	122	1,041	566
Pledges	-	-	-	-
Operating lease commitments	10,041	4,158	5,883	-
<b>Total</b>	<b>11,771</b>	<b>4,280</b>	<b>6,925</b>	<b>566</b>
<b>Commitments received</b>				
Guarantees and sureties	454	54	-	400
Undrawn credit lines	158,793	-	158,793	-
Liability guarantees <sup>(1)</sup>	65,572	6,200	15,117	44,255
<b>Total</b>	<b>224,819</b>	<b>6,254</b>	<b>173,910</b>	<b>44,655</b>

(1) Including escrow accounts of €3,717k and insurance policy of €11,374k relating to the Coeus acquisition.

### Note 23. Related-party transactions

Type of transaction	Transaction amount	Name of related party	Type of relationship
<b>Revenue</b>			
Supply Chain IT diagnostic services for InterParfums	36	Marie-Ange Verdickt	Member of the Board of Directors
<b>External expenses</b>			
Recruitment fees for Michael Page France and PageGroup France	(223)	Marlène Ribeiro	Member of the Board of Directors

### Note 24. Subsequent events

#### Dividend distribution

Wavestone will submit a proposal for a total dividend payout of €9,343k (equivalent to €0.38 per share) for shareholder approval at the Annual General Meeting called to approve the company's financial statements for the fiscal year ended 03/31/24.

#### Loan agreement: renegotiation of Corporate Social Responsibility (CSR) performance criteria

In the addendum to the loan agreement signed on 12/14/22, Wavestone committed to renegotiating CSR performance criteria. An addendum was signed on 05/15/24 to honor this commitment.

On the back of this renegotiation, the firm strengthened the link between its financing and CSR performance. Transitioning from a margin bonus system for achieving CSR criteria to a more restrictive bonus/penalty mechanism ("Sustainability-Linked Loan").

As part of this renegotiation, the firm reviewed the indicators and associated targets for the 2024/25 fiscal year. In the 2024/25 fiscal year, note that these indicators will be calculated on the basis of the firm's initial scope (excluding acquisitions made during the 2023/24 fiscal year).

The firm is also committed to redefining its CSR indicators and associated targets during the 2024/25 fiscal year, for use from the 2025/26 fiscal year onwards. These will be calculated on a scope that takes into account Q\_PERIOR and Aspirant acquisitions made in the 2023/24 fiscal year.

Wavestone's Sustainability Auditor is responsible for certifying the value of CSR indicators on an annual basis.

**Note 25. Auditors' fees**

	Mazars				Aca Nexia				Other	
	Amount 2023/24	Amount 2022/23	% 2023/24	% 2022/23	Amount 2023/24	Amount 2022/23	% 2023/24	% 2022/23	Amount 2023/24	Amount 2022/23
<b>Certification &amp; limited review of the individual and consolidated financial statements on a half-yearly basis</b>										
> Issuer	264	182	68%	78%	202	126	78%	67%	0	0
> Fully consolidated subsidiaries	126	51	32%	22%	58	62	22%	33%	135	39
<b>Sous-total</b>	<b>390</b>	<b>233</b>	<b>100%</b>	<b>100%</b>	<b>260</b>	<b>188</b>	<b>100%</b>	<b>100%</b>	<b>135</b>	<b>39</b>
<b>Services other than the legal certification of financial statements</b>										
> Issuer	75	11	100%	100%	35	11	100%	100%	0	0
> Fully consolidated subsidiaries	0	0	0%	0%	0	0	0%	0%	24	0
<b>Subtotal</b>	<b>75</b>	<b>11</b>	<b>100%</b>	<b>100%</b>	<b>35</b>	<b>11</b>	<b>100%</b>	<b>0%</b>	<b>24</b>	<b>0</b>
<b>Services other than the certification of financial statements requested by the entity<sup>(1)</sup></b>										
> Issuer	2	2	100%	100%	1	1	100%	100%	0	0
> Fully consolidated subsidiaries	0	0	0%	0%	0	0	0%	0%	0	0
<b>Subtotal</b>	<b>2</b>	<b>2</b>	<b>100%</b>	<b>100%</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>100%</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>467</b>	<b>245</b>	<b>100%</b>	<b>100%</b>	<b>296</b>	<b>200</b>	<b>100%</b>	<b>100%</b>	<b>159</b>	<b>39</b>

(1) The services provided relate to the issue of the certification on financial ratios.

**Note 26. Financial risk related to climate change**

The firm, which is exclusively active in the provision of intellectual services, has not identified, at this stage, any significant financial risk related to the effects of climate change.

# Statutory Auditors' Report on the consolidated financial statements – For the year ended at 03/31/24

*This is a translation into English of the Statutory Auditors' report on the consolidated financial statements of the company issued in French and it is provided solely for the convenience of English-speaking users.*

*This Statutory Auditors' report includes information required by European regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the information concerning the group presented in the management report and other documents provided to shareholders.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

To the Annual General Meeting of Wavestone,

## 1. Opinion

In accordance with our appointment as Statutory Auditors by the shareholders at the Shareholders' General Meeting, we have audited the accompanying consolidated financial statements of Wavestone for the year ended 03/31/24.

In our opinion, the consolidated financial statements give a true and fair view of the financial position, the assets and liabilities, and the results of the group formed by the persons and entities included in the consolidation, in accordance with the International Financial Reporting Standards as endorsed by the European Union.

The audit opinion formulated above is consistent with the content of our report to the Audit Committee.

## 2. Basis for Opinion

### Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are stated in the "Responsibilities of the Statutory Auditors in relation to auditing the consolidated financial statements" section of this report.

### Independence

We conducted our audit, in accordance with the independence rules laid out in the French Commercial Code (*Code de commerce*) and in the Code of Conduct of the statutory audit profession in France, between 04/01/23 and the date on which we issued our report, and in particular we did not provide any services forbidden by Article 5, paragraph 1 of Regulation (EU) 537/2014.

## 3. Justification of our assessments – Key Audit Matters

As required by Articles L. 821-53 and R. 821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters, relating to what were, in our professional judgment, the main risks of material misstatement in relation to our audit of the year's consolidated financial statements, and our responses to those risks.

Those assessments were made in the context of our audit of the consolidated financial statements taken as a whole and in the formation of our opinion stated above. We express no opinion on items of the consolidated financial statements taken in isolation.

### Accounting for significant acquisitions

**Note 11 "Goodwill on the asset side of the balance sheet" in section 5 "Notes on certain items in the result and balance sheet".**

#### 3.1. Identified risk

Note 5.11 describes the accounting treatment of business combinations.

The group applies IFRS 3 "Business Combinations" to the acquisition of assets and liabilities that constitute a business, which involves:

- measuring and recognizing identifiable assets and liabilities acquired at fair value at the acquisition date. The group identifies and allocates these items on the basis of contractual provisions, economic conditions and its accounting and management policies;
- measuring any non-controlling interest in the acquiree either at fair value or on the basis of its proportionate share of the fair value of the identifiable assets and liabilities acquired;
- measuring and recognizing at the acquisition date the difference, referred to as "goodwill", between the purchase price of the acquiree (including the fair value at the acquisition date of the shares issued by the acquirer) plus the amount of non-controlling interests in the acquiree, and the net balance of identifiable assets and liabilities acquired.

We considered the recognition and presentation of these transactions to be a key audit matter, given the material amount of assets acquired and liabilities assumed, and the judgment required to identify and measure these assets and liabilities in accordance with the provisions of IFRS 3 (revised), in particular the estimation of the fair value of tangible and intangible assets.

#### 3.2. Our Answer

Our work mainly consisted in:

- examine the legal documentation of these acquisitions;
- assess the application of the provisions of IFRS 3 (revised), and the methods used to implement this standard (in particular the determination of the acquisition price, the identification of assets and liabilities, and the valuation of the resulting goodwill);

- analyze the consistency of the accounting principles and methods of the acquired sub-assemblies with group practices;
- carry out due diligence on the consolidated balance sheet of the sub-assemblies acquired at the acquisition date (significant subsidiaries and sub-assembly consolidation process);
- on the basis of the expert's reports on the allocation of provisional goodwill, and with the help of our own valuation experts, assess the nature of his work and conclusions, and the assumptions used in the revaluation of acquired assets and liabilities with regard to the criteria set out in the applicable accounting standards.

Finally, we assessed the appropriateness of the financial information in the notes to the financial statements relating to this acquisition (determination of the price, assets and liabilities acquired, disclosures required by IFRS 3 revised, etc.).

#### Assessment of Goodwill

Note 11 "Goodwill on the asset side of the balance sheet" in section 5 "Notes on certain items in the result and balance sheet".

### 3.3. Description of the risk

In recent years, the group has continued to expand through numerous targeted acquisitions, in different countries, in all of the activities it covers.

As explained in note 5.11 of the appendix to the consolidated financial statements, these acquisitions gave rise to the recognition of goodwill. Net goodwill represents 52% of the group's total assets at the balance sheet date.

The implementation by Wavestone of an integrated operating model whose organization is independent of the perimeters of companies or activities acquired by the company Wavestone during its development, does not make it possible to individually monitor the goodwill initially attached to these different companies or activities. The Wavestone firm thus constitutes a single cash-generating unit (CGU).

The methodology used for the impairment test is based first on the use of the market value of Wavestone's market capitalization and, if necessary, second on the discounted future cash flow method.

We therefore considered that goodwill impairment tests are a key point of our audit given the high degree of estimation and judgment implemented by management, the sensitivity of recoverable values to changes, forecast assumptions and the relative weight of these assets in the group's consolidated financial statements.

### 3.4. Audit work performed

We took note of the work relating to the impairment test carried out by management and the conclusions that emerged from it.

We have reviewed the work performed by management in relation to the impairment test and the conclusions drawn therefrom.

Our work mainly consisted in assessing the reasonableness of the valuation made of the recoverable amount of the CGU for the goodwill impairment tests.

Our work mainly consisted of:

- examine the compliance of the methodology applied by the group with the accounting standards in force and, in particular, whether the assignment of assets to the single identified CGU is exhaustive;
- verify that the fair value net of disposal costs is derived from the closing stock market price.

#### Recognition of turnover from fixed-price services

Note 1 "Revenue" in section 5 "Notes on certain items in the income statement and balance sheet".

### 3.5. Description of the risk

As explained in note 5.1 to the appendix to the consolidated financial statements, the turnover is recorded according to the nature of the contracts concluded with the customers. There are three types of contract terms for the services provided by the group:

- services subject to time-spent invoicing. The turnover of these services is recognized as the service is rendered. Income is valued based on the contract selling price and billable time spent. Accrued or deferred income on contracts is recorded when invoicing is not in line with the progress of the work;
- services subject to a flat rate. Revenue is recognized as the work progresses on the basis of costs incurred and costs still to come. A provision for loss on completion is recognized contract by contract as soon as a loss is anticipated. Accrued or deferred income on contracts is recorded when invoicing is not in line with the progress of the work;
- services subject to subscription. The turnover relating to these services is recorded *pro rata temporis* over the duration of the contract. Accrued or deferred income on contracts is recorded when invoicing is not in line with the progress of the work. Assets or liabilities on contracts are recorded when invoicing is not in line with this *pro rata temporis*.

We considered that the recognition of turnover from "fixed-price" contracts is a key point of our audit because fixed-price contracts represent 57% of the group's activity and the recognition of this turnover is based on judgments and estimates required by management to determine the result on completion and the financial risks expected on these contracts.



### 3.6. Audit work performed

We have examined the processes put in place by the group relating to profit forecasts at completion and the degree of progress of "fixed price" contracts over the year. Our internal control review consisted of performing a walkthrough test, reviewing the design and implementation of key controls and verifying the operational effectiveness of these controls.

The audit procedures implemented to assess the turnover of fixed-price contracts consisted, for substantive tests, in selecting, according to a multi-criteria approach (volumes of business or in progress, age of contracts, finalization old contracts during the year, start of new contracts during the year, complexity of projects) projects for which we have:

- appreciated the reasonableness of the estimates made by management through:
  - interviews conducted with the Projects, Sales Finance Coordination and management controllers' teams, in order to corroborate the analysis of the results at completion and the degrees of progress determined for the projects in progress at the end of the financial year;
  - evidence collected to support the financial positions of the projects (contracts, purchase orders, customer acceptance reports, time charge tracking data and payroll data);
- implemented arithmetic checks and analytical procedures on the assessment of turnover of fixed price contracts.

## 4. Specific Verifications

We also verified, in accordance with the professional standards applicable in France and as required by laws and regulations, the information concerning the group presented in the management report of the Board of Directors.

We have no comments to make as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L.225-102-1 of the French Commercial Code (*Code de commerce*) is included in the group's information given in the management report, it being specified that, in accordance with Article L.823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

## 5. Report on Other Legal and Regulatory Requirements

### Format of presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the Statutory Auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated

financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code, prepared under the responsibility of the chairman of the Management Board, complies with the single electronic format defined in the European Delegated Regulation No. 2019/815 of 12/17/18. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on our work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the blocktagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

### Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Wavestone by the annual general meeting held on 09/16/19, for Aca Nexia and on 07/11/14, for Forvis Mazars. As at 03/31/24, Aca Nexia and Forvis Mazars were in the fifth year and tenth year of total uninterrupted engagement.

## 6. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

## 7. Statutory Auditor's Responsibilities for the Audit of the Consolidated Statements

### Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the company or the quality of management of the affairs of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going

concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;

- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

### Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

The Statutory Auditors

Paris and Paris La Défense, 06/11/24

**Aca Nexia**  
represented by  
Sandrine Gimat

**Forvis Mazars**  
represented by  
Bruno Pouget

# Wavestone Unaudited Pro Forma Financial Information

## 1. Introduction

The Unaudited Pro Forma Financial Information of Wavestone (the “**Company**”) consists of a pro forma consolidated income statement as of 03/31/24, and related explanatory notes (together, the “**Unaudited Pro Forma Financial Information**”). The Unaudited Pro Forma Financial Information reflect the impacts of the acquisition of 100% control of Q\_PERIOR and Aspirant and their respective financing, as if the Acquisitions took place as of 04/01/23 for the consolidated pro forma income statement.

## 2. Description of the Acquisitions

During its fiscal year 2023/24, Wavestone acquired, in December 2023, 100% of the shares of Q\_PERIOR Holding AG (“**Q\_PERIOR**”) and, in January 2024, 100% of the shares of Aspirant Consulting LLC and 100% of the shares of Aspirant Ltd (“**Aspirant**”). These acquisitions (the “**Acquisitions**”) were consolidated in Wavestone’s financial statements respectively from 12/01/23 and 02/01/24.

### a) Q\_PERIOR

On 12/05/23, Wavestone acquired 100% of Q\_PERIOR.

Q\_PERIOR is a German consulting firm, and one of the leaders in the German-speaking market (Germany, Switzerland and Austria). Q\_PERIOR supports its clients’ transformation by drawing on leading business and technological expertise, such as core business processes, digitization and SAP.

This acquisition was carried out based on an enterprise value of €330m, excluding an additional consideration, including €321.9m in the value of shareholders’ equity (firm price) and €8.1m in adjusted net financial debt. This firm price may be supplemented by an additional consideration determined by Q\_PERIOR’s adjusted normalized EBIT, calculated as of 03/31/24. Based on currently available information, for the establishment of the consolidated financial statements at 03/31/24, management adopted the assumption of a maximum earn-out, i.e. €35m.

This transaction was financed at 79% of the firm price through the issue of 4,709,840 new Wavestone shares for the benefit of Q\_PERIOR shareholders. The remaining amount of the firm price and the additional consideration were financed in cash from Wavestone’s available resources.

### b) Aspirant

On 01/16/24, Wavestone acquired 100% of the share capital of Aspirant Consulting LLC and Aspirant Ltd.

Founded in 2003, headquartered in Pittsburgh in the US, and also active in the United Kingdom, Aspirant is a best-in-class consultancy firm providing deep expertise on marketing and innovation, organizational effectiveness and change management, and digital transformation.

Prior to being acquired by Wavestone, Aspirant included an area of business offering externalized recruitment services. As this area of business was not included in the scope acquired by Wavestone, a carve-out to remove this business from Aspirant was carried out prior to the acquisition.

This acquisition with an initial price of €23.5m—value of the equity—was financed entirely in cash, through the use of financial resources and credit facilities already available to Wavestone from its banking partners. An earn-out may be added to the initial price. Based on currently available information, for the establishments of the consolidated financial statements at 03/31/24, management adopted the assumption of a maximum earn-out, i.e. €5.5m.

## 3. Type of Unaudited Pro Forma Financial Information

The Unaudited Pro Forma Financial Information is prepared solely for illustrative purposes. It deals with a hypothetical situation and is on no account indicative of the results of the operating activities of the new consolidated group that would have been obtained had the transaction taken place on 04/01/23. Furthermore, this unaudited financial information does not provide an indication of the future results of the Wavestone group after these acquisitions. The information is in no way intended to present, nor can it be used to presume, the evolution of the group’s consolidated financial statements. Shareholders should read the present document in its entirety, and not rely solely on the summarized financial information contained in this section.

The pro forma adjustments to the Unaudited Pro Forma Financial Information were limited to those: (i) directly attributable to the Acquisitions; and (ii) reasonably documentable at the date of the establishment of said Unaudited Pro Forma Financial Information. The Unaudited Pro Forma Financial Information does not include economies of scale and other synergies that may result from the Acquisitions. The Unaudited Pro Forma Financial Information does not include any other specific elements, such as integration or restructuring costs that could be incurred following the Acquisitions.

## 4. Basis for the preparation of the Unaudited Pro Forma Financial Information

The Unaudited Pro Forma Financial Information is prepared in accordance with Annex 1 of Delegated Regulation (EU) 2021/528 of 12/16/20, ESMA recommendation (ESMA32-382-1138 of 03/04/21) and Position - Recommendation DOC-2021-02 dealing with pro forma financial information issued by the AMF on 01/08/21 and amended on 07/28/23.

The Unaudited Pro Forma Financial Information was prepared on the basis of the following:

- Wavestone’s consolidated income statement for the year ended 03/31/24 prepared in accordance with the IFRS baseline as approved by the European Union (“IFRS”). These financial statements, which are included in Chapter 3 “Financial information” of this annual financial report, were audited by audit firms Aca Nexia and Forvis Mazars SA. The auditors’ report issued by the latter, presented in Chapter 3 “Financial information” of this annual financial report, does not include any reserve, nor observation. No adjustments have been made to these financial statements in preparing the Unaudited Pro Forma Financial Information;
- “Consolidated Special Purpose Profit & Loss Account” (hereafter “**Consolidated Special Purpose P&L**”), for the 12-month period ended 03/31/24 of Q\_PERIOR prepared in accordance with the IFRS baseline as approved by the European Union, it being recalled that:
  - as the account closing date for the Q\_PERIOR group is December 31, the “Consolidated Special Purpose P&L” constitutes the situation covering the period from 04/01/23 to 03/31/24;
  - since the Q\_PERIOR Group is not required to publish financial statements under IFRS, it prepared its first audited consolidated financial statements under IFRS as at 12/31/22, with a first-time application date of 01/01/22. The “Consolidated Special Purpose P&L” was prepared on the same basis as that applied to the transitional financial statements;
  - a preliminary review of Q\_PERIOR’s accounting principles was carried out on the basis of available information to determine whether certain adjustments were necessary to ensure comparability within the Pro Forma Financial Information. To date, no differences have been identified that would have any significant impact on the Unaudited Pro Forma Financial Information, other than the reclassifications described in Note 1 b) below;

- the consolidated income statement for the twelve-month period closing 03/31/24 for Aspirant, prepared by Aspirant management for the purposes of this Unaudited Pro Forma Financial Information based on the internal report of Aspirant, in US dollars, under US generally accepted accounting standards (“**US GAAP**”), it being recalled that the Aspirant activities not acquired by Wavestone were the subject of a carve-out prior to the acquisition, as well as the costs related to the latter, and are excluded from the internal reporting (hereafter “**Aspirant US GAAP income statement**”). The Aspirant US GAAP income statement was not the subject of any audit, nor limited examination by independent auditors.

For the purposes of preparing the Unaudited Pro Forma Financial Information, the Aspirant US GAAP income statement was converted into euros and was the subject of restatements in its presentation corresponding to those used by Wavestone, as presented hereafter in Note 2 – Adjustments to Aspirant data. This harmonization exercise was carried out by Wavestone, in a preliminary manner, based on available financial information and information reported by Aspirant.

The Acquisitions will be accounted for using the purchase method in accordance with IFRS 3 – Business Combinations, and fair values will be determined in accordance with IFRS 13 – Fair Value Measurement.

The Unaudited Pro Forma Financial Information is presented in thousands of euros (€k).

## Unaudited Pro Forma Consolidated Income statement for the year ended 03/31/24

Cash (in thousands of euros)	Reported 03/31/24				Pro Forma Financial Information											
	Wavestone		Aspirant		Q_ PERIOD					Aspirant					Financial Information Pro Forma	
	Reported	incl: 12 months	incl: Q_ PERIOD	incl: 4 months	Pro forma adjustments					Pro forma adjustments					Pro Forma	
	12 months	12 months	12 months	4 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months	12 months
	a	b	c	d	e	f = b+c+d+e	g	h	i	j	k = g+h+i+j	l = a+f+k				
<b>Revenue</b>	701,056	586,529	333,411	(652)	-	332,759	24,556	-	-	-	24,556	943,844				
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subcontracting purchases	(67,798)	(24,975)	(23,848)	675	-	(23,173)	(5,554)	7	-	-	(5,557)	(63,705)				
Personnel expenses	(465,469)	(412,143)	(154,440)	-	-	(154,440)	(16,223)	-	-	-	(16,223)	(532,807)				
External expenses	(52,045)	(44,952)	(19,619)	-	-	(19,619)	(2,613)	-	-	-	(2,613)	(67,184)				
Taxes and duties	(7839)	(7798)	(75)	-	-	(75)	(22)	-	-	-	(22)	(7,884)				
Depreciation, amortization and provisions	(8,106)	(7,107)	(3,788)	-	-	(7)	(3,795)	(24)	-	-	(24)	(11,444)				
Other current income and expenses	1,542	820	(94)	(23)	-	(117)	2,050	(7)	-	-	2,043	2,746				
<b>Recurring operating profit</b>	<b>101,341</b>	<b>90,375</b>	<b>31,547</b>	<b>(-)</b>	<b>(7)</b>	<b>31,540</b>	<b>1,942</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,942</b>	<b>123,857</b>				
Amortization of customer relationships	(3,808)	(1,493)	(2,315)	-	-	(722)	(722)	-	-	-	-	(8,715)				
Other operating income and expenses	(11,750)	(11,619)	(24)	-	-	(24)	-	-	-	-	-	(11,743)				
<b>Operating profit</b>	<b>85,783</b>	<b>77,262</b>	<b>31,423</b>	<b>(-)</b>	<b>(7,228)</b>	<b>24,195</b>	<b>1,942</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,942</b>	<b>103,399</b>				
Financial income	759	760	-	(760)	-	(760)	-	-	-	-	-	-				
Costs of gross financial debt	(2,376)	(2,368)	-	-	-	-	(1)	-	(717)	-	(718)	(3,086)				
<b>Costs of net financial debt</b>	<b>(1,617)</b>	<b>(1,608)</b>	<b>-</b>	<b>(760)</b>	<b>-</b>	<b>(760)</b>	<b>(1)</b>	<b>-</b>	<b>(717)</b>	<b>-</b>	<b>(718)</b>	<b>(3,086)</b>				
Other financial income and expenses	(2,902)	(2,252)	(1,142)	-	-	(1,142)	(52)	-	-	-	(52)	(3,445)				
<b>Net income before tax</b>	<b>81,264</b>	<b>73,402</b>	<b>30,282</b>	<b>(-)</b>	<b>(7,228)</b>	<b>22,293</b>	<b>1,890</b>	<b>-</b>	<b>(717)</b>	<b>-</b>	<b>1,172</b>	<b>96,868</b>				
Tax expense	(22,673)	(20,091)	(10,827)	-	196	(8,294)	(26)	-	185	-	59	(28,327)				
<b>Net income</b>	<b>58,591</b>	<b>53,311</b>	<b>19,455</b>	<b>(-)</b>	<b>(5,644)</b>	<b>13,999</b>	<b>1,763</b>	<b>-</b>	<b>(532)</b>	<b>-</b>	<b>1,231</b>	<b>68,541</b>				
Non-controlling interests	(391)	-	(886)	-	-	(886)	-	-	-	-	-	(886)				
<b>Net income - group share</b>	<b>58,199</b>	<b>53,311</b>	<b>18,569</b>	<b>(-)</b>	<b>(5,644)</b>	<b>(4,892)</b>	<b>1,763</b>	<b>-</b>	<b>(532)</b>	<b>-</b>	<b>1,231</b>	<b>67,655</b>				

# Notes concerning the Unaudited Pro Forma Financial Information

The Unaudited Pro Forma Financial Information (column l) result from the aggregation of:

- the consolidated income statement of Wavestone excluding the contribution of Q\_PERIOR and Aspirant (column a);
- the pro forma income statement after 12-month pro forma adjustments of Q\_PERIOR (column f);
- the pro forma income statement after 12-month pro forma adjustments of Aspirant (column k).

## Note 1. Q\_PERIOR 12-month historical data

### a) Significant accounting methods used in the "Consolidated Special Purpose P&L"

The significant accounting methods used in the "Consolidated Special Purpose P&L" are described below.

#### Revenue

Revenues are recognized in accordance with IFRS 15 "Revenue from contracts with customers", depending on the nature of the contracts with customers:

- for fixed-price contracts, revenues are recognized as work progresses, on the basis of costs incurred and costs still to be incurred;
- for contracts billed on a time-spent basis, revenues are recognized at the amount Q\_PERIOR is entitled to invoice. Clients are billed on a monthly basis.

Any expected payments of contractually agreed retrocessions are not included in the transaction price, and are deducted from revenues.

Q\_PERIOR uses subcontractors for certain services sold to clients. The analysis of the subcontracting agreements leads to the conclusion that Q\_PERIOR acts as a principal within the meaning of IFRS 15. Purchases from subcontractors are presented under "Subcontracting purchases".

The group has no contracts in which the period between the transfer of promised services to the client and payment by the client exceeds one year. Consequently, no trade receivables are discounted.

#### Rights of use and leased liabilities

Q\_PERIOR applies IFRS standard 16 "Leases".

Assets and liabilities resulting from leases existing at 01/01/22 were initially assessed and recognized at 01/01/22. For contracts entered into after this date, the right-of-use asset and lease liability are booked at the start date of the leasing contract, i.e. the date at which the lessor makes the underlying asset available to the lessee. Their initial value is equal to the discounted value of the rents over the term of the contract and, where appropriate, any advantages received from the lessor.

Lease liabilities comprise the net discounted value of the following lease payments:

- fixed payments, including in-substance fixed payments;
- variable payments based on an index or rate, initially valued on the basis of the index or rate at the effective date.

Rent payments are discounted using the lessee's incremental borrowing rate, i.e. the rate at which the individual lessee would have to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment, with similar terms, guarantees and conditions.

Contracts may contain a combination of leasing and services. The group allocates the contract consideration to the various components based on their respective selling prices. However, for vehicle leases in which the group is lessee, the decision was made not to separate the components and to account for them as a single lease component.

The right-of-use assets are amortized on a straight-line basis over the shorter of the asset's useful life or the term of the contract.

The group applies the exemptions provided for in the standard relating to short-term contracts or contracts involving low-value assets.

#### Post-employment benefits

In accordance with IAS 19 (Employee benefits), defined benefit program obligations and their cost are valued by an independent actuary using the projected unit credit method.

Q\_PERIOR has a commitment under these plans solely in respect of the employees of its Swiss subsidiary, who benefit from a Swiss Life pension plan. This commitment was valued by an independent expert.

Within the Q\_PERIOR group, post-employment benefits also exist in Germany, Austria and Italy. The existing commitment in this respect is not significant.

#### b) Adjustments to Q\_PERIOR historical data for consistency with IFRS accounting principles applied in Wavestone's historical financial statements

The Q\_PERIOR figures correspond to the "Consolidated Special Purpose P&L". To date, no significant differences have been

identified between the accounting principles applied by Q\_PERIOR, the main ones of which are described above, and the accounting principles applied in Wavestone's financial statements, with the exception of the following presentation reclassifications, mainly:

- restatement of external expenses in "Other current income and expenses" of the "Consolidated Special Purpose P&L" on the "External expenses" line, in line with the presentation used in the company's income statement, for an amount of €19,749k;
- restatement as personnel expenses of writebacks from provisions for personnel expenses included in the item "other current income and expenses" of the "Consolidated Special Purpose P&L", for an amount of €2,897k.

#### c) Q\_PERIOR's adjusted income statement

Cash (in thousands of euros)	Q_PERIOR								Unadjusted P&L 12 months
	Consolidated Special Purpose P&L 12 months	Restatements						Restat. of acquisition and other costs	
		Restat. of other operating income and expenses	Restat. of personnel costs	Restat. of foreign exchange gains and losses	Restat. of external charges	Tax restat.	Restat. of provisions		
<b>Revenue</b>	<b>333,411</b>	-	-	-	-	-	-	-	<b>333,411</b>
Other revenue	-	-	-	-	-	-	-	-	-
Subcontracting purchases	(123,848)	-	-	-	-	-	-	-	(123,848)
Personnel expenses	(157,338)	-	2,897	-	-	-	-	-	(154,440)
External expenses	-	-	-	-	(19,749)	-	-	131	(19,619)
Taxes and duties	-	-	-	-	-	(75)	-	-	(75)
Depreciation, amortization and provisions	(3,769)	-	-	-	-	-	(19)	-	(3,788)
Other current income and expenses	(17,451)	18	(2,897)	418	19,749	75	19	(25)	(94)
<b>Recurring operating profit</b>	<b>31,005</b>	<b>18</b>	<b>-</b>	<b>418</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>106</b>	<b>31,547</b>
Amortization of customer relationships	-	-	-	-	-	-	-	-	-
Other operating income and expenses	-	(18)	-	-	-	-	-	(106)	(124)
<b>Operating profit</b>	<b>31,005</b>	<b>-</b>	<b>-</b>	<b>418</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,423</b>
Financial income	-	-	-	-	-	-	-	-	-
Costs of gross financial debt	-	-	-	-	-	-	-	-	-
<b>Costs of net financial debt</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other financial income and expenses	(724)	-	-	(418)	-	-	-	-	(1,142)
<b>Net income before tax</b>	<b>30,282</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,282</b>
Tax expense	(10,827)	-	-	-	-	-	-	-	(10,827)
<b>Net income</b>	<b>19,455</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,455</b>
Non-controlling interests	(886)	-	-	-	-	-	-	-	(886)
<b>Net income - group share</b>	<b>18,569</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,569</b>

**Note 2. Aspirant historical data****a) Conversion**

As the P&L of Aspirant is denominated in US dollars, amounts were converted to euro at the average exchange rate over the 04/01/23 – 03/31/24 period, i.e. €0.9224 for 1 US dollar.

**b) Adjustments to Aspirant's data under US GAAP for consistency with IFRS accounting principles applied in Wavestone's historical financial statements**

The harmonizations applied related to the following points:

- cancellation of the goodwill amortization booked under US GAAP;
- cancellation of the restatement of leases booked under US GAAP;
- restatement of leases in application of IFRS 16;
- recognition of related deferred taxes.

**c) Aspirant's adjusted P&L**

	Income statement US GAAP		Aspirant inter- company	IFRS restatements				Income statement IFRS
	K USD	K EUR		Cancel- lation of goodwill amorti- zation - US GAAP	Cancel- lation of lease restat. - US GAAP	IFRS 16	Deferred tax	K EUR
<b>Cash</b> (in thousands of euros)								
<b>Revenue</b>	<b>27,469</b>	<b>25,338</b>	<b>(782)</b>	-	-	-	-	<b>24,556</b>
Other revenue	-	-	-	-	-	-	-	-
Subcontracting purchases	(6,880)	(6,347)	782	-	-	-	-	(5,564)
Personnel expenses	(17,587)	(16,223)	-	-	-	-	-	(16,223)
External expenses	(3,007)	(2,773)	-	-	(14)	174	-	(2,613)
Taxes and duties	(24)	(22)	-	-	-	-	-	(22)
Depreciation, amortization and provisions	(78)	(72)	-	13	-	(182)	-	(241)
Other current income and expenses	2,223	2,051	(-)	-	-	-	-	2,050
<b>Recurring operating profit</b>	<b>2,116</b>	<b>1,952</b>	<b>-</b>	<b>13</b>	<b>(14)</b>	<b>(8)</b>	<b>-</b>	<b>1,942</b>
Amortization of customer relationships	-	-	-	-	-	-	-	-
Other operating income and expenses	-	-	-	-	-	-	-	-
<b>Operating profit</b>	<b>2,116</b>	<b>1,952</b>	<b>-</b>	<b>13</b>	<b>(14)</b>	<b>(8)</b>	<b>-</b>	<b>1,942</b>
Financial income	-	-	-	-	-	-	-	-
Costs of gross financial debt	(1)	(1)	-	-	-	-	-	(1)
<b>Costs of net financial debt</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1)</b>
Other financial income and expenses	(43)	(39)	-	-	-	(13)	-	(52)
<b>Net income before tax</b>	<b>2,073</b>	<b>1,912</b>	<b>-</b>	<b>13</b>	<b>(14)</b>	<b>(21)</b>	<b>-</b>	<b>1,890</b>
Tax expense	(148)	(136)	-	-	-	-	10	(126)
<b>Net income</b>	<b>1,925</b>	<b>1,775</b>	<b>-</b>	<b>13</b>	<b>(14)</b>	<b>(21)</b>	<b>10</b>	<b>1,763</b>
Non-controlling interests	-	-	-	-	-	-	-	-
<b>Net income - group share</b>	<b>1,925</b>	<b>1,775</b>	<b>-</b>	<b>13</b>	<b>(14)</b>	<b>(21)</b>	<b>10</b>	<b>1,763</b>



### Note 3. Pro forma adjustments linked to the elimination of intragroup transactions

Prior to the date of completion of the acquisition of Q\_PERIOR, and since 2019, Wavestone and Q\_PERIOR had established a non-capital-intensive partnership aimed at developing commercial synergies by leveraging their complementary geographic coverage, sectoral presence and expertise.

The amounts of the transactions carried out within the framework of this collaboration as well as those of the transactions carried out between Wavestone, Q\_PERIOR and Aspirant since the Acquisitions have been eliminated, i.e.:

- Q\_PERIOR revenue €652k;
- subcontracting purchases Q\_PERIOR: €675k;
- subcontracting purchases Aspirant: €7k.

### Note 4. Pro forma adjustments linked to the financing of the Acquisitions

#### a) Q\_PERIOR

The financing of the acquisition of Q\_PERIOR was enabled:

- by a capital increase for the benefit of Q\_PERIOR shareholders through the issue of 4,709,840 new shares. In the financial statements of Wavestone SA, this capital increase represented an amount of €254,331k, including share premium. In the consolidated accounts, the securities issued were valued at their fair value of €220,421k, the difference between the trading value and the fair value of €33,911k, being charged to the consolidation reserves;
- a cash payment from Wavestone's free cash flow for the balance of the firm-price, i.e. €67,592k.

The earn-out payable in respect of this acquisition was recognized as a debt at a nominal amount of €35m at 03/31/24.

If the acquisition of Q\_PERIOR had taken place on 04/01/23, for the purposes of preparing the Unaudited Pro Forma Financial Information, the financing mode would have been identical: The firm-price payment payable in cash would have thus absorbed Wavestone's available funds at 04/01/23. No cash investments would have been possible in the 2023/24 fiscal year.

As a result, the pro forma adjustment in respect of the financing of the Q\_PERIOR acquisition consisted in canceling financial income for an amount of €760k recognized over the fiscal year in respect of cash investments.

The corresponding tax saving calculated at a rate of 25.83% resulted in an adjustment to the tax expense of €196k.

#### b) Aspirant

The acquisition of Aspirant was financed by a €19.7m drawdown from pre-existing credit lines. The first repayment installment will fall due on 06/14/25, in line with the provisions of the syndicated loan.

Within the framework of establishing the Unaudited Pro Forma Financial Information, as the hypothesis is that the transaction was carried out on 04/01/23, the interest charge effectively assumed by Wavestone was substituted by the €19.7m drawdown on 01/09/24, and the amount of interest income which would have been recognized from 04/01/23, i.e. an increase in the interest expense of €717k. This interest expense was calculated at the prevailing Euribor 3M rate on the last day of the month preceding the quarter in respect of which the interest is calculated, increased by the margin provided for in the syndicated loan contract.

This interest expense was calculated at the prevailing Euribor 3M rate on the last day of the month preceding the quarter in respect of which the interest is calculated, increased by the margin provided for in the syndicated loan contract.

The corresponding tax saving calculated at a rate of 25.83% resulted in an adjustment to the tax expense of €185k.

**Note 5. Pro forma adjustments linked to the business combination**

In the consolidated financial statements relative to the year ended 03/31/24, the Acquisitions are recognized according to IFRS 3 – business combinations.

**a) Q\_PERIOR**

Owing to the significant scale of the Q\_PERIOR acquisition, a Purchase Price Allocation was completed. After this allocation, three types of customer relationship intangible assets (Q\_PERIOR Consulting activities – Top Clients, Q\_PERIOR Consulting activities – Other and Q\_PERIOR Embedded Systems activities) for a total amount of €75.7m were recognized, amortizable on a straight-line basis over the useful life applicable to each customer type. In the consolidated financial statements for the year ended 03/31/24, these customer relationships were amortized from the date of acquisition.

For the purposes of preparing the Unaudited Pro Forma Financial Information, transaction is assumed to be completed on 04/01/23. Pro forma adjustments relative to the business combination consisted in customer relationship amortization over 12 months, i.e. €7,221k.

Furthermore, fair value accounting of identifiable assets led to a restatement of the building located in Poland. A pro forma adjustment to integrate the amortization of this valuation differential over 12 months was carried out (€7k).

These adjustments led to the recognition of deferred tax income amounting to €2,336k.

**b) Aspirant**

Owing to the size and nature of the Aspirant acquisition, all of the differential between the acquisition cost and sum of assets and liabilities assumed was booked to (non-amortizable) goodwill.

As a result, no pro forma adjustment was carried out in this respect.

# Statutory Auditors' Report on the Pro Forma Financial Information for the year ended 03/31/24

*This is a free translation into English of the Auditors' report issued in the French language and is provided solely for the convenience of English-speaking readers.*

*This report should be read in conjunction with, and is construed in accordance with, French law and professional standards applicable in France.*

To the Chief Executive Officer of Wavestone SA,

In our capacity as Statutory Auditors of your company and in accordance with Regulation (EU) 2017/1129 supplemented by the Commission Delegated Regulation (EU) 2019/980, we hereby report to you on the pro forma financial information of Wavestone SA (the "Company") for the year ended 03/31/24 set out in Chapter 3 "Financial information" of the annual financial report (the "Pro Forma Financial Information").

The Pro Forma Financial Information has been prepared for the sole purpose of illustrating the impact that the acquisition of Q\_Perior Holding AG (« Q\_Perior »), Aspirant Consulting LLC and Aspirant Ltd (« Aspirant ») (including the financing of the acquisition) might have had on the consolidated income statement of the company for the year ended 03/31/24 had it taken place with effect from at 04/01/23. By its very nature, this information is based on a hypothetical situation and does not represent the financial position or performance that would have been reported, had the operation or event taken place at an earlier date than the actual or contemplated date.

It is your responsibility to prepare the Pro Forma Financial Information in accordance with the provisions of Regulation (EU) 2017/1129 and ESMA's guidelines on pro forma financial information.

It is our responsibility to express a conclusion, based on our work, in accordance with Annex 20, section 3 of Commission Delegated Regulation (EU) 2019/980, as to the proper compilation of the Pro Forma Financial Information on the basis stated.

We performed those procedures that we deemed necessary in accordance with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagement. These procedures, which did not include an audit or a review of the financial information used as a basis to prepare the Pro Forma Financial Information, mainly consisted in ensuring that the information used to prepare the Pro Forma Financial Information was consistent with the underlying financial information, as described in the notes to the Pro Forma Financial Information, reviewing the evidence supporting the Pro Forma adjustments and conducting interviews with the management of the company to obtain the information and explanations that we deemed necessary.

In our opinion:

- the Pro Forma Financial Information has been properly compiled on the basis stated;
- that basis is consistent with the accounting policies of the company.

This report has been issued solely for the purposes of the filing of the annual financial report, and subsequently the universal registration document including this annual financial report with the French financial markets authority (*Autorité des Marchés Financiers* or "AMF") and cannot be used for any other purpose.

French original signed by

The Statutory Auditors

Paris La Défense and Paris, 06/28/24

**Forvis Mazars SA**

Bruno Pouget  
Partner

**Aca Nexia**

Sandrine Gimat  
Partner

# Company financial statements at 03/31/24

## Wavestone income statement

(in thousands of euros)

	03/31/24	03/31/23
<b>Revenue</b>	<b>486,484</b>	<b>421,678</b>
Operating subsidies	43	36
Reversals on provisions, impairment and transfer of expenses	4,751	3,449
Other operating income	9,482	22,976
<b>Total operating income</b>	<b>500,760</b>	<b>448,140</b>
Subcontracting purchases	35,342	98,927
Personnel expenses	316,561	228,458
Other operating expenses	55,138	52,341
Taxes and duties	8,315	7,698
Depreciation allowances, impairment and provisions	8,532	5,571
<b>Total operating expenses</b>	<b>423,889</b>	<b>392,995</b>
<b>Operating profit</b>	<b>76,871</b>	<b>55,144</b>
Financial income	13,405	3,627
Financial expenses	27,209	4,670
<b>Financial profit (loss)</b>	<b>(13,804)</b>	<b>(1,043)</b>
<b>Profit from continuing operations</b>	<b>63,067</b>	<b>54,101</b>
Non-recurring profit (loss)	157	642
<b>Company profit</b>	<b>63,225</b>	<b>54,743</b>
Equity interests	11,190	8,006
Income tax	19,407	14,350
<b>Net income</b>	<b>32,628</b>	<b>32,387</b>

**Assets**

<b>(in thousands of euros)</b>	<b>Gross</b>	<b>Depreciation/ Impairment</b>	<b>03/31/24 Net</b>	<b>03/31/23 Net</b>
Intangible assets	115,477	23,014	92,464	92,464
Tangible assets	17,711	11,263	6,448	7,296
Financial assets	518,278	19,309	498,970	127,252
<b>Fixed assets</b>	<b>651,467</b>	<b>53,585</b>	<b>597,881</b>	<b>227,012</b>
Trade receivables and related accounts	149,699	316	149,383	153,772
Other receivables and accruals	17,163	243	16,920	17,395
Trading securities	15,127	0	15,127	9,930
Liquid assets	24,054	0	24,054	53,136
<b>Current assets</b>	<b>206,044</b>	<b>559</b>	<b>205,485</b>	<b>234,233</b>
<b>Total assets</b>	<b>857,511</b>	<b>54,145</b>	<b>803,366</b>	<b>461,245</b>

**Liabilities**

<b>(in thousands of euros)</b>	<b>03/31/24</b>	<b>03/31/23</b>
Capital	623	505
Additional paid-in capital	265,579	11,365
Reserves and retained earnings	251,262	226,468
Profit	32,628	32,387
<b>Shareholders' equity</b>	<b>550,091</b>	<b>270,725</b>
Provisions	11,111	7,219
Bank borrowings	58,560	44,565
Trade payables and related accounts	24,348	21,859
Other debts and accruals	159,256	116,877
<b>Debt</b>	<b>242,164</b>	<b>183,301</b>
<b>Total liabilities</b>	<b>803,366</b>	<b>461,245</b>

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## 1. Overview

The fiscal year covers the 12-month period from 04/01/23 to 03/31/24.

These annual financial statements were approved by the Board of Directors on 06/03/24.

The financial statements are presented in thousands of euros.

The following notes and tables form an integral part of the annual financial statements.

## 2. Significant events in the fiscal year

### Combination with Q\_PERIOR

On 12/05/23, Wavestone acquired 100% of the shares issued by Q\_PERIOR Holding AG, excluding treasury shares, on an enterprise value basis of €330m, excluding an additional consideration, including €321.9m in the value of shareholders' equity (firm price) and €8.1m in adjusted net financial debt. This firm price may be supplemented by an additional consideration determined by Q\_PERIOR's adjusted normalized EBIT, calculated at 03/31/24. This additional consideration was estimated at €35m, i.e. the maximum amount stipulated in the Combination Agreement.

This transaction was financed at 79.0% of the firm price through the issue of 4,709,840 new Wavestone shares. These new Wavestone shares are now held by Q\_PERIOR shareholders who are appointed Wavestone shareholders on the same day. The remaining amount of the firm price and the additional consideration are financed in cash from Wavestone's available resources.

Q\_PERIOR is a German consulting firm, owned by its founders, managers and Partners. It is one of the consultancy leaders in the German-speaking market (Germany, Switzerland and Austria). Q\_PERIOR supports its clients' transformation by drawing on leading business and technological expertise, such as core business processes, digitization and SAP.

As of 03/31/23, Q\_PERIOR had 1,410 employees. The firm has offices in eight German cities and 11 countries worldwide, with a strong presence in Europe, particularly in Germany, Switzerland, Austria and the United Kingdom, as well as in North America.

As of 12/31/22, Q\_PERIOR had generated consolidated revenue of €285m, up 21%, with EBIT margin of 8.1%<sup>(1)</sup>.

### Capital increase

On 12/05/23, Wavestone completed the capital increase for a nominal amount of €118k through the issue of 4,709,840 new shares, issued as consideration of the contribution of shares in Q\_PERIOR Holding AG, and allocated to the contributing shareholders. The difference between the actual value of the contribution and the nominal amount of the capital increase represents a contribution premium for a total amount of €254,214k.

Following completion of the transaction, Wavestone's share capital now comprises 24,906,332 shares.

### Recapitalization of Wavestone US

In a decision made on 01/15/24, Wavestone SA subscribed to the capital increase of Wavestone US for a total amount of €20,803k (\$22,769k). This transaction was completed through the issue of 61 new shares with a nominal value of \$1.

On 02/27/24, Wavestone SA implemented a recapitalization. This transaction was carried out via a €28,742k capital increase (\$31,203k), to meet the firm's cash receivables due.

Following completion of the two transactions, equity investments of Wavestone US were valued at €70,833k.

### Ukraine conflict and macroeconomic conditions

The company did not report any direct material impacts from the wars in Ukraine and the Middle East considering that it does not operate in these markets. The effects of the current inflationary pressures, coupled with the additional indirect impact of global conflicts—particularly rising energy costs—were factored into impairment tests, but did not result in the recognition of any additional impairment.

(1) Based on German accounting standards

### 3. Accounting rules and methods

#### 3.1. Accounting standards

The financial statements at 03/31/24 were prepared in accordance with Regulation 2014-03 of the ANC (*Autorité des Normes Comptables*, the French accounting standards board) and its subsequent opinions and recommendations.

The accounting policies have been applied fairly in accordance with the principle of prudence and with the basic assumptions of:

- going concern;
- consistency of accounting methods from one fiscal year to the next; and
- periodicity;
- they have also been applied in accordance with the general rules governing the preparation and presentation of the annual financial statements.

The basic method used to value the items booked in the financial statements is the historical cost method.

#### 3.2. Intangible and tangible assets

Intangible assets are measured at acquisition cost (purchase price plus ancillary expenses, excluding fixed-asset acquisition costs).

Tangible assets (property, plant and equipment) are measured either at acquisition cost (purchase price plus ancillary expenses, excluding fixed-asset acquisition costs) or at production cost.

The depreciation periods applied to purchases are as follows:

- software: 3-5 years;
- fixtures and fittings: 9 years;
- IT equipment: 3 years, extended to 5, effective from the fiscal year ending 03/31/24, in accordance with Wavestone SA's renewal policy;
- office furniture: 9 years.

Depreciation is calculated using the straight-line method.

#### Goodwill

The goodwill valuation is monitored over time. In the event of another-than-temporary impairment, a provision is written for loss in value.

This item also includes merger losses (*mali de fusion*), which represent the negative goodwill (or "badwill") between the net assets received from the subsidiary whose assets were all transferred, and the book value of the investment.

Due to the legal and operational restructuring of various practices in recent years, merger losses and badwill can only be monitored as a whole, and have been grouped as a single accounting entry.

The entry into force of new accounting rules introduced in Regulations 2015-06 and 2015-07 did not result in the amortization of goodwill with an indefinite useful life.

#### 3.3. Investments, other long-term securities and marketable securities

Gross value equals acquisition cost excluding ancillary expenses. When the balance sheet value is less than the gross value, an impairment is booked for the amount of the difference.

#### Equity investments

Equity investments are carried at their historical cost on the balance sheet. Where applicable, they are written down to their value-in-use at the end of the fiscal year. Value-in-use is measured using a set of criteria, such as the equity share of the company concerned, its profitability, its cash flows and its future prospects.

Securities acquisition costs are not capitalized.

Impairment tests are conducted using the discounted future cash flow method. Cash flows are determined on the basis of projections for a five-year period, and a perpetual growth rate assumption thereafter. The cash flows derived from these estimates are then discounted. If necessary, the five-year horizon may be shortened, but only if that simplification has no impact on the outcome of the impairment test.

These tests are based on the following key assumptions:

- a perpetual growth rate of 2%, a level deemed reasonable in light of past performances observed in the management and IT services consulting sector;
- a discount rate of 10.5% after tax determined by an independent appraiser. This rate factors in a 10-year risk-free rate, a market risk premium, the beta observed for comparable listed companies (including Wavestone) and a company-specific risk premium.

#### Treasury stock

Treasury shares are classified as long-term securities and are used for:

- external growth operations, as payment, or for exchange purposes to finance acquisitions;
- liquidity transactions (liquidity contracts);
- free share allocation plans.



### 3.4. Receivables

Receivables are measured at their nominal value. An impairment is recognized when their balance sheet value is less than their carrying value.

### 3.5. Foreign currency transactions

#### Revenue

Sales denominated in foreign currencies are translated into euros at the exchange rate on the sale date. The impact of hedging is, where applicable, recognized in the same revenue account (see 3.8).

#### Trade payables and receivables, and cash and cash equivalents

Payables, receivables, and cash and cash equivalents denominated in foreign currencies are translated at the end of the fiscal year at their closing exchange rate.

Translation differences resulting from the remeasurement of receivables and payables in foreign currencies at the closing exchange rate are recorded under "Translation adjustments" on the assets side of the balance sheet when there is an unrealized loss, and under "Translation adjustments" on the liabilities side of the balance sheet when there is an unrealized gain. A provision equal to the unhedged risk is booked for translation adjustments recorded on the assets side of the balance sheet.

Translation adjustments resulting from the remeasurement of cash and cash equivalents are carried on the income statement, unless the cash and cash equivalents are part of a hedging relationship (hedged item or hedging item). If that is the case, the translation adjustments are recorded on the balance sheet and follow hedge accounting principles (see 3.8).

Translation adjustments for trade payables and receivables (provisioned or realized) are recognized under operating income. Translation adjustments for financial payables and receivables (provisioned or realized) are recognized under financial income.

### 3.6. Retirement benefits

Obligations resulting from defined-benefit plans are measured on the basis of the projected unit credit method by independent actuaries.

These benefits are not recognized but are noted under off-balance sheet commitments.

Retirement benefits are based on the following assumptions:

- application of the collective bargaining agreement covering consulting firms (Syntec No. 3018);
- staff turnover rate: 15%, i.e. the same as the assumption applied at 03/31/23;
- TGHF 2005 mortality table with extension of age brackets to take into account the longer life expectancy of younger generations;
- salary increases: 2.20%, stable compared with 03/31/23;
- payroll tax rate: 45%;
- discount rate: 3.30% versus 3.60% as of 03/31/23;

- retirement age: 66, versus 65 as of 03/31/23;
- voluntary departure.

#### Retirement reform plan

Introduced by the French Law of 03/14/23, the reform stipulates a gradual increase in the legal retirement age from 62 to 64, with an extended contribution period in order to qualify for the full-rate pension.

This reform has no impact due to the calculation assumptions applied.

### 3.7. Regulated provisions

None.

### 3.8. Financial instruments

#### Hedging instruments

Hedge accounting principles are applied when a hedging relationship has been identified and documented. The impacts of the financial instruments used by Wavestone SA to hedge and manage its currency and interest rate risks are matched with those of the hedged item for the purposes of recognition in the income statement.

Income from currency derivatives that hedge sales in foreign currencies and the resulting receivables is therefore:

- partially recognized when invoiced and classified in the "Revenue" line (see 3.5);
- partially recognized when collected and classified in the "Other expenses" and "Other income" line.

Premiums/discounts on currency derivatives are recognized over the life of the hedge and classified under financial income.

Changes in the value of derivatives are not recognized on the balance sheet, except to apply the income matching principle.

Impairments and provisions for risks relating to a hedged item factor in the impacts of hedging.

If the hedged item no longer exists, the hedging instrument is treated as an open position.

### 3.9. Revenue recognition and partially completed transactions at the end of the fiscal year

Revenue is recognized according to the type of contract entered into with the client:

#### 3.9.1. Time-based services contracts

The revenue from these services is recognized as the service is rendered. Revenue is calculated on the basis of the contracted selling price and the number of billable hours spent. Unbilled receivables and deferred income are recognized when the invoicing does not reflect the actual progress of work.

#### 3.9.2. Fixed-price services contracts

Revenue generated on fixed-price services contracts is recognized as the work progresses based on costs incurred and

future costs. A provision for loss on completion is written on a contract-by-contract basis when a loss is expected. Unbilled receivables and deferred income are recognized when the invoicing does not reflect the actual progress of work.

### 3.9.3. Subscription services

Revenue from subscription services is recognized on a prorated basis over the term of the contract. Unbilled receivables and deferred income are recognized when the invoicing does not reflect the prorated amounts.

### 3.9.4. Contracting costs

In the consulting sector, contracting costs are extremely marginal and generally do not require external expenditure. Moreover, assignments last less than a year on average.

### 3.10. Change in method

None.

## 4. Notes relative to certain income statement and balance sheet items

As a reminder, Wavestone Advisors was the subject of a universal transfer of assets for the benefit of Wavestone SA on 12/31/22. As a result, it contributed to the profit of Wavestone SA for the year ended 03/31/23 in respect of the closing quarter only.

### Note 1. Breakdown of revenue

Wavestone specializes in the specific market segment of management and information systems consulting. Since all these services are subject to the same risks and generate similar levels of profitability, company revenue is not broken down by business line.

The majority of Wavestone's revenue is generated in France.

### Note 2. Average workforce

	<b>Personnel employees</b>
Managers	3,621
Employees, technicians and supervisors	77
<b>Total</b>	<b>3,698</b>

The average workforce is calculated on a full-time equivalent (FTE) basis.

### Note 3. Compensation paid to management and supervisory bodies

<b>Compensation paid to management</b>	<b>03/31/24</b>	<b>03/31/23</b>
Compensation of members of the Board of Directors	1,291	571
Compensation of Management Board members	-	351
Compensation of Supervisory Board members	-	185
<b>Total</b>	<b>1,291</b>	<b>1,108</b>

The members of the above-mentioned bodies are not entitled to any pensions or similar benefits for the performance of these duties.

No loans or advances were granted by the firm's companies to the members of the Board of Directors.

**Note 4. Non-recurring expenses and income**

<b>Non-recurring expenses</b>	<b>Value</b>
Shortfall on treasury share buybacks	1,094
Other non-recurring expenses	220
<b>Total</b>	<b>1,314</b>

<b>Non-recurring income</b>	<b>Value</b>
Gains on treasury share buybacks	383
Other non-recurring income	184
Transfer to personnel expenses of the cost of bonus share grants	904
<b>Total</b>	<b>1,471</b>

**Note 5. Breakdown of taxes**

	<b>Profit before tax</b>	<b>Tax</b>	<b>Profit after tax</b>
Current tax, after profit-sharing	51,878	(21,236)	30,642
Non-recurring			
• <i>o/w short-term</i>	157	(41)	117
• <i>o/w long-term</i>	-	-	-
Tax credits		1,870	1,870
<b>Net income</b>			<b>32,628</b>

Tax credits mainly concern the French research tax credit for 2023/24 in the amount of €1,373k.

**Note 6. Goodwill**

<b>Goodwill</b>	<b>Gross value</b>	<b>Gross value</b>
Items received in contribution / merger	110,745	90,573
Items acquired	1,860	1,860
<b>Total</b>	<b>112,605</b>	<b>92,434</b>

Goodwill, monitored as a whole, is subject to an impairment test conducted on the basis of the discounted future cash flow method. The impairment test carried out confirmed no impairment over the period.

**Note 7. Fixed assets**

	Gross value at start of fiscal year	Increases			Gross value at end of fiscal year
		Mergers/ contributions	Acquisitions	Decreases	
<b>Intangible assets</b>					
Goodwill	112,605	-	-	-	112,605
Licenses and software	2,872	-	-	-	2,872
Intangible assets in progress	-	-	-	-	-
<b>Total</b>	<b>115,477</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>115,477</b>
<b>Tangible assets</b>					
Fixtures and fittings	12,838	-	413	169	13,082
Office and computer equipment, furniture	3,666	-	1,001	38	4,629
Tangible assets in progress	32	-	-	32	-
<b>Total</b>	<b>16,536</b>	<b>-</b>	<b>1,414</b>	<b>239</b>	<b>17,711</b>
<b>Financial assets</b>					
Other investments	48,989	-	406,468	-	455,458
Receivables from controlled entities	75,959	-	19,310	34,877	60,392
Other long-term securities	853	-	5,042	4,885	1,010
Loans and other financial assets	1,473	-	90	145	1,418
<b>Total</b>	<b>127,274</b>	<b>-</b>	<b>430,910</b>	<b>39,906</b>	<b>518,278</b>
<b>Total fixed assets</b>	<b>259,287</b>	<b>-</b>	<b>432,324</b>	<b>40,145</b>	<b>651,466</b>

The gross value of goodwill is detailed in note 6.

The decreases in fixed assets under construction mainly relate to the activation of the corresponding assets.

The increase in the "Other investments" item is explained by the acquisition of the shares of Q\_PERIOR Holding AG on 12/05/23 for an amount of €356,923k (of which €67,592k in cash, €254,331k per capital increase, plus €35,000 of earn-out) and by the recapitalisation operations of Wavestone US for an amount of €49,546k. These operations are described in the significant events.

Equity investments, monitored as a whole, are subject to an impairment test conducted on the basis of the discounted future cash-flow method. The impairment test carried out confirmed no impairment over the period, with the exception of Wavestone US.

Factoring in the five-year operating forecasts for Wavestone US, and the resulting enterprise value, this subsidiary's equity investments were written down by €19,300k to €51,533k.

**Note 8. Depreciation and amortization**

	Value at start of fiscal year	Increases			Decreases Write-backs	Value at end of fiscal year
		Mergers/ contributions	Provisions			
<b>Intangible assets</b>						
Goodwill	3,603	-	-	-	-	3,603
Licenses and software	2,832	-	-	-	-	2,832
<b>Total</b>	<b>6,435</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,435</b>
<b>Tangible assets</b>						
Fixtures and fittings	7,386	-	1,457	105	-	8,738
Office and computer equipment, furniture	1,854	-	703	33	-	2,525
<b>Total</b>	<b>9,240</b>	<b>-</b>	<b>2,161</b>	<b>138</b>	<b>-</b>	<b>11,263</b>
<b>Total amortization</b>	<b>15,675</b>	<b>-</b>	<b>2,161</b>	<b>138</b>	<b>-</b>	<b>17,698</b>

All fixed assets are depreciated using the straight-line method.

**Note 9. Treasury stock**

	Number of shares				At end of the year
	At start of the year	Purchased during the year	Sold during the year	Transferred during fiscal year <sup>(1)</sup>	
Treasury stock	244,883	208,245	98,590	33,843	320,695

(1) O/w free allocation for 33,843 shares.

The gross value of treasury stock held at 03/31/24 was €16,138k. This breaks down into treasury shares held for:

- external growth: €0k;
- liquidity transactions: €1,010k;
- free share allocation: €15,127k.

The net value of treasury stock at 03/31/24 was €16,129k.

**Note 10. Maturities of trade receivables and payables**

<b>Receivables</b>	<b>Gross value</b>	<b>&lt; 1 year</b>	<b>&gt; 1 year</b>
<b>Of fixed assets</b>			
Other financial assets	61,810	-	61,810
<b>Of current assets</b>			
Trade receivables and related accounts	149,699	149,699	-
Social security receivables	423	423	-
Tax receivables	5,825	5,559	267
Firm and associates	4,184	-	4,184
Other debtors	825	825	-
Prepaid expenses	3,479	3,479	-
<b>Total</b>	<b>226,246</b>	<b>159,985</b>	<b>66,261</b>

<b>Debt</b>	<b>Gross value</b>	<b>&lt; 1 year</b>	<b>1 &gt; 5 years</b>	<b>&gt; 5 years</b>
Bond-related debt <sup>(1)</sup>	-	-	-	-
Bank borrowings <1 year when contracted <sup>(1)</sup>	53	53	-	-
Bank borrowings >1 year when contracted <sup>(1)</sup>	58,531	5,790	41,709	11,032
Other borrowings and financial debt <sup>(1)</sup>	-	-	-	-
Trade payables and related accounts	24,348	24,348	-	-
Social security debt	59,762	59,762	-	-
Tax liabilities	38,900	38,462	438	-
Debts on assets and related accounts	507	507	-	-
Firm and associates	1,854	-	-	1,854
Other debt	43,982	43,982	-	-
Deferred income	12,604	12,604	-	-
<b>Total</b>	<b>240,540</b>	<b>185,507</b>	<b>42,147</b>	<b>12,886</b>

(1) Of which borrowings contracted during the fiscal year: €19,700k.  
Of which borrowings repaid during the fiscal year: €5,642k.

The item "Other debts" includes notably the earn-out for the Q\_PERIOR acquisition for an amount of €35,000.

**Note 11. Accrued income**

<b>Accrued income included in the following financial position statement items</b>	<b>03/31/24</b>	<b>03/31/23</b>
Receivables from controlled entities	141	140
Trade receivables and related accounts	43,136	55,120
Other receivables	873	677
Liquid assets	210	72
<b>Total</b>	<b>44,360</b>	<b>56,009</b>

**Note 12. Accrued expenses**

<b>Accrued expenses included in the following financial position statement items</b>	<b>03/31/24</b>	<b>03/31/23</b>
Bank borrowings and debt	177	240
Trade payables and related accounts	16,043	13,944
Tax and social security liabilities	50,854	46,084
Other debt	8,106	7,387
<b>Total</b>	<b>75,180</b>	<b>67,655</b>

Effective from the 2023/24 fiscal year, Wavestone decided to categorize provisions for employer contributions in respect of bonus share allocations under "tax and social security liabilities," in order to adopt a uniform treatment with the presentation under personnel expenses. These amounted to €1,365k at 03/31/24, compared with €679k at 03/31/23.

**Note 13. Deferred income and prepaid expenses**

The €12,604k in deferred income relates solely to operating income, and the €3,479k in prepaid expenses relates exclusively to operating expenses.

**Note 14. Measurement differences of marketable securities**

None.

**Note 15. Breakdown of share capital**

<b>Ordinary shares</b>	<b>Number of shares</b>	<b>(in euros)</b>	
		<b>Nominal value</b>	<b>Share capital</b>
At 03/31/23	20,196,492	0.025	504,912.30
Capital increase	4,709,840	0.025	117,746.00
<b>At 03/31/24</b>	<b>24,906,332</b>	<b>0.025</b>	<b>622,658.30</b>

There were no stock option plans in place at 03/31/24. The capital increase transaction completed on 12/05/23 is presented in significant events of the fiscal year.

**Note 16. Change in shareholders' equity**

	<b>Share capital</b>	<b>Premiums</b>	<b>Reserves and retained earnings</b>	<b>Profit for the fiscal year</b>	<b>Total</b>
<b>At 03/31/23</b>	<b>505</b>	<b>11,365</b>	<b>226,468</b>	<b>32,387</b>	<b>270,725</b>
Appropriation of profit	-	-	24,806	(24,806)	-
Dividends	-	-	(11)	(7,582)	(7,593)
Capital increase	118	254,214	-	-	254,331
Profit for the fiscal year	-	-	-	32,628	32,628
<b>At 03/31/24</b>	<b>623</b>	<b>265,579</b>	<b>251,262</b>	<b>32,628</b>	<b>550,091</b>

**Note 17. Provisions and impairment**

	Value at start of fiscal year	Increases		Decreases Write-backs	Value at end of fiscal year
		Mergers/ contributions	Provisions		
<b>Provisions<sup>(1)</sup></b>					
Disputes	2,634	-	1,009	681	2,962
Fines and penalties	-	-	-	-	-
Other provisions <sup>(2)</sup>	4,585	-	5,360	1,797	8,148
<b>Total</b>	<b>7,219</b>	<b>-</b>	<b>6,369</b>	<b>2,478</b>	<b>11,111</b>
<b>Depreciation</b>					
Intangible assets	16,579	-	-	-	16,579
Tangible assets	-	-	-	-	-
Equity investments	-	-	19,300	-	19,300
Other financial assets	22	-	9	22	9
Trade receivables	672	-	4	360	316
Other depreciation	397	-	1	156	243
<b>Total</b>	<b>17,670</b>	<b>-</b>	<b>19,314</b>	<b>537</b>	<b>36,447</b>
<b>Grand total</b>	<b>24,889</b>	<b>-</b>	<b>25,683</b>	<b>3,015</b>	<b>47,557</b>
O/w appropriations and write-backs					
• operating			6,372	2,640	
• financial			19,312	375	
• non-recurring			-	-	

(1) Write-back of €1,828k provision for risk and liabilities.

(2) Mainly concerning a provision for free share allocation.

Effective from the 2023/24 fiscal year, Wavestone decided to categorize provisions for employer contributions in respect of bonus share allocations under “tax and social security liabilities”, in order to adopt a uniform treatment with the presentation under personnel expenses. The provision booked at the start of the fiscal year was reversed in the amount of €679k.

**Provision for annual paid leave (Paid Time Off – PTO) in the event of non-occupational illness**

In a decision made on 09/13/23 and pursuant to European regulations, the judges of the French Supreme Court (*Cour de cassation*) challenged the provisions of the French Labor Code (*Code du travail*) regarding annual paid leave entitlement during periods where the employment contract is suspended due to non-occupational illness and accidents lasting more than one year. On 03/11/24, the French Council of State (*Conseil d'Etat*) issued an opinion forming the basis for future legislative changes. The French Labor Code was subsequently amended as part of proposed French Law No. 2024-364 concerning various provisions for adapting to European Union legislation (law on various provisions adapting to European Union law in economic and financial matters – “DDADUE”), as adopted on 04/10/24 by France’s

National Assembly and published in the country’s Official Gazette (*Journal Officiel*) on 04/22/24.

This arrangement entitles employees to two (2) working days of annual paid leave per month during periods of absence, i.e. a minimum four (4) weeks (24 days) of annual paid leave as guaranteed by European law. It stipulates a 15-month deferral period for employees unable to take their annual paid leave due to stopping work through an illness or accident, effective from the time they notify their employer following a return to work, or at the end of the annual paid leave entitlement period assuming that, on that date, their absence through illness or accident lasted at least one (1) year.

The statute of limitations is as follows:

- the three-year statute of limitations that applies to salaries for employees who left the company;
- retroactive effects since 12/01/09 for employees still contracted with the company.

In response to the above scenarios, Wavestone estimated the likely outflow of resources with the number of days of recoverable annual paid leave capped at 40 days per employee.



For employees who left the company, the provision was valued at €270k based on work stoppages over the last three calendar years, i.e. since 2021.

For employees still contracted to the company, the provision was valued at €433k based on work stoppages since 2015.

This resulted in a provision of €704k as of 03/31/24.

### Free share allotment plans

At 03/31/24, the Wavestone group had several free share plans.

Beneficiaries must remain employees of the firm until the final allotment date.

Details of the free share allotment plans are set out below:

Name of plan	Initial allocation date	Final acquisition date	Initial quantity of shares	Initial number of beneficiaries	Fair value of shares allocated
Plan Key People No. 15	07/06/21	07/06/24	55,499	19	2,138
Employee Plan No. 16	07/06/22	07/06/24	60,322	1,521	2,217
Plan Key People No. 16	07/06/22	07/06/25	57,135	15	2,363
International Plan for Everyone No. 2	07/06/22	07/06/24	9,036	98	332
Employee Plan No. 17	07/05/23	07/05/25	57,234	1,596	2,381
International Plan for Everyone No. 3	07/05/23	07/05/25	9,033	104	376
Plan Key People No. 17	07/05/23	07/05/26	53,856	16	2,520

During the past fiscal year, Wavestone granted the following free shares:

#### Final allotment under the 07/06/21 plan: ("Employee Plan No. 15")

On 07/06/21, a free share allocation plan ("Employee Plan No. 15") was set up as part of the firm's employee savings plan. "Employee Plan No. 15" is for Wavestone's employees, depending on the employee savings plan option they have selected.

This plan had a vesting period of twenty-four (24) months and expired on 07/06/23.

The initial allotment was up to 38,699 shares. In accordance with the conditions of the plan, 28,722 shares were fully acquired by 873 employees at the end of the vesting period.

The shares delivered under the "Employee Plan No. 15" are existing shares previously acquired by the company during a share buy-back plan.

#### Final allotment under the 10/15/21 plan ("International Plan for Everyone No. 1")

On 10/15/21, a free share allocation plan ("International Plan for Everyone No. 1") was set up as part of the firm's employee savings scheme. "International Plan for Everyone No. 1" is for the employees of Wavestone's foreign subsidiaries who have signed up to the Wavestone Shares FCPE (collective employee shareholding fund) or for registered Wavestone shares as part of the 2023 international employee shareholding plan.

The vesting period of "International Plan for Everyone No. 1", which was twenty-four (24) months, expired on 10/15/23.

The initial allotment was up to 6,052 shares. In accordance with the conditions of the plan, 5,121 shares were fully acquired by 78 employees at the end of the vesting period.

The shares delivered under the "International Plan for Everyone No. 1" are existing shares previously acquired by the company during a specific share buy-back program.

Furthermore, upon authorization of the Annual General Meeting, the Board of Directors decided, at its meeting on 05/31/23, to implement the plans presented hereafter.

#### Initial allotment under the 07/05/23 plan ("Employee Plan No. 17")

The Board of Directors of 05/31/23 set up a free share allocation plan ("Employee Plan No. 17") as part of the firm's employee savings plan. "Employee Plan No. 17" is for Wavestone's employees, depending on the employee savings plan option they have selected.

At initial allotment, the number of beneficiaries was 1,596 and the number of Wavestone shares available (to people meeting the plan's conditions by the end of the 24-month vesting period) was 57,234 or 0.28% of Wavestone equity at 07/05/23.

**Initial allotment under the 07/05/23 plan  
("International Plan for Everyone No. 3")**

The Board of Directors of 05/31/23 set up a free share allocation plan ("International Plan for Everyone No. 3"). "International Plan for Everyone No. 3" is for the employees of Wavestone's foreign subsidiaries who signed up to the Wavestone Shares FCPE (collective employee shareholding fund) or for registered Wavestone shares as part of the 2023 international employee shareholding program.

At initial allotment, the number of beneficiaries was 104 and the number of Wavestone shares available (to people meeting the plan's conditions by the end of the 24-month vesting period) was 9,033 or 0.04% of Wavestone equity at 07/05/23.

**Initial allotment under the 07/05/23 plan  
("Key People Plan No. 17")**

The Board of Directors of 05/31/23 set up a free share allocation plan ("Key People Plan No. 17"). "Key People Plan No. 17" is for key Wavestone employees designated by the Board of Directors at the recommendation of the Compensation and Nomination Committee.

The final allotment of those free shares is conditional on the beneficiary's personal investment in Wavestone shares, and on the achievement of a performance criterion relating to the firm's consolidated current operating income.

At initial allotment, the number of beneficiaries was 16 and the number of Wavestone shares available (to people meeting the plan's conditions by the end of the 36-month vesting period) was 53,856 or 0.27% of Wavestone equity at 07/05/23.

**Note 18. Increases and decreases in future tax liabilities**

<b>Increase in future tax liabilities</b>	<b>Value (base)</b>
Regulated provisions	-
Other	466
<b>Total</b>	<b>466</b>
<b>Relief on future tax liabilities</b>	<b>Value (base)</b>
<b>Provisions not deductible in the year recognized</b>	
Employee profit-sharing	11,190
Social welfare contributions	201
<b>Other</b>	
Subsidiary acquisition costs	7,810
Provisions for risks and charges	759
Impairment of fixed assets	-
Impairment of receivables	1
Unrealized gains on marketable securities	-
Translation gains or losses on liabilities	535
<b>Total</b>	<b>20,497</b>
Deferred losses	386
Long-term capital losses	-

**Note 19. Hedging instruments****Interest rate hedges**

Bank borrowings in the amount of €95,000k on the guarantee date are hedged by two rate caps.

		<u>03/31/24</u>	
	<u>Maturity</u>	<u>Nominal value</u>	<u>Market value</u>
<b>Bank loans</b>			
Interest rate option	06/26/24	15,000	138
Interest rate option	06/17/24	5,752	0
<b>Subsidiaries' loans</b>			
None			

**Currency risk hedges**

In order to hedge its exposure to foreign exchange risk on its loans and current accounts denominated in foreign currencies, Wavestone has entered into forward exchange contracts and currency swaps.

The GBP 51,520k Wavestone Advisors UK securities are GBP 36,000k hedged with a cross-currency swap.

			<u>03/31/24</u>	
	<u>Currency</u>	<u>Maturity</u>	<u>Nominal value</u>	<u>Market value</u>
<b>Business operations</b>				
None				
<b>Subsidiaries' current accounts</b>				
None				
<b>Subsidiaries' loans</b>				
Cross-currency swap	GBP / EUR	09/20/27	41,638	(858)
<b>Subsidiaries' securities</b>				
None				

At 03/31/24, Wavestone did not hold any derivatives not designated as hedges (no open positions).

**Note 20. Off-balance sheet commitments**

Commitments given and received are presented in the below tables, with the exception of those relating to hedging instruments presented in note 19.

	Total value	< 1 year	1 > 5 years	> 5 years
<b>Commitments given</b>				
Guarantees and sureties	13,039	1,575	6,039	5,425
Pledges	-	-	-	-
Pension commitments	13,614	-	-	13,614
Lease commitments	-	-	-	-
Financial lease agreements <sup>(1)</sup>	16,144	8,555	7,084	505
<b>Total</b>	<b>42,798</b>	<b>10,131</b>	<b>13,123</b>	<b>19,544</b>
<b>Commitments received</b>				
Guarantees and sureties	5	5	-	-
Undrawn credit lines <sup>(2)</sup>	139,175	-	139,175	-
Liability guarantees <sup>(3)</sup>	38,272	43	38,229	-
<b>Total</b>	<b>177,452</b>	<b>48</b>	<b>177,404</b>	<b>-</b>

(1) Future payment commitments consist of contractual commitments on rents. The duration of leases taken into account is the shortest possible period to the expiry of the various lease contracts.

Following an assessment of the impacts of IFRS 16 on the preparation of the group's consolidated financial statements, for real estate leases that provide for the possibility of exit after 3, 6 or 9 years, the firm's management assumes that this option will not be exercised.

In the interests of consistency with the consolidated financial statements, the corresponding property rental commitments, previously limited by this possible exit date, are therefore included in the above table until the end of the 9-year period.

(2) Loan agreements also enabled Wavestone to request an unconfirmed credit facility for a maximum amount of €70,000k for external growth transactions.

(3) The liability guarantees were received in connection with the acquisitions of companies carried out during the 2018/19, 2021/22, 2022/23 and 2023/24 fiscal years. They include escrow accounts for €955k, and the Q\_PERIOR acquisition, with a guarantee facility presented below.

**Q\_PERIOR assets and liabilities guarantee facility**

The assets and liabilities guarantee granted by all of the shareholders of Q\_PERIOR amounts to €30,000k until the second anniversary of the date of completion of the transaction. It then declines until the fourth anniversary of the date of completion of the transaction;

As a counter-guarantee for the commitments made by all Q\_PERIOR shareholders under the assets and liabilities guarantee, group 7B (the seven main Q\_PERIOR shareholders) agreed to establish a trust with IQ-EQ Management (the Trustee) which will benefit Wavestone and transfer the following on the date the acquisition is completed:

- €15,000k in cash and;
- 1,388,889 Wavestone shares (i.e. a portion of the new Wavestone shares received by group 7B in consideration for their contribution), valued at €77,917k at the closing share price.

The trust will have a term of four years from the date of completion of the Acquisition (increased, where applicable, by the term of any outstanding claims, up to a maximum of fifteen (15) years from the date of completion of the transaction).

The trustee will release to group 7B, over subsequent years, a number of shares, followed by a proportion of the cash held in the trust, as agreed by the parties, in correlation with the cap on the guarantee facility.

In addition to the guarantee facility, Wavestone took out an assets and liabilities guarantee insurance policy for €35,000k.

**Note 21. Information on subsidiaries and equity interests**

	Holding (%)	Capital	Other shareholders' equity	Profit reported at the end of the fiscal year
<b>Subsidiaries</b>				
<b>Wavestone Advisors UK</b> 29-30 (1 <sup>st</sup> floor) Cornhill EC3V 3NF, London, United Kingdom	100	4	11,412	(2,447)
<b>Wavestone Switzerland</b> 1 place de Pont Rouge 1212 Grand-Lancy, Geneva, Switzerland	100	102	1,968	1,179
<b>Wavestone US</b> 600 North Second Street, Harrisburg, PA 17101, USA	100	0	68,265	(1,342)
<b>Wavestone Luxembourg</b> 10 rue du Château d'Eau 3364 Leudelange, Luxembourg	100	31	2,075	661
<b>Wavestone Belgium</b> 6 avenue des Arts 1210 Bruxelles, Belgium	100	62	767	503
<b>Wavestone Advisors Maroc</b> Tour Capital Tower Angle Main street et Boulevard Moulay Abdellah Bencherif 20100 Casablanca, Morocco	100	202	741	(139)
<b>Wavestone Hong Kong</b> 21/F, On Building 162 Queen's Road Central Terrace Central, Hong Kong	100	71	338	494
<b>why innovation! Pte. Ltd.</b> 380 Jalan Besar #08-06/07 ARC 380 209000, Singapore	100	425	1,330	143
<b>why academy! Pte. Ltd.</b> 380 Jalan Besar #08-06/07 ARC 380 209000, Singapore	100	0	(4)	(13)
<b>Q_PERIOR Holding AG</b> Leopoldstraße 28a, 80802 München, Germany	99	1,428	(10,746)	17,897
<b>Equity interests</b>				
None				

<b>Comprehensive information</b>	<b>Gross value of shares</b>	<b>Net value of shares</b>	<b>Advances, loans and current accounts</b>	<b>Dividends paid</b>
<b>Subsidiaries</b>				
French	-	-	-	-
Foreign	455,428	436,128	60,566	1,948
<b>Equity interests</b>				
None				

**Note 22. Related-party transactions**

<b>Type of transaction</b>	<b>Transaction amount</b>	<b>Name of related party</b>	<b>Type of relationship</b>
<b>Revenue</b>			
Supply Chain IT diagnostic services for InterParfums	36	Marie-Ange Verdickt	Member of the Board of Directors
<b>External expenses</b>			
Recruitment fees for Michael Page France and PageGroup France	(223)	Marlène Ribeiro	Member of the Board of Directors

**Note 23. Subsequent events****Dividend distribution**

Wavestone will submit a proposal for a total dividend payout of €9,343k (equivalent to €0.38 per share) for shareholder approval at the Annual General Meeting called to approve the company's financial statements for the fiscal year ended 03/31/24.

**Loan agreement: renegotiation of Corporate Social Responsibility (CSR) performance criteria**

In the addendum to the loan agreement signed on 12/14/22, Wavestone committed to renegotiating CSR performance criteria. An addendum was signed on 05/15/24 to honor this commitment.

On the back of this renegotiation, the firm strengthened the link between its financing and CSR performance. Transitioning from a margin bonus system for achieving CSR criteria to a more restrictive bonus/penalty mechanism ("Sustainability-Linked Loan").

As part of this renegotiation, the firm reviewed the indicators and associated targets for the 2024/25 fiscal year. In the 2024/25 fiscal year, note that these indicators will be calculated on the basis of the firm's initial scope (excluding acquisitions made during the 2023/24 fiscal year).

The firm is also committed to redefining its CSR indicators and associated targets during the 2024/25 fiscal year, for use from the 2025/26 fiscal year onwards. These will be calculated on a scope that takes into account Q\_PERIOR and Aspirant acquisitions made in the 2023/24 fiscal year.

Wavestone's Sustainability Auditor is responsible for certifying the value of CSR indicators on an annual basis.

# Statutory Auditors' Report on the financial statements - For the year ended 03/31/24

*This is a translation into English of the Statutory Auditors' report on the financial statements of the company issued in French and it is provided solely for the convenience of English-speaking users.*

*This Statutory Auditors' report includes information required by European regulation and French law, such as information about the appointment of the Statutory Auditors or verification of the management report and other documents provided to shareholders.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France*

To the Wavestone Shareholders' Meeting,

## Opinion

In compliance with the engagement entrusted to us by your Shareholders' Meetings, we have audited the accompanying financial statements of Wavestone for the year ended 03/31/24.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the company as of 03/31/24 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

## Basis for Opinion

### Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors Responsibilities for the Audit of the Financial Statements' section" of our report.

### Independence

We conducted our audit engagement in compliance with independence requirements of rules required by the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from 04/01/23 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5, paragraph 1 of Regulation (EU) No. 537/2014.

## Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

**Valuation of equity investments and receivables from controlled subsidiaries (section 3.3 "Investments, other long-term securities and marketable securities" and section 3.2 "Tangibles and intangibles assets" in section 3 to the company financial statements, "Rules and accounting methods"; note 6 "Goodwill" and note 7 "Fixed assets" in section 4 to the company financial statements "Notes relatives to certain income statement and balance sheet items")**

**Risk identified:** In recent years, the company has continued to expand through numerous targeted acquisitions, in various countries, and across all its activities. Universal asset transfers of acquired companies were implemented.

As described in notes 3.3 and note 7 in section 4 of the company financial statements, equity investments and receivables from controlled entities recorded in assets for a net book value of €497 million represent 62% of total assets as of 03/31/24. They are initially recognized at acquisition cost, less any expenses relating to the acquisition.

The commercial goodwill booked as assets at a net book value of €92 million represented 11% of the balance sheet total at 03/31/24. They include merger losses, which represent the negative difference between the net assets received from subsidiaries involved in a universal transfer of assets and liabilities, and the book value of the investments. Due to the legal and operational reorganization of the various practices over the last few years, merger losses and the commercial goodwill can only be tracked globally, and have been grouped together on a single line. They are considered to have an indefinite life.

As indicated, the carrying amount of equity investments corresponds to the value in use on the reporting date, which is assessed according to various criteria, including the equity share in the company concerned, its profitability, cash flows and outlook.

Goodwill is tested for impairment using the discounted cash flow method.

The determination of the value in use of equity investments and receivables from controlled entities on an individual basis relies on Management assumptions and estimates.

We considered the impairment of equity investments and receivables from controlled entities to be a key audit matter, given the weight of these items in the balance sheet, the high degree of management estimates and judgments and the sensitivity of values in use to changes in forecast.

**Our response:** We familiarized ourselves with the work relating to the impairment tests carried out by the company and the resulting conclusions.

Our work consisted in assessing the reasonableness of the estimated values in use of equity investments and receivables from controlled entities as well as commercial goodwill based on the information communicated to us. Our work primarily consisted in:

- familiarizing ourselves with the methods used to calculate values in use, and specifically cash flow forecasts;
- assessing and examining the reasonableness of the assumptions used for these cash flow forecasts. This examination consisted in discussions with Management, a review of the historical data and an assessment of the reasonableness of the assumptions used for the business plan forecasts;
- verifying the reasonableness of the financial parameters used for the impairment tests, and specifically the method used to determine the discount rate and the terminal value used in the business plans, along with the market analyses and the consensus observed;
- where this data was unavailable, ensuring that the equity retained corresponded to the accounts of the entities that were the subject of an audit or analytical procedures and verifying the mathematical calculation performed.

**Recognition of revenue from fixed-price services (section 3.9 “Revenue recognition and partially completed transactions at the end of the fiscal year” in section 3 to the company financial statements “Rules and accounting methods” and note 1 “Breakdown of revenues” in section 4 to the company financial statements “Notes relatives to certain income statement and balance sheet items”).**

**Risk identified:** As described in note 3.9 and 1 in section 4 to the company financial statements, the company offers various services to its customers who operate in diverse business sectors. The services provided by the company are contracted in three ways:

- time-based services contracts. Revenues generated on time-based services contracts are recognized as and when the service is rendered. Revenue is calculated on the basis of the contracted selling price multiplied by the number of billable hours spent. Unbilled receivables and deferred income are recognized when invoicing is not in phase with the state of progress of the work;
- fixed-price services contracts. Revenues generated on fixed-price services contracts are recognized as and when the various stages of the work are completed. These are calculated on the basis of the costs incurred and yet to be incurred. A provision for loss on completion is written on a contract-per-contract basis when a contract is expected to make a loss. Unbilled receivables and deferred income are recognized when invoicing is not in phase with the state of progress of the work;
- subscription services contracts. Revenue from subscription services is recognized on a *pro rata temporis* basis over the term of the contract. Unbilled receivables and deferred income are recognized when invoicing is not in phase with the *pro rata temporis* terms of the contract.

We considered the recognition of revenue from “fixed-price” contracts to be a key audit matter insofar as Management estimates and judgments are required in determining revenue and losses to completion and the financial risks expected from these contracts.

**Our response:** We examined the processes implemented by the company with respect to forecast revenue and losses to completion and the percentage of completion of “fixed-price” contracts over the year. Our internal control review consisted in performing a walkthrough test, reviewing the design and implementation of key controls and verifying the operational efficiency of the controls.

For the substantive tests, the audit procedures implemented to measure revenue from fixed-price contracts consisted in selecting, based on a multi-criteria approach (business volumes or outstandings [unbilled receivables and deferred income], the age of contracts, finalization of former contracts over the year, inception of new contracts over the year, project complexity), projects for which we:

- assessed the reasonableness of the estimates carried out by Management based on:
  - discussions held with the Projects, Sales Finance Coordination and Management Control teams, to corroborate the analysis of forecast revenue and losses to completion and the percentages of completion for projects ongoing at the year-end;
  - audit evidence collected to support the financial positions of projects (contracts, purchase orders, customer acceptance reports, data covering the tracking of time charged, payroll data);
- implemented mathematical control and analytical procedures to measure the revenue and net income recorded over the year.

### Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law and regulations.

### Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statement provided to shareholders.

In accordance with French law, we report to you that the information relating to payment times referred to in Article D.441-6 of the French Commercial Code (*Code de commerce*) is fairly presented and consistent with the financial statements.



### Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code (*Code de commerce*).

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code (*Code de commerce*) relating to remunerations and benefits received or allocated by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlled companies that are included in the scope of consolidation. Based on this work, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover or exchange offer, provided pursuant to Article L.22-10-11 of the French Commercial Code (*Code de commerce*), we have verified their compliance with the source documents communicated to us. Based on our work, we have no observation to make on this information.

### Other informations

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

### Report on Other Legal and Regulatory Requirements

#### Format of presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the Statutory Auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the Chairman and Chief Executive Producer, complies with the single electronic format defined in the European Delegated Regulation No. 2019/815 of 12/17/18.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

### Appointment of the Statutory Auditors

We were appointed as Statutory Auditors of Wavestone by the Shareholders' Meeting held on 09/16/19 for Aca Nexia and on 07/11/14 for Forvis Mazars.

As of 03/31/24, Aca Nexia was in the 5<sup>th</sup> year of total uninterrupted engagement and Forvis Mazars was in the 10<sup>th</sup> year of total uninterrupted engagement.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

### Statutory Auditors' Responsibilities for the Audit of the Financial Statements

#### Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the company or the quality of management of the affairs of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial

statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;

- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

#### Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for Statutory Auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Statutory Auditors

Paris and Paris La Défense, 06/11/24

**Forvis Mazars**

Bruno Pouget  
Partner

**Aca Nexia**

Sandrine Gimat  
Partner

# Statutory Auditors' Special Report on regulated agreements

Shareholders' Meeting held to approve the financial statements for the year ending 03/31/24

To the Wavestone Shareholders' Meeting,

In our capacity as Statutory Auditors of your company, we hereby report to you on regulated agreements.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements, as well as the reasons justifying their interest for the company, brought to our attention or which we may have discovered during the course of our audit, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements, if any. It is your responsibility, pursuant to article R.225-31 of the French Commercial Code (*Code de commerce*), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Our role is also to provide you with the information stipulated in article R.225-31 of the French Commercial Code (*Code de commerce*) relating to the implementation during the past year of agreements previously approved by the Shareholders' Meeting, if any.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie nationale des Commissaires aux comptes*) relating to this engagement. These procedures consisted in agreeing the information provided to us with the relevant source documents.

## Agreements submitted to the approval of the shareholders' meeting

### Agreements authorized and entered into during the year

Pursuant to the provisions of Article L.225-40 of the French Commercial Code, we hereby inform you that we have not been advised of any agreements authorised and entered into during the year just ended that require the approval of the General Meeting.

## Agreements previously approved by the shareholders' meeting

### Agreements approved in previous financial years

#### Agreements with continuing effect during the year

Pursuant to article R. 225-30 of the French Commercial Code, we were informed that implementation of the following agreements, approved by the Shareholders' Meeting during previous financial years, continued during the current financial year:

### Rights resulting from the employment contract of Mr. Patrick Hirigoyen

- person concerned: Mr. Patrick Hirigoyen;
- terms and conditions: Mr. Patrick Hirigoyen's employment contract was suspended on 04/01/17, and he was remunerated for his duties as a member of the Management Board until 07/28/22, then as Deputy Chief Executive Officer, member of the Board of Directors, with effect from that date. In this context, it was agreed between the company and Mr. Patrick Hirigoyen that the period during which he held these offices would be taken into account in calculating his rights under his employment contract.

The Statutory Auditors  
Paris and Paris La Défense, 06/11/24

**Forvis Mazars**  
Bruno Pouget  
Partner

**Aca Nexia**  
Sandrine Gimat  
Partner

# 4.

## ADDITIONAL INFORMATION



# Persons responsible

## Person responsible for the Annual Financial Report

Pascal Imbert, CEO of Wavestone.

### Statement by the person responsible for the Annual Financial Report

*"I hereby certify, after having taken all reasonable measures to this effect, that the information contained in this document is, to the best of my knowledge, in accordance with the facts and does not contain any omission likely to affect its scope.*

*I certify that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, financial position and results of the company and all the companies included in the scope of consolidation, and that the management report on [page 4](#) gives a true and fair view of the development of the business, results and financial position of the company and all the companies included in the scope of consolidation and describes the main risks and uncertainties they face."*

Paris, 06/28/24  
Pascal Imbert, CEO

## Persons responsible for the Statutory Audit and Auditors

### Statutory Auditors:

Forvis Mazars, member of the Versailles Regional Statutory Auditors' Commission (*Compagnie Régionale des Commissaires aux comptes de Versailles*), 61 rue Henri Regnault, 92075 Paris La Défense Cedex, appointed by the Annual General Meeting of 07/28/20; mandate due to expire at the close of the Annual General Meeting called to approve the financial statements for the fiscal year ending 03/31/26, represented by Mr. Bruno Pouget.

Aca Nexia, member of the National Association of Statutory Auditors (*Compagnie Nationale des Commissaires aux comptes*), 31 rue Henri Rochefort 75017 Paris, appointed by the Annual General Meeting of 09/16/19; mandate due to expire at the close of the Annual General Meeting called to approve the financial statements for the fiscal year ending 03/31/25, represented by Ms. Sandrine Gimat.

### Substitute Statutory Auditors:

Pimpaneau et Associés, member of the National Association of Statutory Auditors (*Compagnie Nationale des Commissaires aux comptes*), 31 rue Henri Rochefort 75017 Paris, appointed by the Annual General Meeting of 09/16/19; mandate due to expire at the close of the Annual General Meeting called to approve the financial statements for the fiscal year ending 03/31/25, represented by Mr. Olivier Juramie.

## Person responsible for financial information

Pascal Imbert, CEO.

### Wavestone

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