PRESS RELEASE

Potters Bar, Oct 13, 2011

Lack of Information Hampering British Energy Efficiency

90% are unaware of Carbon Trust Loans yet Brits are keen to go green at home if financially rewarded

Today Rexel, a global leader in the distribution of electrical supplies and solutions, released results from its Global Energy Efficiency survey, conducted by Harris Interactive, which revealed that lack of education on energy efficiency is seriously hampering British progress when it comes to energy savings.

The survey found that over a quarter of Brits would be motivated to save energy if they had access to financial subsidies in the form of interest free eco-loans to support their switch to more energy efficient products, yet 90% had never heard of or did not understand schemes such as Carbon Trust Loans, which currently offer businesses an interest free loan of between £3,000 and £400,000 to reduce CO2 emissions through the introduction of clean technology.

Similarly, while 70% of Brits were willing to or had already installed environmentally-friendly heating systems and 60% were willing to install solar panels; a paltry 13% had heard of and understood Photovoltaic (PV) feed-in tariffs. These tariffs mean energy suppliers have to make regular payments to households and communities that generate their own electricity from renewable or low carbon sources and could save the average homeowner in the region of a thousand pounds per annum.

Using Rexel's energy efficient home at BRE as an example, a Photovoltaic installation for an average household would cost around £9000, but would generate an annual feed-in tariff income of around £1310, on top of the energy generated for home use. This means that, the homeowner can expect to pay off their initial investment in just 5-6 years and over the course of 25 years can expect a return of over £41,000.

Another simple yet cost effective solution for the savvy British home owner seeking to cut long term energy costs is a voltage optimiser. Solutions such as the Voltis Home from Marshall-Tufflex can save the average household around 18% on its electricity bills. Retailing for around £300 the cost of investment should be recouped within the first 3-4 years.

Henri-Paul Laschkar, Senior Vice President Rexel UK & Ireland, reflected on what these findings mean for Britain's eco energy strategy moving forward: "Ultimately 78% of Brits cited reduced expenses as their main motivation for going green, well ahead of environmental protection and future generations. A strong indication that, the future of energy efficiency in the UK depends on our ability to better communicate financial incentives, ROI and long term cost savings."

Further supporting this statement, the survey reveals that measurable cost savings are what matters most to the British population, yet two thirds of those surveyed had not heard of or do not understand the roll-out of new Smart Meters, which will allow users to intelligently measure consumption and develop a truly measurable cost saving approach.

When it comes to simple and cost effective solutions, the budget-savvy British public is fully on board, with 81% already purchasing energy saving bulbs – ahead of their German and

French counterparts. Despite this, just 3% are willing to install sensors that shut off lights when there is no movement in the room.

To read the full report, which includes results from France, Germany and the US please visit the dedicated section on Rexel's web site.

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About Rexel UK

Rexel UK operates through 4 operating businesses in the UK and Ireland (Newey& Eyre, Denmans, the newly merged WF and Senate, and Parker Merchanting) selling to a wide range of customers from small electrical contractors to major contracting companies and international end users. With sales over €900m in 2010, Rexel UK, the country's market leader, operates through a national network of 400 branches with a highly developed service proposition.

About Rexel Group

Rexel, a global leader in the distribution of electrical supplies, serves three main end markets: industrial, commercial and residential. The Group operates in 36 countries, with a network of some 2,200 branches, and employs 28,000 people. Rexel's sales were €12.0 billion in 2010. Its majority shareholders are an investor group led by Clayton, Dubilier& Rice, Eurazeo and BAML Capital Partners.

Rexel is listed on the Eurolist market of Euronext Paris (compartment A, ticker RXL, ISIN code FR0010451203). It is integrated in the following indices: SBF 120, CAC Mid 100, SBF250, CAC AllTrade, CAC AllShares, FTSE EuroMid, FTSE4Good and STOXX600.

For more information, visit Rexel's web site at www.rexel.com

United Kingdom summary

International barometer for energy efficiency

Harris Interactive survey conducted on behalf of *Rexel*

Survey conducted online between July 9th and 19th, 2011. Samples of 4,000 people representative of the population in each of the 4 countries, based on the Harris Interactive access panel. Representative samples of:

1,000 people in France,

1,000 people in Germany,

1,000 people in the United Kingdom,

1,000 people in the United States

Quota and adjustments method applied to the following variables: sex, age and occupational status of interviewee.

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Paris - At the request of *Rexel*, Harris Interactive has conducted a survey on the topic of energy efficiency in four western countries: France, United Kingdom, Germany and the United States. In each of these countries, a representative sample of the population was questioned about opinions and practices relating to energy consumption and the potential ways of optimizing it.

Contrast between the stated importance of the subject and the reported practices

The British are exceptionally aware of the question of energy efficiency, with **94% of them considering it to be an important issue** (including 62% who consider it to be very important) and 87% also saying that they pay attention to their energy consumption (with 37% paying great attention). Despite this, **when asked more concretely about the adoption of everyday actions that make it possible to reduce energy consumption, it appears that the British have not truly integrated all of these in their habits** (for example, the use of power

strips with an on/off switch or completely filling the washing machine before starting it), in particular compared to the Germans who claim to be the most attentive in this respect.

This gap between theory and practice is also reflected **in their relatively incomplete knowledge of the measures that have been introduced in order to promote energy efficiency**. Indeed, of all the measures tested, only the ban on incandescent light bulbs was well known to a majority of Britons (75% said they knew of it and 54% knew it well). This was not the case for the other three measures: the roll-out of smart meters to all homes by the end of 2018 (known by 65%, and well known by 33%), the Carbon Trust loans for businesses (44%, of whom only 10% said they understood them), and the preferential feed-in tariff for photovoltaic solar panels (32%, of whom only 13% knew them well). It should be noted that while they are not well known, these measures are not necessarily closely linked to everyday life.

Despite a situation of unease with regard to purchasing power, a relative openness toward investments that pay for themselves

To improve their energy efficiency**, the British, approximately 70% of whom are home owners, tend to favour significant investments within their dwellings** (installation of double-paned windows, alarm systems warning of unusual consumption levels, solar water heaters or heat pumps, etc.) and are motivated to do so by the resulting long-term financial benefits. **Indeed, the financial aspect is fundamental to the approach of the British to energy efficiency**, with the desire to reduce expenses being the most frequently cited reason for encouraging it (for 97%, including 73% who consider it a very good reason).

Although it genuinely leverages the potential of energy efficiency, **the financial aspect can also be an obstacle, in particular in the current context of restricted purchasing power**. Thus when they are asked about what it is that stops them from making energy savings, one Briton in two cites the overly high price of low-energy products (bulbs, sensors, etc.), while 45% point to the low level of financial incentives.

The financial aspect is not a sufficiently powerful lever to give the issue of energy efficiency a coherent overall profile

While the British seem to be aware of the financial considerations associated with energy efficiency, they also seem more generally to lack information on the subject. Thus, **they primarily want to receive information about the financial incentives and existing legislation** (35% of them) as well as the work that energy efficiency would imply for their homes (31%). At the same time, they are critical of the lack of

information on products and prices (38% of them) and consequently expect the big box stores with which they are familiar in their everyday lives to do a lot in terms of encouraging energy efficiency.

Most importantly, the British seem to interpret the concept of energy efficiency in a specific way. In effect, **the desire to reduce costs takes precedence over environmental protection** (66% compared to 62%) when they are asked to judge whether these considerations constitute a "very good reason" for encouraging energy efficiency. Thus the expectations of the British with regard to energy efficiency focus on the immediate, financial aspects. The prospective, political aspects are in contrast less pointed up.

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AHEAD OF WHAT'S NEXT.

General Consumers and Energy Efficiency

Report redacted by:
Jean-Daniel Lévy, Head of the Public Opinion Department
Gaspard Lancrey-Javal, Research Executive at the Public Opinion Department
Jamie Bettison, Research Executive at NetObserver

Methodology

- *A quantitative online survey conducted by means of the Harris Interactive access panel among a representative sample of the national 18+ population in each of the 4 countries : France, UK, Germany, USA.* ***4,000 interviews total*** *(1,000 in each country)*

- *Field work conducted between 9-19 July 2011*

- *The representativeness of the samples was ensured using the quota method along with an adjustment of data*

- *Sample :*
  - *After weighting of the data, the sample was representative of the national 18+ population in each country based on the following criteria :*
    - *Sex*
    - *Age*
    - *Level of occupation*

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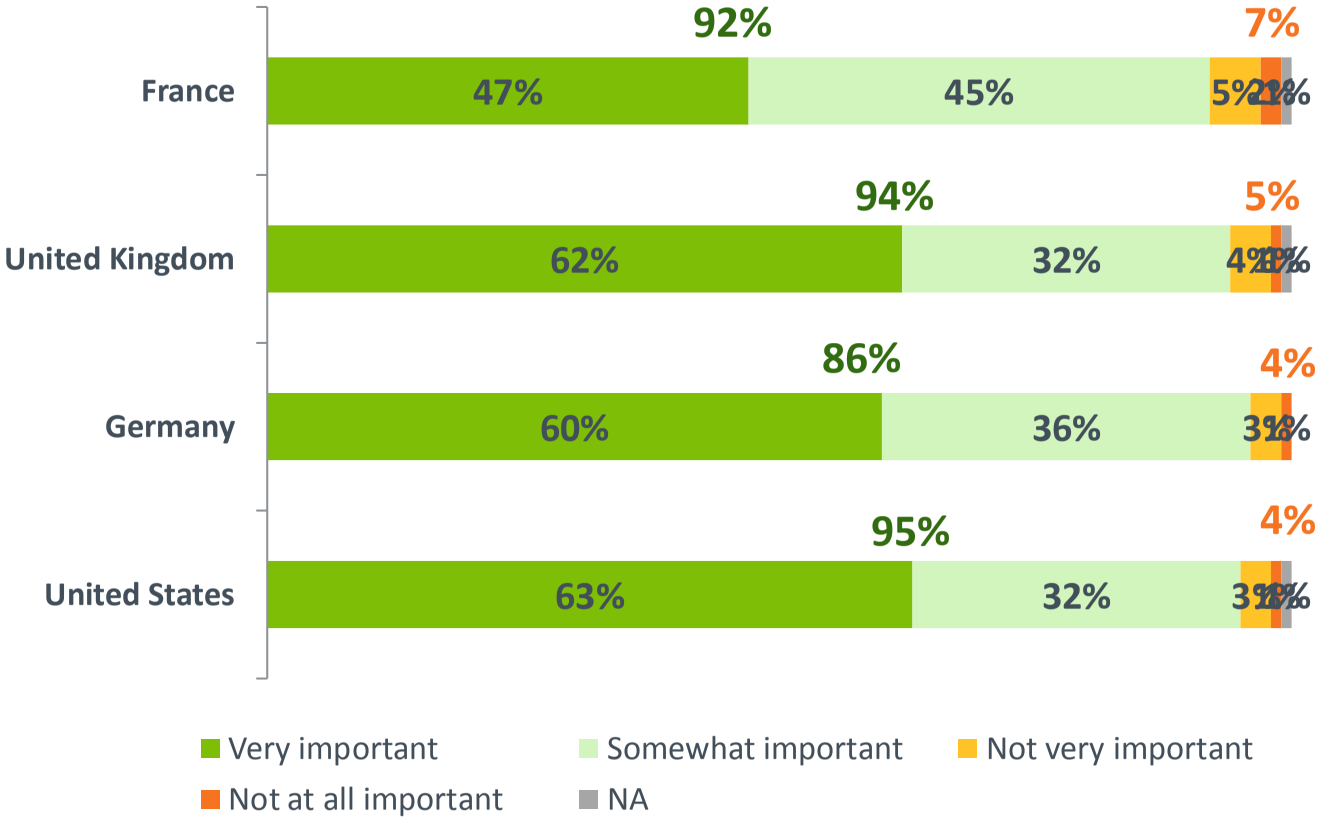
Reputation, Definition and Relevance

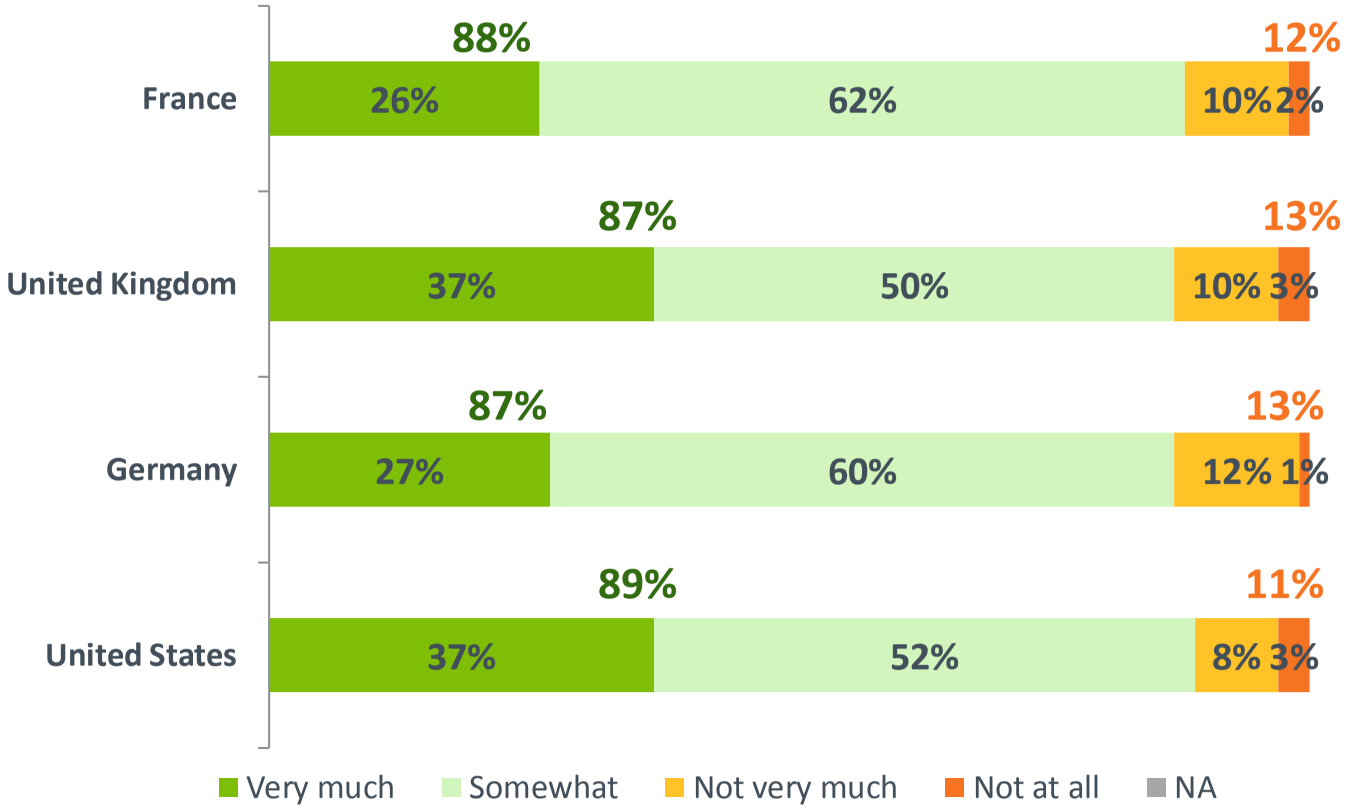
Importance Attributed to Energy Efficiency

The purpose of energy efficiency is to reduce energy consumption without sacrificing service, thereby lowering the environmental, economic and social costs associated with energy generation, distribution and consumption. Would you say the issue of energy efficiency is very important, somewhat important, not very important or not at all important?



Attention Paid to One's Own Energy Consumption

How much do you personally pay attention to your energy consumption: very much, somewhat, not very much or not at all?



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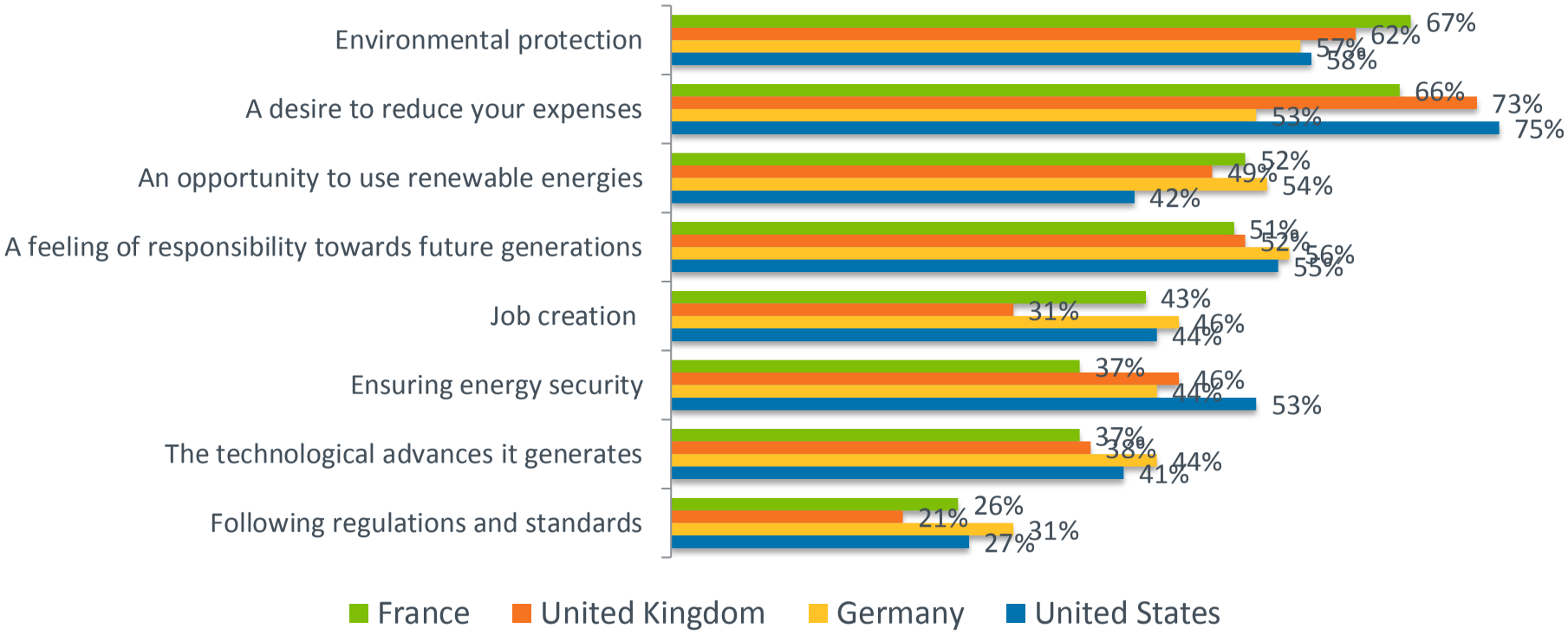
Summary Chart: Evaluating Various Reasons to Promote Energy Effiency

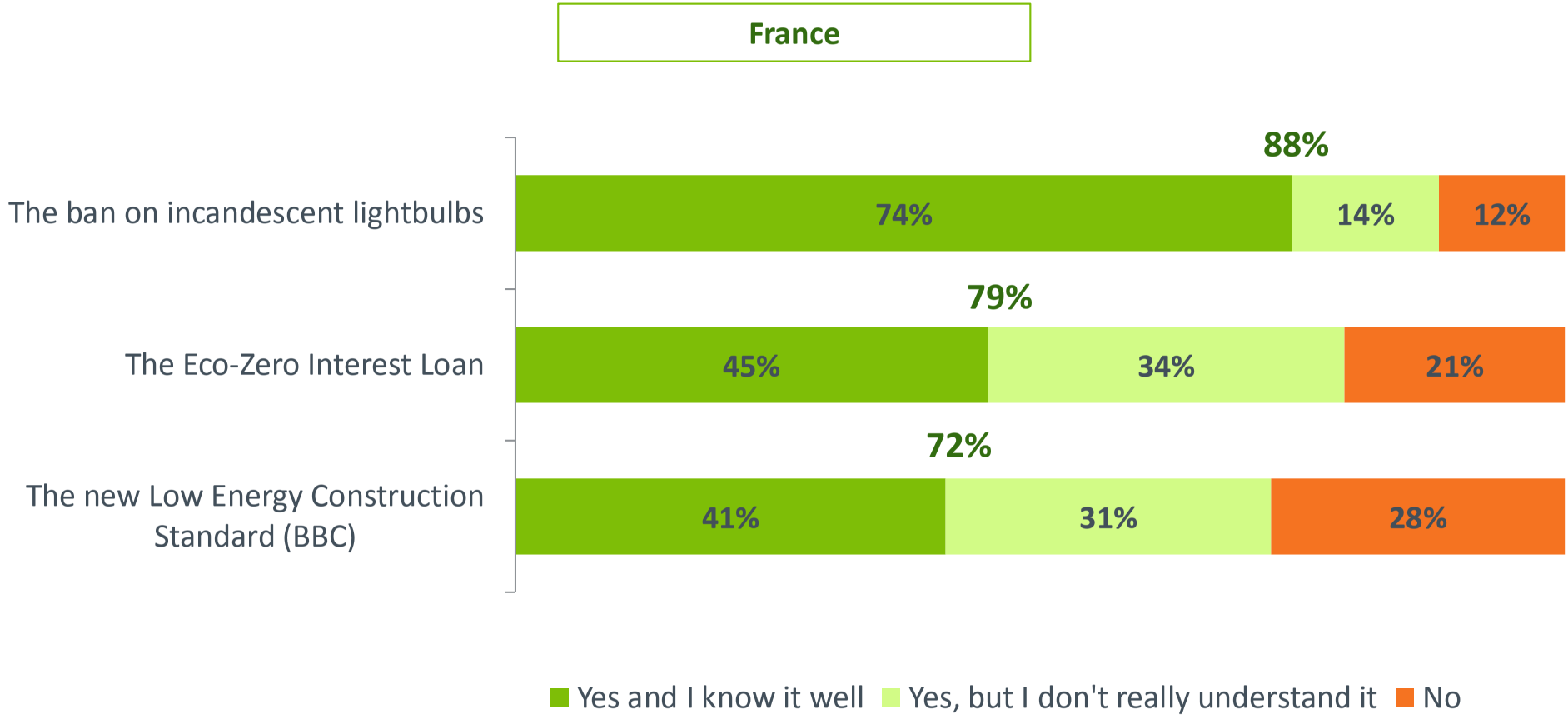
Do you believe the following reasons for encouraging energy efficiency are very good, somewhat good, somewhat bad or very bad?

% Very good reason



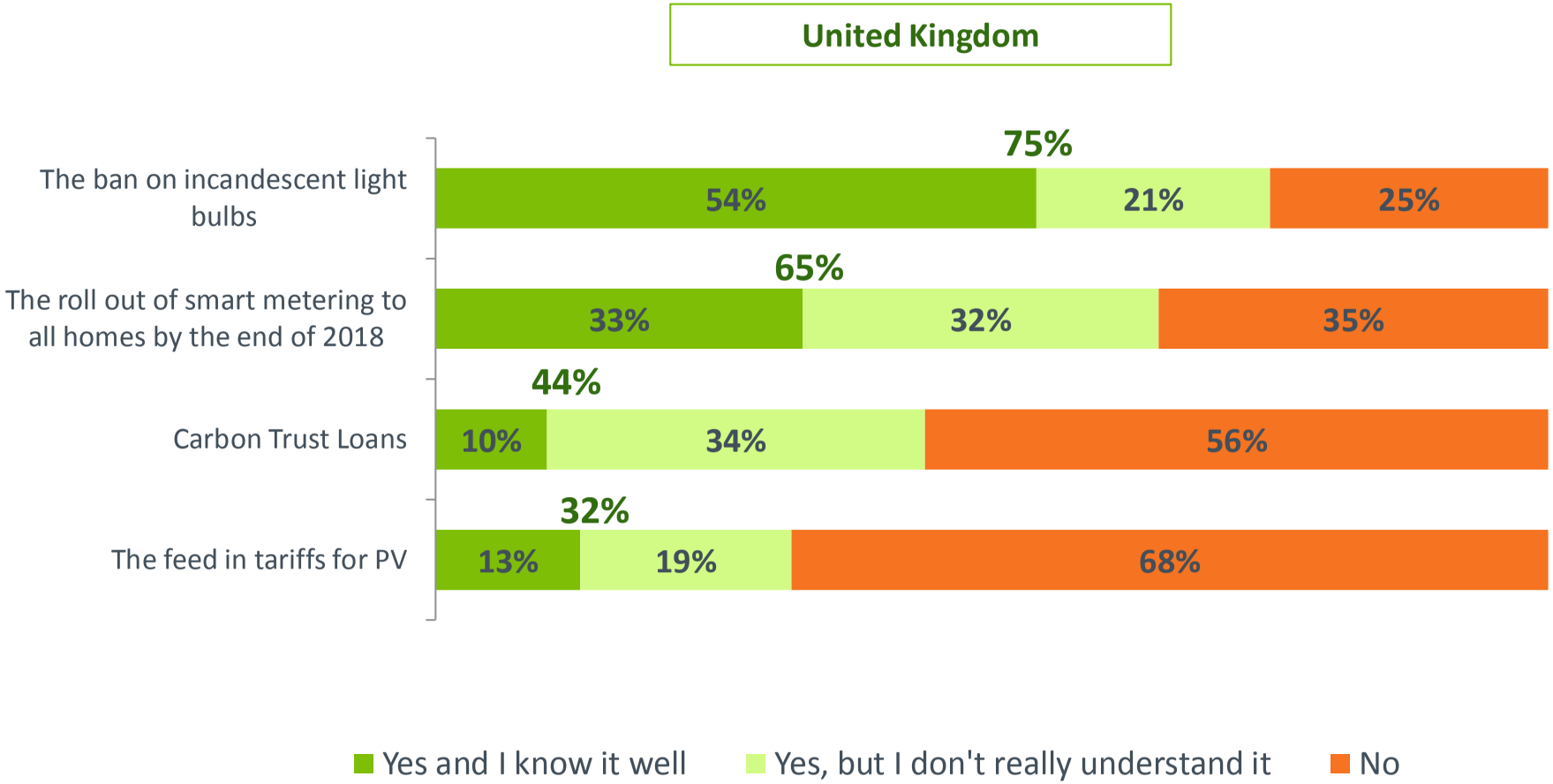
Energy Efficency-Encouraging Measures Recognition in France

Below are some of the measures in your country designed to encourage energy efficiency. Have you heard of them?



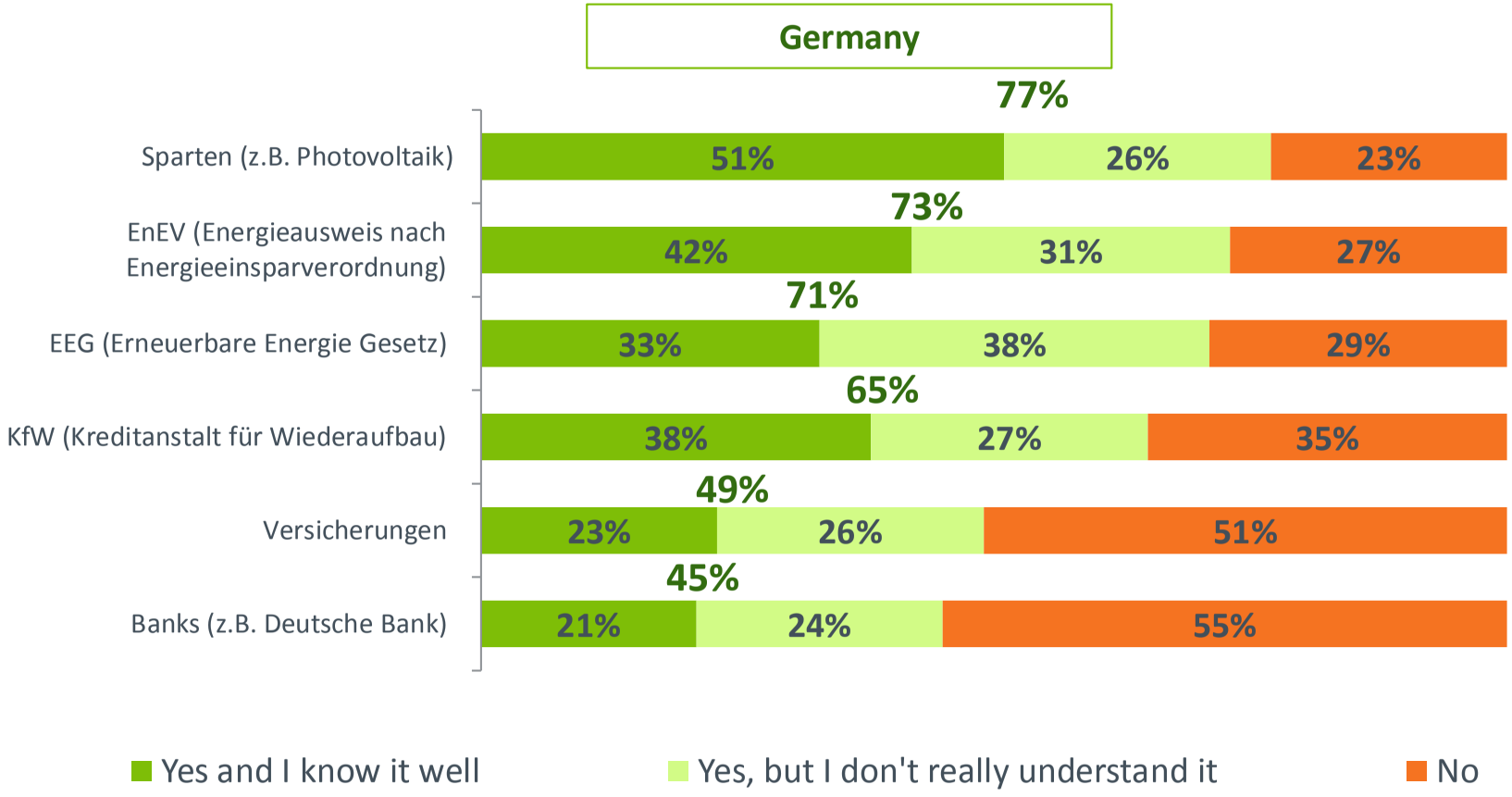
Energy Efficency-Encouraging Measures Recognition in the United Kingdom

Below are some of the measures in your country designed to encourage energy efficiency. Have you heard of them?



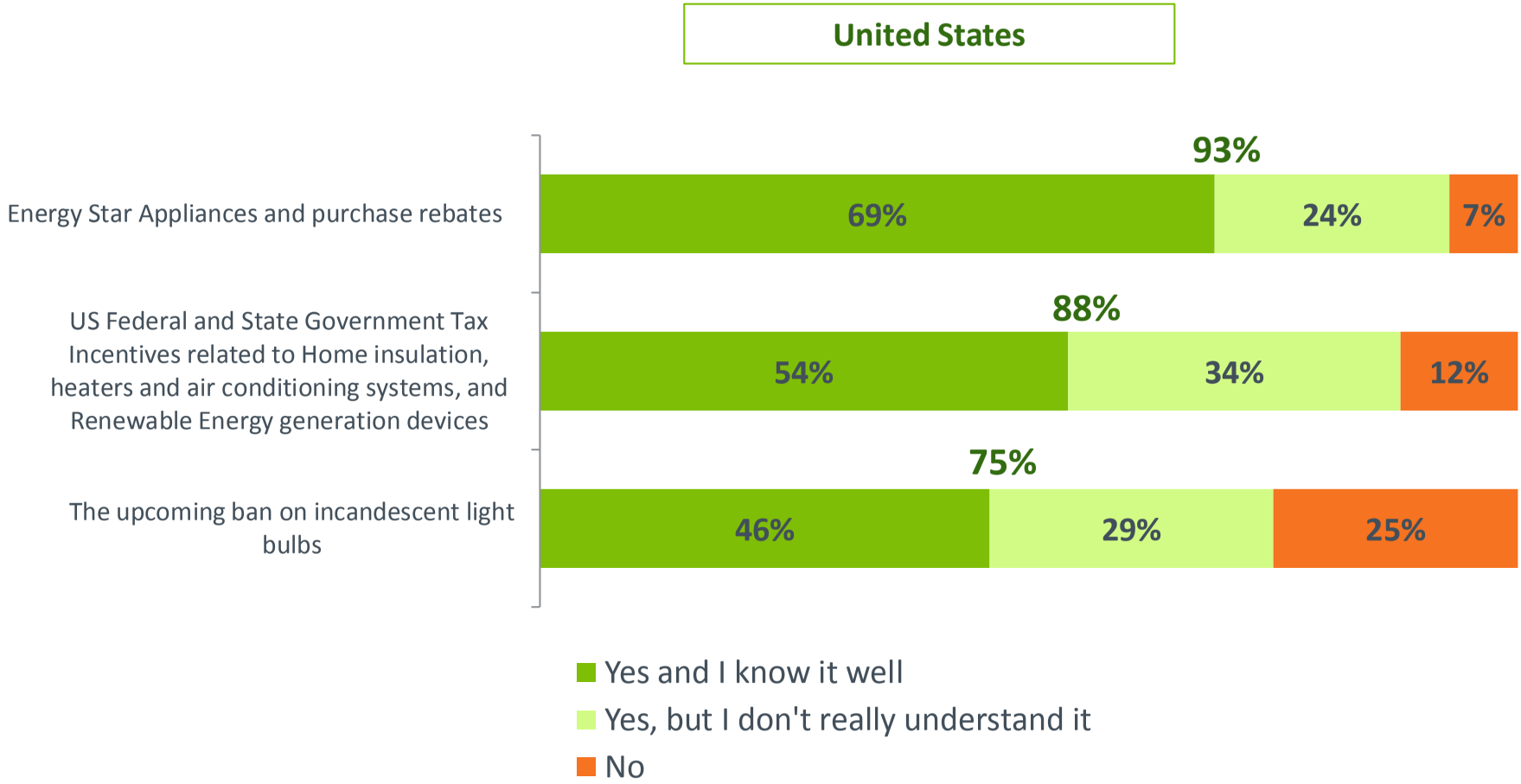
Energy Efficency-Encouraging Measures Recognition in Germany

Below are some of the measures in your country designed to encourage energy efficiency. Have you heard of them?



Energy Efficency-Encouraging Measures Recognition in the United States

Below are some of the measures in your country designed to encourage energy efficiency. Have you heard of them?

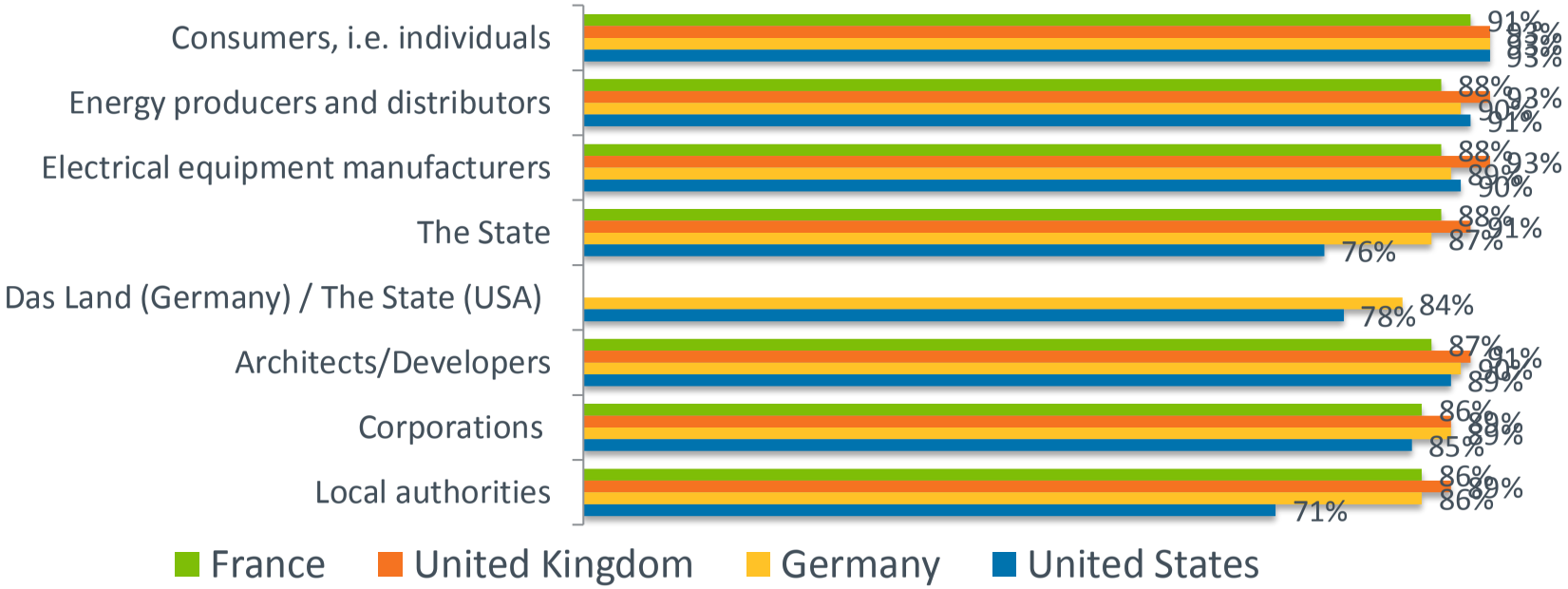


The Stakeholders of Energy Efficiency

The Stakeholders of Energy Efficiency: Summary Chart (1/2)

For each of the stakeholders below, say whether you think they have a very important role to play in encouraging energy efficiency, somewhat important, not very important or not at all important.

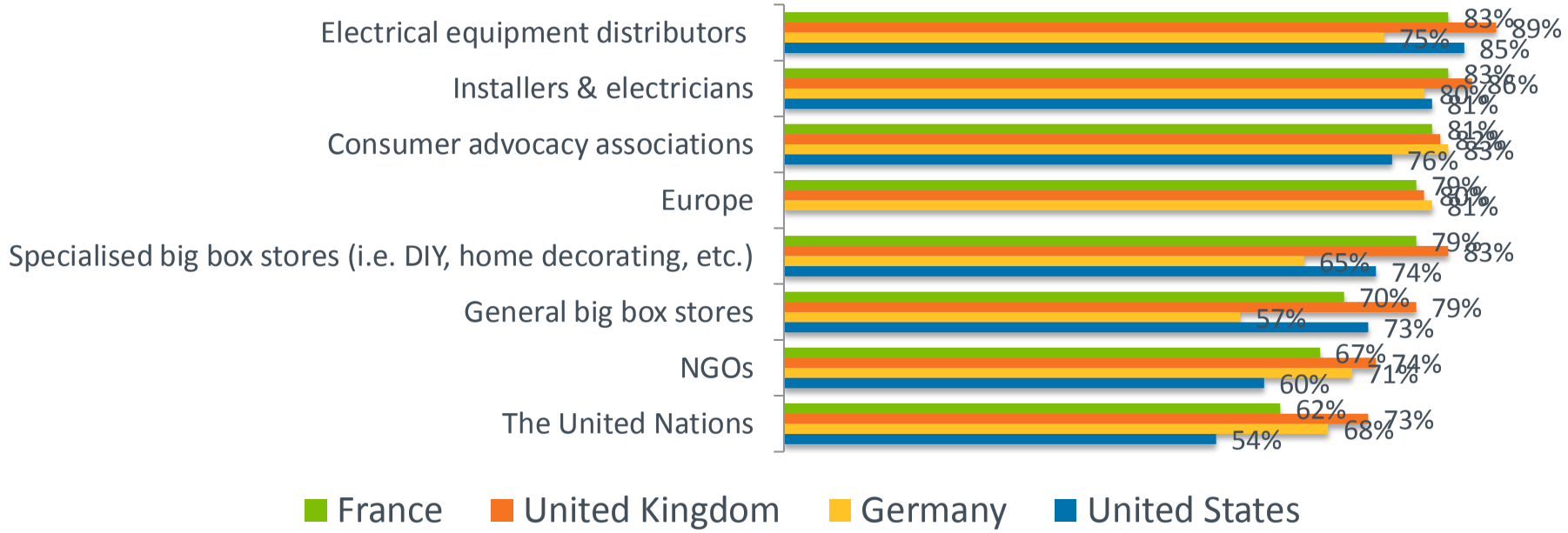
% Important



The Stakeholders of Energy Efficiency: Summary Chart (2/2)

For each of the stakeholders below, say whether you think they have a very important role to play in encouraging energy efficiency, somewhat important, not very important or not at all important.

% Important

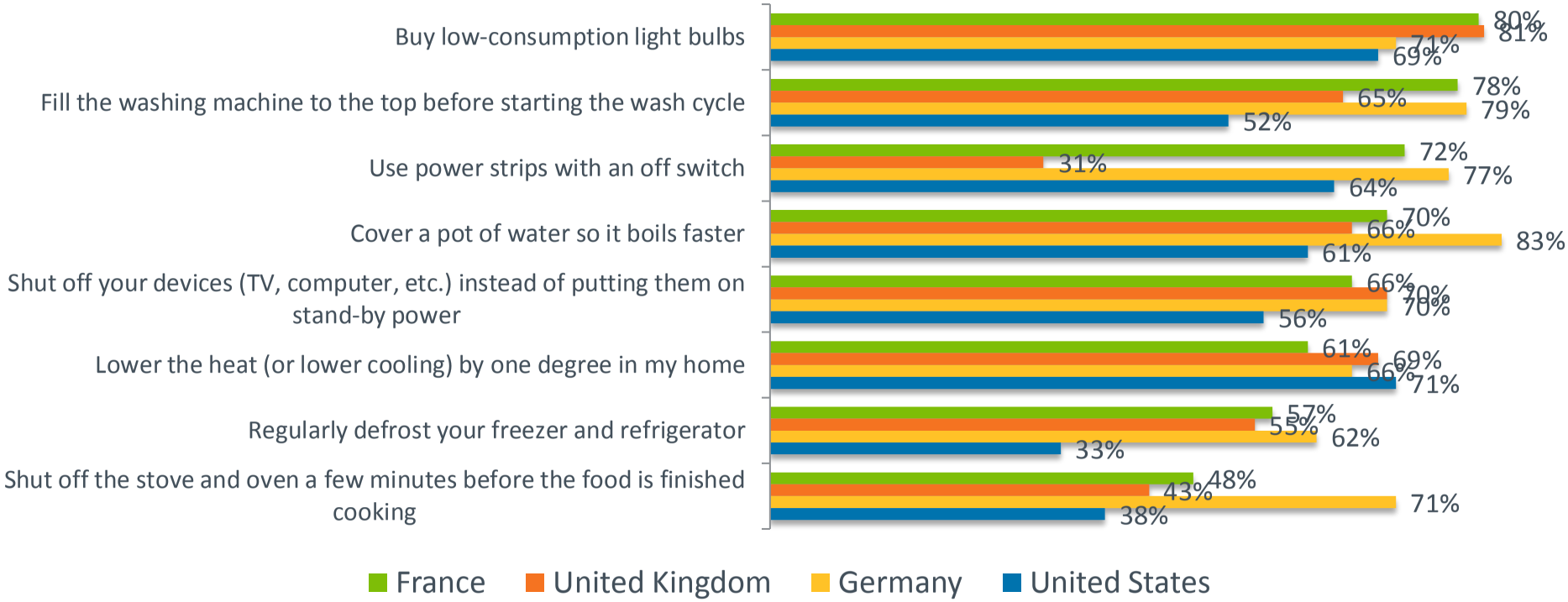


Methods of Encouraging Electrical Efficiency

Summary Chart: Energy Saving Habits

We are now going to talk more specifically about electrical efficiency in your home and all the ways you can use less electricity throughout your day. For each of the following methods, say whether you already do it, would be willing to do it or would not be willing to do it.

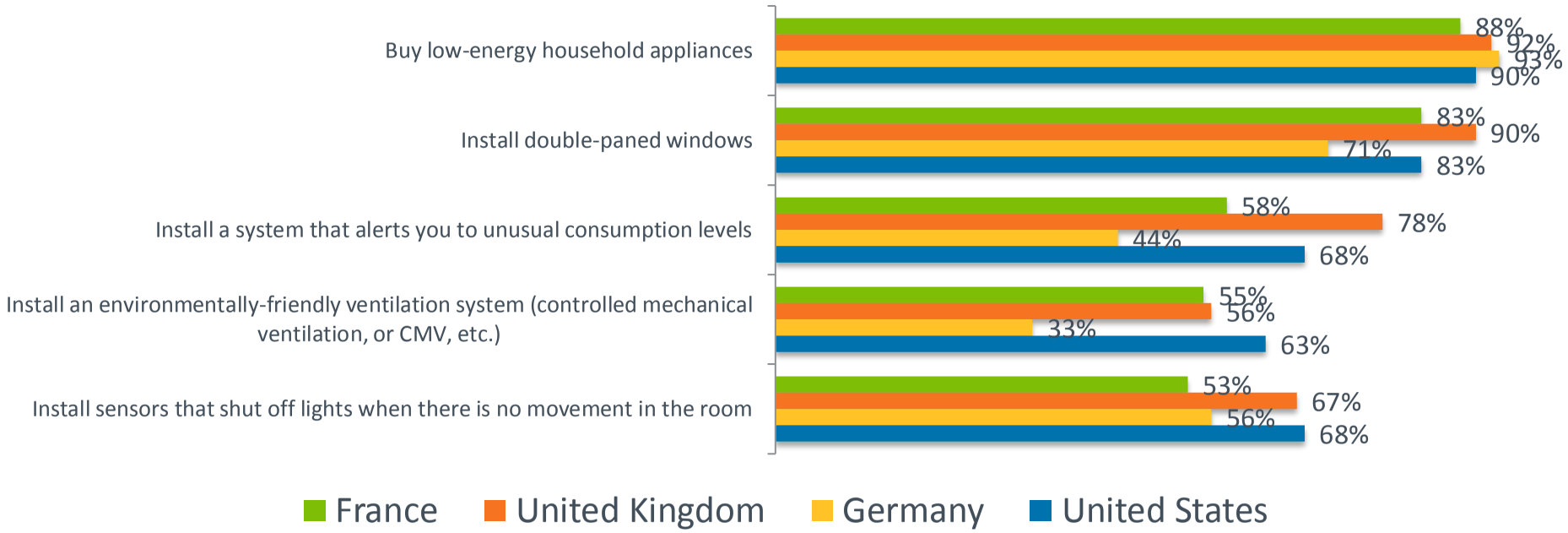
% Already does it



Summary Chart: Energy Saving Investments (1/2)

For each of the following investments, say whether you have already done it, would be willing to do it or would not be willing to do it.

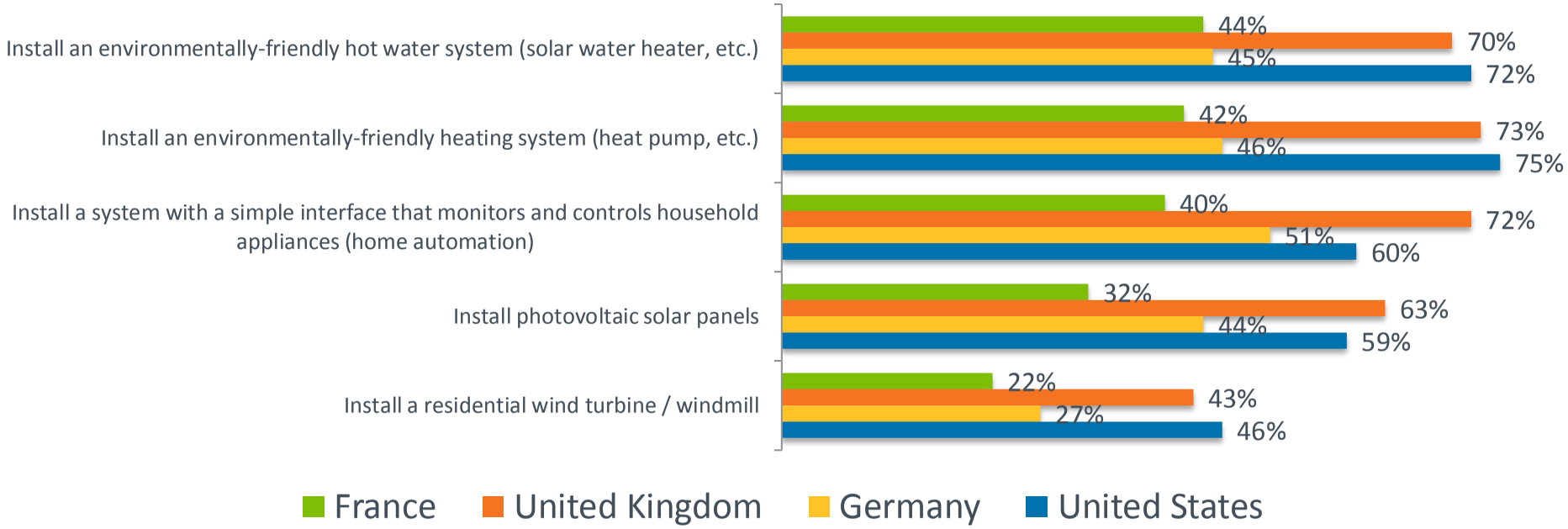
% has already done it / is willing to do it



Summary Chart: Energy Saving Investments (2/2)

For each of the following investments, say whether you have already done it, would be willing to do it or would not be willing to do it.

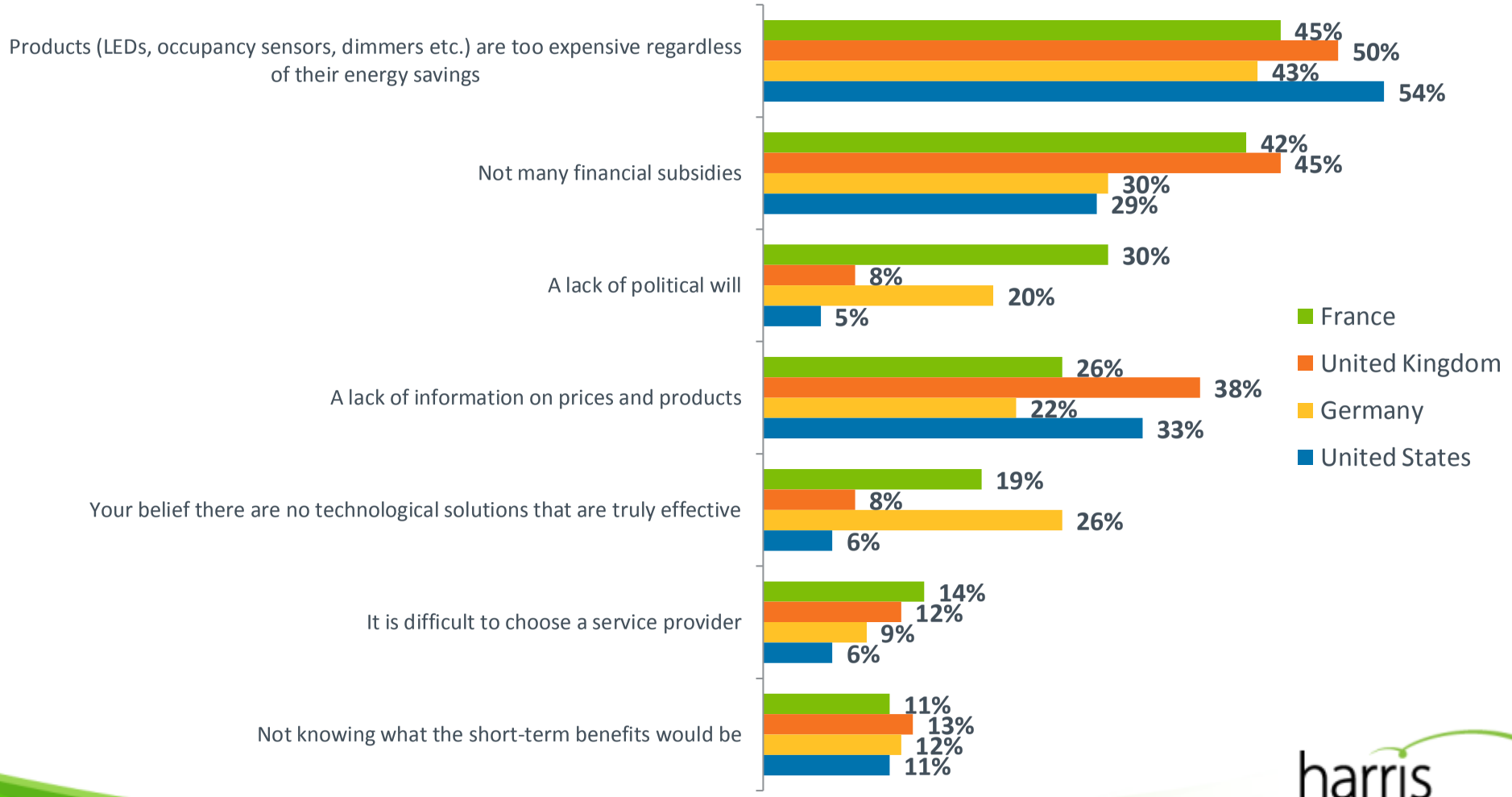
% has already done it / is willing to do it



Obstacles and Drivers

Summary Chart : Obstacles in Saving Energy (1/2)

What are the main obstacles stopping you from saving energy and increasing the efficiency of your energy consumption? (you may choose three answers)



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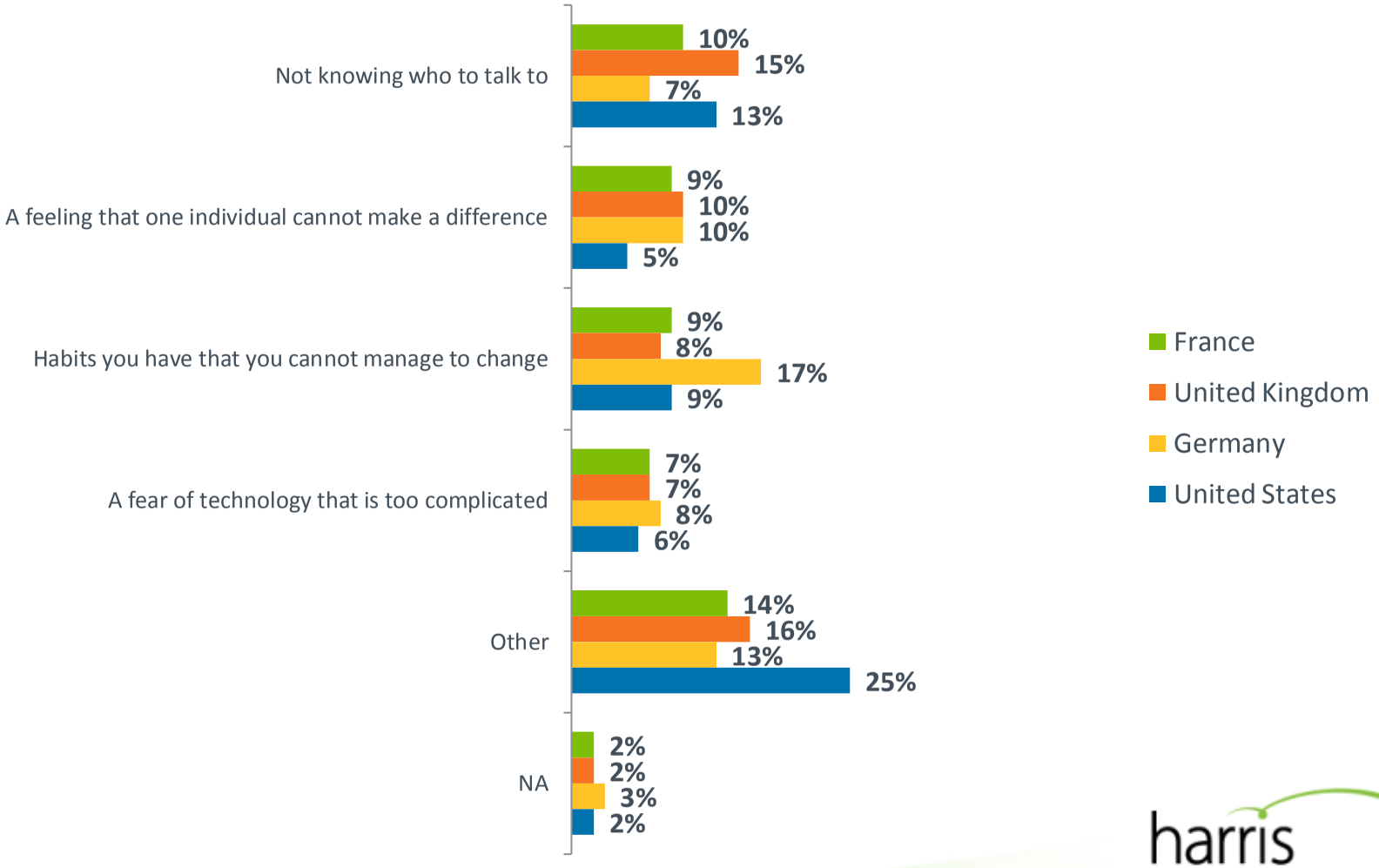
Summary Chart : Obstacles in Saving Energy (2/2)

What are the main obstacles stopping you from saving energy and increasing the efficiency of your energy consumption? (you may choose three answers)



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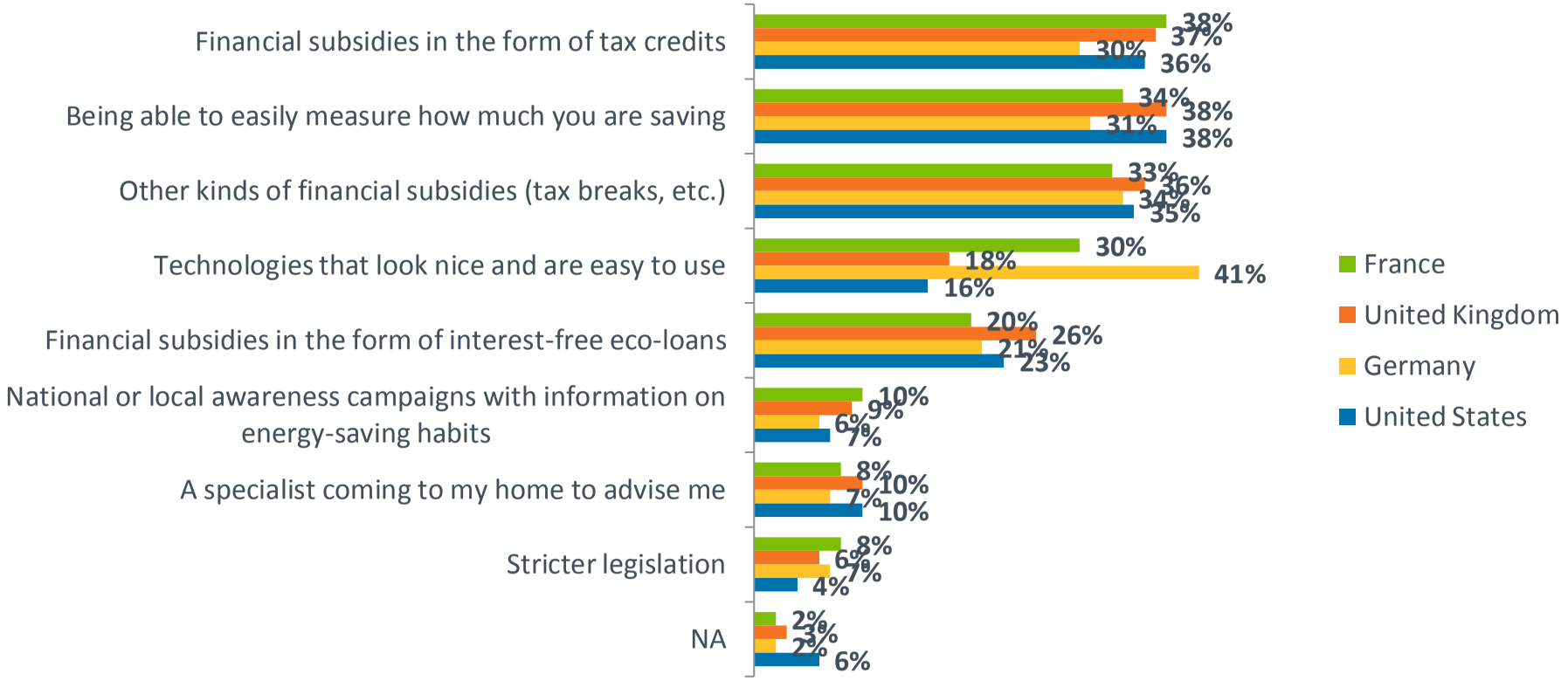
Summary Chart: Motivations for becoming Energy Efficient

What are the main things that encourage you or would encourage you to save energy and increase the efficiency of your energy consumption? (you may choose two answers)



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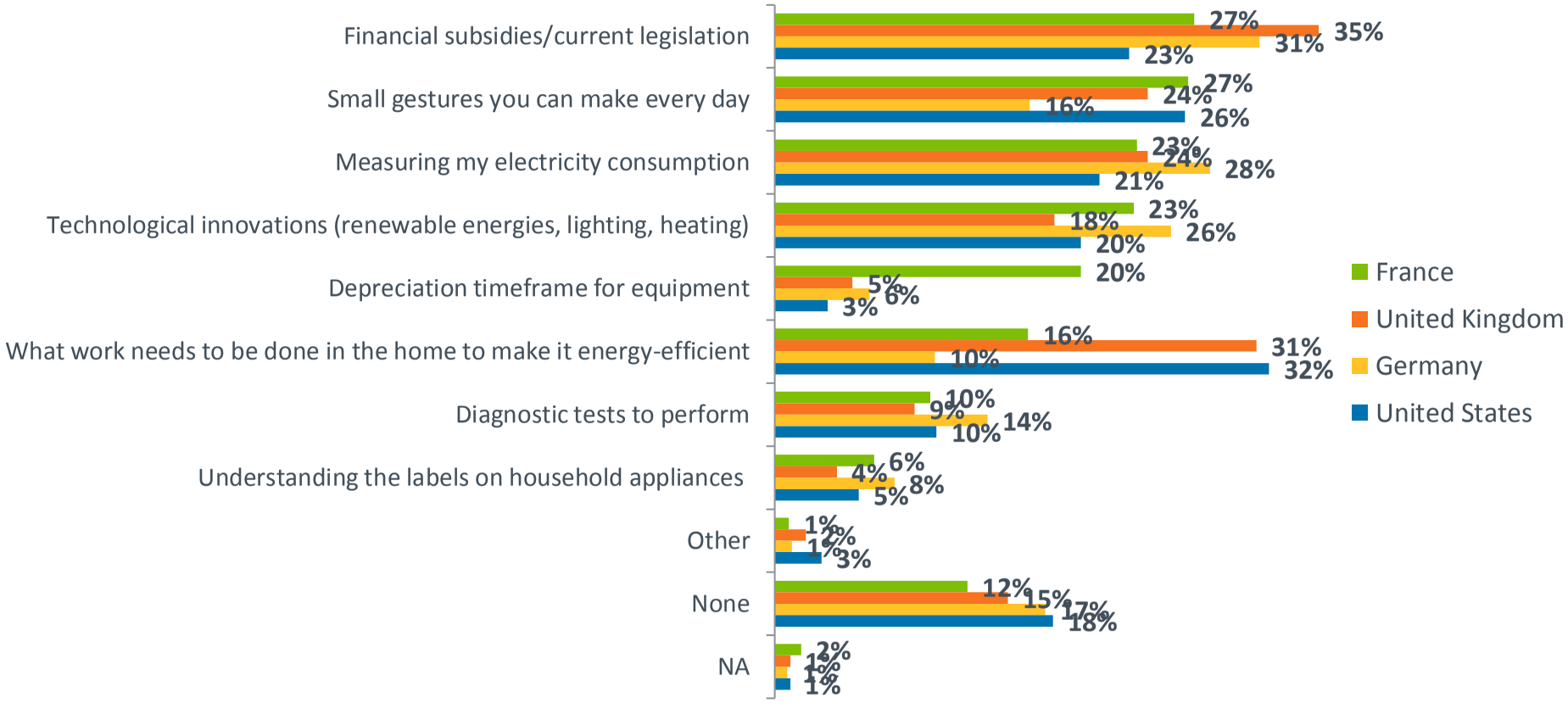
Expectations

Summary Chart: Most Important Topics to Receive Information about

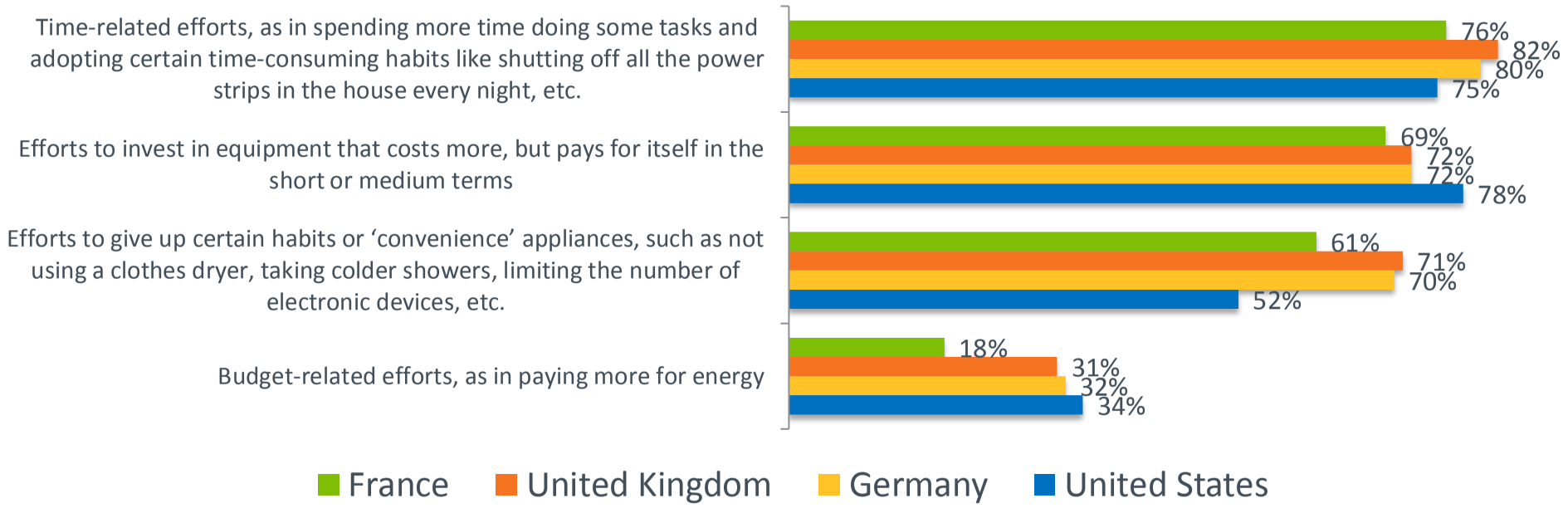
What are the most important topics you would like to receive information about? (you may choose two answers)



Summary Chart : Acceptable Efforts to Save Energy

And would you personally be willing to make any additional efforts to save energy?

% Willing



COMMENTS ABOUT THE SURVEY BY JEAN-MARIE CHEVALIER

PROFESSOR, UNIVERSITY OF PARIS-DAUPHINE, CENTER FOR ENERGY AND RAW MATERIALS GEOPOLITICS (CGEMP)

Improving energy efficiency is a major strategic priority for any energy policy. A Rexel-commissioned survey addressing this issue was conducted by Harris Interactive in July 2011. The survey compares citizen-consumers' perceptions of energy efficiency in four countries: France, the United Kingdom, Germany and the United States. A number of important conclusions could be useful to governments and political parties for developing their energy policy and also to industry companies for revising their strategic priorities.

1- Households are aware of the importance of energy efficiency

Between 86% and 92% of German, American, British and French respondents assign importance to energy efficiency. Between 87% and 89% state they are careful about how much energy they use, citing lower consumption, and thus cost-cutting, as their primary reason.
This awareness reflects a good analysis of the situation. Over the medium and long term, energy prices are likely to rise. Various pressures are affecting the supply/demand balance for oil, gas and electricity, including emerging countries' frenzied demand for oil and electricity products, delayed investments and difficult discussions about the contribution of nuclear power. Moreover, the acceleration in global warming has become increasingly alarming and should serve as an incentive to improve energy efficiency, develop less carbon-intensive energy sources and reduce emissions. In this environment, there are two ways to adapt: energy efficiency (energy savings) and the diversification of energy sources.

2- The survey confirms that French citizens have been changing their energy efficiency behaviors in recent years

Since 2008, with the rise in fuel prices and the introduction of the "bonus-malus system"1 for cars, individuals have been using less gasoline. According to June 2011 figures published by the Comité Professionnel du Pétrole (CPDP), fuel deliveries to the French market declined by 3.1% compared to June 2010. This likely indicates a permanent change in behaviors.
Along the same lines, the survey commissioned by Rexel emphasizes that 91% of French respondents believe it is up to the consumer to save energy – more so than the government or manufacturers. This is an interesting indication of French citizens' sense of responsibility toward this issue.

3- Of the four nationalities surveyed, the French seem slightly less active on the energy efficiency front, with only 47% assigning it major importance compared to 60% of Germans, Americans and Britons.

[1] A French system in which the car buyer pays a surcharge or additional tax (malus) if the car emits too much CO_2 but may receive a rebate from the government (bonus) if emissions fall below a certain amount.

This attitude may reflect the French energy model, based on nuclear energy and electricity that is generally less expensive. Involvement will likely increase in coming years, and political leaders should probably take steps to raise awareness at a faster pace.
First, electricity rates, politically frozen, prevent the French consumer from becoming aware of the need to increase electricity prices in the near future. Electricity is artificially cheaper in France because rates have been maintained at a low level even though EDF's costs have continued to rise. Rates will have to be increased in the short or medium term because all economic indicators point to cost rises and prices must reflect this trend.
Second, France's electrical power situation has changed: a structural exporter for some 20 years, we now import electricity in winter and depend on our German neighbor, which has had to make major strategic decisions after abandoning its nuclear program. For 20 years, we have experienced new peaks in power demand (93.752 megawatts on December 14, 2010 according to data published by the Réseau de Transport d'Electricité [RTE], compared to 93.080 megawatts on February 11, 2010). Unfortunately, this peak demand will likely increase on a yearly basis over the next 10 years. France thus imports its electricity during these peak periods, mainly from Germany. And Germany's abandonment of nuclear power may have serious consequences for our ability to get through these peaks.

4- The serious economic crisis, which is constraining the budgets of individuals and central and local governments, makes it all the more difficult to implement energy efficiency programs

Until now, central governments have used tax and financial incentives as leverage to change the behavior of economic players. By placing strong pressure on government budgets, the crisis is limiting this set of incentives.
Household behaviors are therefore the major drivers of energy efficiency. We know that households are sensitive to the financial impact of energy efficiency. According the survey, French households are willing to invest in more expensive equipment if it's more profitable in the short or medium term (69%), but they are not willing to spend more without any prospect for potential savings (18%). The results are comparable in the other countries studied.
These results have been corroborated by several surveys, especially the Eurobarometer of April 2011, which showed that the consumers are not willing to pay more for energy but are willing to implement energy-efficient measures if the impact on their budget is limited over time. Citizen-consumers are very sensitive to energy prices, which politicians know all too well, but rather than entertaining illusions, they should use tools designed to increase energy efficiency. Decision-makers all along the energy supply chain should be made aware of this expressed need: what resources are households offered for measuring their energy consumption and the savings they can achieve?

5- To take further steps to be energy efficient, consumers want information about their electricity consumption and the savings they can expect from changing their behaviors or from their investments

The survey reveals a relatively large gap between households' interest in being energy efficient and their specific knowledge. This is especially unfortunate since they report a willingness to devote time to adopting certain energy-saving behaviors (76% of French respondents claim they are willing). This availability is a very important factor that has been previously underestimated.

A smart electric meter, linked to future smart grids, are probably one of the keys to adopting energy efficiency measures. They will allow individuals to measure their energy use as well as their financial return on investments. These grids will enable the development of renewable energies and the installation of electrical equipment in buildings for the purpose of, for example, adjusting energy consumption on the basis of price and production capacity.
In the shorter term, the French will need access to more information about the profitability of the energy-efficient products and services that they are offered.