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Compensation of Corporate Officers

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The Board of Directors of February 10, 2021, decided the following in relation to the compensation of Corporate officers.

1. Chief Executive Officer - 2020 variable portion

Upon recommendation of the Compensation Committee, the Board of Directors of February 10, 2021 set the variable part of the CEO Patrick Berard and took the following decisions considering:

- Gross annual compensation of €585,000 and
- Variable compensation set at 120% of the fixed annual compensation if 100% of the financial and individual targets were achieved.

As a reminder, the CEO decided, for the 2020 financial year, to include himself in the efforts made by the Group and its employees:

- By waiving the increase of his fixed annual compensation from 650,000€ to 700,000€ and the increase of his variable compensation rate of 120% to 130%, as approved by Rexel General Shareholders 'Meeting on June 25th, 2020;
- And by reducing his compensation by 20% from April 1st to September 30th.

Furthermore, in view of the crisis linked to Covid-19, the Company suspended the annual objectives that had been set. In this context, the Board of Director of April 22nd, 2020 decided to abandon the criteria initially used to assess the performance of the Chief Executive Officer to retain criteria tailored to the new Covid 19 context, in order to determine the variable part of his compensation.

The variable compensation for 2020 was based for 60% on financial criteria and for 40% on individual criteria.

The financial criteria for 2020 were the pursuit of rigorous management of the Group's liquidity (25%), the pursuit of rigorous management of debt (25%) and growth of digital sales (50%). The targets to be reached were those set by the Board of Directors.

The qualitative objectives set for 2020 were business continuity and recovery plan (37.5%), the review of the company's social responsibility policy (25.0%) and the relationship with strategic suppliers (37.5%).

Further to the appraisal of the 2020 performance of the Chief Executive Officer, the Board determined a global performance of 94.0%, i.e., an amount of € 659,880 to be paid for 2020, whose achievements are detailed as follows:

2020 fixed compensation	2020 target variable portion in percentage of fixed compensation	2020 target variable portion in €	Financial part of the target variable portion	Individual part of the target variable portion	Financial part 2020 results	Individual 2020 results	Achievement of 2020 financial part	Achievement of 2020 individual part	Global achievement in percentage of the variable target	Amount in € to be paid in respect of 2020 variable portion
A	B	(AxB)=C	D	E	F	G	(DxF)=H	(ExG)=I	(H+I)=J	(CxJ)
585,000	120%	702,000	60%	40%	90%	100%	54%	40%	94%	659,880

Financial results	Weight	Achievements (after weighting)
Pursuit of rigorous management of the Group's liquidity	25%	100%
Pursuit of rigorous management of debt	25%	100%
Growth of digital sales	50%	80%
2020 Financial part		90%

Individual results	Weight	Achievements (after weighting)
Business continuity and recovery plan	37.5%	100%
The review of the company's social responsibility policy	25%	100%
The relationship with strategic suppliers	37.5%	100%
2020 Individual part		100%

The factual and objectives criteria on which the evaluation of the performance of the CEO is based will be fully detailed in Rexel's Universal registration document for 2020.

In accordance with article L.22-10-34 II of the French commercial code, the payment of this 2020 variable portion is subject to the approval of Rexel's General Shareholders' Meeting on April 22, 2021.

2. Compensation Policy applicable for 2020

Following the recommendation of the Compensation Committee, the Board of Directors of February 10, 2021 adopted the compensation Policy for corporate officers. The compensation Policy will be detailed in the corporate governance report which will be included in Rexel's Universal registration document for 2020.

The amount of fixed compensation awarded to the Chairman of the Board Directors was €500,000 until December 31, 2020, in application of the Compensation Policy applicable during the year. In view of market practices and the new non-executive functions otherwise assumed by Ian Meakins since December 1st, 2020, the Board of Directors has decided, un full agreement with him, to reduce his gross annual fixed compensation as Chairman of the Board to €300,000 as of January 1st, 2020.

In accordance with the 2020 compensation policy, as adopted by the Board of Director at the meeting of February 12th, 2020 and April 22, 2020, and approved by the General Shareholders' Meeting on June 25, 2020, in the context of the early renewal of Patrick Berard's mandate as CEO,

- the fixed compensation of Patrick Berard, from January 1st, 2021, to December 31st 2021, amounts to €700,000.
- his variable target compensation from January 1st, 2021 to December 31st 2021 is set at 130% of the annual fixed compensation.

As a reminder, the compensation policy is applicable for the full length of the mandate.

- **CHAIRMAN OF THE BOARD OF DIRECTORS, IAN MEAKINS**

The compensation policy for the Chairman of the Board of Directors has been reviewed for the 2021 financial year, i.e., a fixed compensation of €300,000.

The Chairman of the Board of Directors does not benefit from any other compensation item.

Ian Meakins	2021	Evolution	2020
Fixed portion	300,000	-40%	500,000
Variable portion	N/A		N/A

- **DIRECTORS**

According to the compensation policy, the compensation for Directors is unchanged for the financial year 2021.

- **CHIEF EXECUTIVE OFFICER, PATRICK BERARD**

The financial annual compensation of the Chief Executive Officer is maintained at €700,000 and his target annual variable portion at 130% of this fixed compensation in the event that 100% of financial and individual objectives are achieved.

The 2020 variable portion breaks down into 75% of financial and 25% of individual objectives. The quantitative objectives can reach a maximum result of 150%, the individual part of the variable compensation is capped at 100% of achievement. Thus, the maximum variable compensation cannot exceed 179% of the fixed compensation.

The quantitative objectives are adjusted gross profit in volume (40%), adjusted EBITA in volume (40%) and Average Trade Working Capital (20%).

The individual objectives are the Company's digital transformation (33.34%), Corporate Social Responsibility policy (33.33%); the stability and development of a well-performing executive team (33.33%).

Those objectives for 2021 will be precisely detailed in Rexel's Universal registration document for 2020.

Patrick Berard	2021	Evolution	2020
Fixed part	700,000	0%	700,000
Variable part	910,000	0%	910,000
Total target	1,610,000		1,610,000

(1) As a reminder, Patrick Berard waived his increase in compensation, and decided to reduce his compensation by 20% for the period from April to September. The compensation indicated here for 2020 is therefore the compensation before the waiving of the increase and 20% reduction, as described above, the fixed compensation paid in 2020 having been of €585,000.

Fixed part 2021	Variable part 2021 in percentage of the fixed compensation	Variable part 2021 target in €	Financial part of the variable part	Individual part of the variable part	Maximum achievement of the financial part	Maximum achievement of the financial part	Maximum achievement of the 2021 variable compensation in % of the target and in €	Maximum achievement of the 2021 variable compensation in % of the fixed compensation and in €
					150%	100%		
A	B	(AxB)=C	75%	25%	(150%x75%)	(25%x100%)	138%	179%
700,000	130%	910,000	682,500	227,500	1,023,750	227,500	1,251,250	1,251,250

The other benefits are renewed (health and welfare insurance, basic and supplementary pension, health checkup, tax/retirement advice, company car).

In accordance with the article L.22-10-8 of the French commercial code, the 2021 compensation policy for Corporate officers will be submitted to Rexel's Shareholders' Meeting on April 22, 2021.

Additional defined-benefit retirement plan

The Board of Directors of July 1, 2016 decided to maintain the benefit of the additional defined-benefit retirement plan that Patrick Berard benefited from prior to accepting his duties as Chief Executive Officer. In accordance with the applicable laws and regulations (Law n°2019-486 of May 22, 2019 relating to the growth and transformation of companies, known as the "PACTE Law"), rights were frozen, consisting of the interruption at December 31, 2019 of the acquisition of new contingent rights under the plan

The working period after December 31st, 2019 is therefore not taken into account for the assessment of the length of service used for the calculation of the amount of the additional pension. The end-of-career compensation is considered, in accordance with the terms of the scheme regulations and ordinance N° 2010-697 of July 3rd, 2019 on professional defined benefit pension schemes. It is reminded that Patrick Berard does not benefit from the collective medium-term savings scheme (Article 82 of the French General Tax Code).

Severance indemnities

The Chief Executive Officer does not qualify for any severance indemnity in respect of his corporate office. The Board of Directors decided not to grant to Patrick Berard any severance indemnity resulting from the termination of his duties as Chief Executive Officer of the Company, nor any non-compete compensation indemnity in connection with the termination of such duties, taking into account his career and profile.

It is reminded that the employment agreement of Patrick Berard, suspended during the exercise of his duties as Chief Executive Officer of the Company, provides under certain conditions for the payment of such indemnities, within the limits of a global amount of 18 months of monthly reference compensation. It is specified by the Board of Directors that in case of reactivation of the employment agreement of Patrick Berard, these potential severance indemnities would be calculated without taking into account the exercise period of the corporate office (without considering his seniority or fixed or variable compensation received as a corporate officer).

Benefit in kind

The Chief Executive Officer receives benefits in kind including the provision of a company car.