

## Compensation of corporate officers

Published in accordance with the recommendations of the AFEP-MEDEF Code of Corporate Governance and article L.225-42-1 of the French Commercial Code

The Board of Directors of February 11, 2015 determined the compensation items of the corporate officers as follows:

- **Chairman and Chief Executive Officer, Rudy Provoost**

### 2014 Variable Bonus

The 2014 variable target-based bonus of the Chairman and Chief Executive Officer could amount to 110% of his gross annual compensation if 100% of his individual and financial set targets were reached.

The 2014 variable bonus was based for 75% on financial criteria and for 25% on qualitative criteria.

The financial criteria for 2014 were EBITA in volume (45%), average trade operating working capital (35%) and sales growth in volume (20%). The targets to be reached were those set in the 2014 budget.

The Board of Directors, after having assessed the performance of the Chairman and Chief Executive Officer, set the 2014 variable bonus at €703,400, representing a global performance of 73%.

The levels of achievement of the financial and qualitative criteria have been validated by the Nomination and Compensation Committee as well as by the Board of Directors. They have not been made public for confidentiality reasons.

### 2015 Compensation

The 2015 annual target compensation was determined as follows:

- a gross fixed compensation amounting to €875,500 (stable as compared to 2014);
- an annual variable bonus maintained at 110% of his gross fixed compensation if 100% of his individual and financial targets are reached. The 2015 variable bonus is based for 75% on financial criteria and for 25 % on qualitative criteria. The financial criteria for 2015 are EBITA in volume (45%), average trade operating working capital (35%) and sales growth (20%). The targets to be reached are those set in the 2015 budget.

The financial portion of the variable bonus is capped at 150%. The individual portion of the variable bonus is capped at 100%. In addition, the Board of Directors decided to implement a specific mechanism in respect of 2015 in order to specifically recognize a quarterly financial overperformance (subject to the satisfaction of strict cumulative conditions comprising a global annual financial performance and a financial overperformance over at least 3 or 4 quarters).

The compensation items of Rudy Provoost, as Chairman and Chief Executive Officer, will be detailed in the *Document de Référence* of Rexel for the year ended December 31, 2014.

- **Deputy Chief Executive Officer, Catherine Guillouard**

### **2014 Variable Bonus**

The 2014 annual variable target-based bonus of the Deputy Chief Executive Officer could amount to 70% of her gross annual compensation<sup>1</sup> if 100% of her individual and financial set targets were reached. The 2014 variable bonus was based for 65% on financial criteria and for 35% on qualitative criteria. The financial criteria for 2014 were EBITA in volume (45%), average trade operating working capital (35%) and sales growth in volume (20%). The targets to be reached were those set in the 2014 budget.

The Board of Directors, after having assessed the performance of the Deputy Chief Executive Officer, set the 2014 variable bonus at €249,300, representing a global performance of 81%.

The levels of achievement of the financial and qualitative criteria have been validated by the Nomination and Compensation Committee as well as by the Board of Directors. They have not been made public for confidentiality reasons.

### **2015 Compensation**

The 2015 annual target compensation was determined as follows:

- a gross fixed compensation amounting to €475,000 (stable as compared to 2014);
- an annual variable bonus amounting to 80% (vs. 70% in 2014) of her gross fixed compensation if 100% of her individual and financial targets are reached. The 2015 variable bonus is based for 65% on financial criteria and for 35% on qualitative criteria. The financial criteria for 2015 are EBITA in volume (45%), average trade operating working capital (35%) and sales growth (20%). The targets to be reached are those set in the 2015 budget.

The financial portion of the variable bonus is capped at 150%. The individual portion of the variable bonus is capped at 100%. In addition, the Board of Directors decided to implement a specific mechanism in respect of 2015 in order to specifically recognize a quarterly financial overperformance (subject to the satisfaction of strict cumulative conditions comprising a global annual financial performance and a financial overperformance over at least 3 or 4 quarters).

The compensation items of Catherine Guillouard, as Deputy Chief Executive Officer, will be detailed in the *Document de Référence* of Rexel for the year ended December 31, 2014.

- **Severance Indemnity**

- Rudy Provoost, Chairman and Chief Executive Officer of Rexel, benefits from commitments consisting in the payment of compensation items due or that may become due as a result of the termination of his functions, which are subject to performance criteria. These items, that have been approved by the Board of Directors of May 22, 2014, are described in the press release published on May 27, 2014, which is available on the Internet site of Rexel. These items were already described in the 2013 *Document de Référence*.
- The Board of Directors, during its meeting of February 11, 2015, decided to limit the conditions allowing for the payment of the severance indemnity to the benefit of the corporate officers. In accordance with the recommendation of the AFEP-MEDEF Code, the severance indemnity of Rudy Provoost will only be authorized if his departure is imposed and is linked to a change in control or strategy.
- This agreement has been subject to the prior authorization of the Board of Directors, in accordance with the provisions of article L.225-42-1 of the French Commercial Code.

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<sup>1</sup> As from June 1, 2014 (65% before June 1, 2014)

- Catherine Guillouard, Deputy Chief Executive Officer of Rexel, benefits from commitments consisting in the payment of compensation items due or that may become due as a result of the termination of her functions, which are subject to performance criteria. These items, that have been approved by the Board of Directors of May 22, 2014, are described in the press release published on May 27, 2014, which is available on the Internet site of Rexel. These items were already described in the 2013 *Document de Référence*.
- The Board of Directors, during its meeting of February 11, 2015, decided to limit the conditions allowing for the payment of the severance indemnity to the benefit of the corporate officers. In accordance with the recommendation of the AFEP-MEDEF Code, the contractual severance indemnity of Catherine Guillouard will only be authorized if her departure is imposed and is linked to a change in control or strategy.
- This agreement has been subject to the prior authorization of the Board of Directors, in accordance with the provisions of article L.225-42-1 of the French Commercial Code.