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Compensation of Corporate Officers

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The Board of Directors of February 10, 2022, decided the following in relation to the compensation of corporate officers.

1. Guillaume Texier - Chief Executive Officer as of September 1st, 2021

Upon recommendation of the Compensation Committee, the Board of Directors set the variable part of the CEO Guillaume Texier and took the following decisions considering:

Gross annual compensation was set to €800,000, on a prorata basis for the period September 1st to December 31st 2021.

The 2021 variable target compensation of the Chief Executive Officer was set at 120% of the fixed annual compensation if 100% of the financial and individual targets were achieved.

The variable compensation was made of financial objectives for 70% and of qualitative objectives for 30%.

The financial objectives for 2021 were the adjusted gross margin in volume (40%), the adjusted EBITA in volume (40%) and the average operating working capital (20%). These objectives were capped at a maximum of 150% if they exceeded 100% of the objectives set.

The qualitative objectives set for 2021 were the development of a successful management team (33.4%), the Update of the medium-term plan (33.3%) and report on his first 100 days (33.3%). These objectives were capped at a maximum of 100% if they exceeded 100% of the objectives set.

Further to the appraisal of the 2021 performance of the Chief Executive Officer, the Board determined a global performance of 133,7%, i.e., an amount of €427,745 to be paid for 2021, whose achievements are detailed as follows:

2021 fixed compensation	2021 target variable portion in percentage of fixed compensation	2021 target variable portion in €	Financial part of the target variable portion	Individual part of the target variable portion	Financial part 2021 results	Individual 2021 results	Achievement of 2021 financial part	Achievement of 2021 individual part	Global achievement in percentage of the variable target	Amount in € to be paid in respect of 2021 variable portion
A	B	(AxB)=C	D	E	F	G	(DxF)=H	(ExG)=I	(H+I)=J	(CxJ)
800 000	120%	960 000	70%	30%	148,1%	100,0%	103,7%	30,0%	133,7%	1 283 232
266 667	120%	320 000	70%	30%	148,1%	100,0%	103,7%	30,0%	133,7%	427 745

Financial results	Weight	Achievements (after weighting)
Adjusted gross margin in volume	40,0%	60,0%
Adjusted EBITA in volume	40,0%	60,0%
Average operating working capital	20,0%	28,1%
Achievement 2021 – Financial part		148,1%

Individual results	Weight	Achievements (after weighting)
Development of a successful management team	33,4%	100,0%
Update of the medium-term plan	33,3%	100,0%
Report on the first 100 days	33,3%	100,0%
Achievement 2021 – Individual part		100,0%

The factual and objectives criteria on which the evaluation of the performance of the CEO will be fully detailed in Rexel's Universal registration document for 2021.

In accordance with article L.22-10-34 II of the French commercial code, the payment of this 2021 variable portion is subject to the approval of Rexel's General Shareholders' Meeting on April 21, 2022.

2. Patrick Berard – Chief Executive Officer until August 31st 2021 included

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

Gross annual compensation was of €700,000, on a prorata basis for the period January 1st to August 31st 2021. Variable compensation was set at 130% of the fixed annual compensation if 100% of the financial and individual targets were achieved.

The variable compensation was made of financial objectives for 75% and of qualitative objectives for 25%.

The financial criteria for 2021 were the adjusted gross margin in volume (40%), the adjusted EBITA in volume (40%) and the average operating working capital (20%). These objectives were capped at a maximum of 150% if they exceeded 100% of the objectives set.

The qualitative objectives set for 2021 were the digital transformation (33.4%), Stability and development of a high-performance management team (33.3%) and Corporate Social Responsibility Policy (33.3%). These objectives were capped at a maximum of 100% if they exceeded 100% of the objectives set.

Further to the appraisal of the 2021 performance of the Chief Executive Officer, the Board determined a global performance of 136,1%, i.e., an amount of €825,522 to be paid for 2021, whose achievements are detailed as follows:

2021 fixed compensation	2021 target variable portion in percentage of fixed compensation	2021 target variable portion in €	Financial part of the target variable portion	Individual part of the target variable portion	Financial part 2021 results	Individual 2021 results	Achievement of 2021 financial part	Achievement of 2021 individual part	Global achievement in percentage of the variable target	Amount in € to be paid in respect of 2021 variable portion
A	B	(AxB)=C	D	E	F	G	(DxF)=H	(ExG)=I	(H+I)=J	(CxJ)
700 000	130%	910 000	75%	25%	148,1%	100,0%	111,1%	25,0%	136,1%	1 238 283
466 667	130%	606 667	75%	25%	148,1%	100,0%	111,1%	25,0%	136,1%	825 522

Financial results	Weight	Achievements (after weighting)
Adjusted gross margin in volume	40,0%	60,0%
Adjusted EBITA in volume	40,0%	60,0%
Average operating working capital	20,0%	28,1%
Achievement 2021 – Financial part		148,1%

Individual results	Weight	Achievements (after weighting)
Digital transformation	33,4%	100,0%
Stability and development of a high performance management team	33,3%	100,0%
Corporate Social Responsibility Policy	33,3%	100,0%
Achievement 2021 – Individual part		100,0%

The factual and objectives criteria on which the evaluation of the performance of Patrick Berard will be fully detailed in Rexel's Universal registration document for 2021.

In accordance with article L.22-10-34 II of the French commercial code, the payment of this 2021 variable portion is subject to the approval of Rexel's General Shareholders' Meeting on April 21, 2022

3. Compensation Policy 2022 – “Ex Ante”

Following the recommendation of the Compensation Committee, the Board of Directors of February 10, 2022, 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 2021.

i. Chairman of the Board of Directors, Ian Meakins

The compensation policy for the Chairman of the Board of Directors is unchanged for the 2022 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.

ii. Directors

According to the compensation policy, the compensation for Directors is unchanged for the financial year 2022.

iii. Chief Executive Officer, Guillaume Texier

The financial annual compensation of the Chief Executive Officer is maintained at €800,000 and his target annual variable portion at 120% of this fixed compensation in the event that 100% of financial and individual objectives are achieved.

The 2022 variable portion breaks down into 70% of financial and 30% 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 162% 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 sustainability (25%), the strategic roadmap (25%), the digital transformation (25%) and talent management (25%).

Those objectives for 2022 will be precisely detailed in Rexel's Universal registration document for 2021.

Guillaume Texier	2022	Evolution	2021
Fixed part	800 000	0,0%	800 000
Variable part	960 000	0,0%	960 000
Total target	1 760 000		1 760 000

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	70%	30%	(150% \times 70%)	(30% \times 100%)	135%	162%
800 000	120%	960 000	672 000	288 000	105%	30%	1 296 000	1 296 000

The other benefits are renewed (health and welfare insurance, coverage for job loss, 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.

Medium-term collective savings scheme

As a reminder, Guillaume Texier did not benefit from the collective medium-term savings scheme (Article 82 of the French General Tax Code) for the period from September 1, 2021, to December 31, 2021.

The Board of Directors, on the recommendation of the Compensation Committee, has decided that the collective medium-term savings plan of Article 82 of the French General Tax Code will be applicable as of January 1, 2022, in application of the compensation policy applicable to the Chief Executive Officer.

This scheme provides for the payment of an annual contribution at the benefit of the executive. This contribution is proportional with the compensation effectively received and capped. Its beneficiary is subject to social security charges and income tax. It is paid by Rexel in two forms: a mid-term investment vehicle of a life insurance type, and partly in cash. This allows the beneficiary to pay for taxes and social charges due in respect of all of the contribution. This yearly system may be terminated upon each new calendar year.

The Board of Directors has considered that this type of scheme was more adapted and attractive for executives of the Group than other schemes such as supplemental retirement schemes. Also, it is more favorable to the interests of the shareholders and the best interest of the company, taking into account in particular the payments made by the beneficiary.

The main characteristics of this scheme are as follows:

OBJECTIVE AND LINK WITH THE STRATEGY	APPLICATION	MAXIMUM POTENTIAL VALUE	PERFORMANCE METRICS
New medium-term collective savings scheme To allow the setting up of a medium-term savings scheme for senior executives. No long-term undertakings for Rexel	To offer an appropriate scheme for senior executives in mobility/international profiles.	The annual contribution is equal to: <ul style="list-style-type: none"> • 20% on the portion of compensation paid ranging between 4 and 20 PASS (1 PASS = €41,136 in 2022), • plus [10]% on the portion of compensation paid ranging between 20 and 40 PASS. The variable compensation taken into consideration will be limited to 80% of the fixed annual compensation.	The contribution is based on the effective fixed and variable compensation (capped).

Severance indemnities

The compensation policy of executive corporate officers determined by the Board of Directors provides, under certain conditions, the payment of severance and/or non-compete compensatory allowance.

Pursuant to the recommendations referred to in article 25.5 of the AFEP-MEDEF Code, the severance and/or non-compete compensation would be capped at an amount not exceeding 18 months of the monthly reference compensation of the relevant executive (defined as the sum of (i) the last gross annual fixed compensation received, divided by 12, and (ii) the average of the last two gross annual variable compensation items received, excluding any exceptional bonus, divided by 12).

Severance payments may only be paid in the event of dismissal, other than for gross negligence or gross misconduct, of the duties of the Chief Executive Officer, it being specified that the non-renewal of the term of office of the Chief Executive Officer does not qualify as a forced departure and does not result in the payment of the indemnities referred to above

Benefit in kind

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