

A modern, two-story house with a dark grey facade and large glass windows. The roof is covered with solar panels. The house is situated in a lush, green environment with tall trees in the background. The sun is setting, creating a warm, golden glow that illuminates the scene. The house has a flat roof with a large glass extension on the side. The interior of the house is visible through the glass, showing a modern living space with a wooden floor and a large potted plant. The house is surrounded by a concrete foundation and a set of concrete steps leading up to the entrance. The overall atmosphere is serene and eco-friendly.

2022 Universal Registration Document

REXEL

a world of energy

2022

Universal Registration Document



The French version of the Universal Registration Document has been filed on March 9, 2023 with the AMF in its capacity as competent authority in accordance with Regulation (EU) No. 2017/1129, without prior approval in accordance with Article 9 of the said Regulation.

The French version of the Universal Registration Document may be used for the purpose of a public offering of securities or the admission of securities to trading on a regulated market if it is supplemented by a securities note and, where applicable, a summary and any amendments to the Universal Registration Document. The entire package thus formed is approved by the AMF in accordance with Regulation (EU) No. 2017/1129.

This document is a free translation in English of the original document, which was prepared in French. In all matter of interpretation, views or opinions expressed in the original language of the document in French take precedent over the translation.

This Universal Registration Document including the Annual Financial Report is a reproduction of the official version which has been prepared in ESEF format and which is available on the issuer website (www.rexel.com).

Copies of this Universal Registration Document are available at no cost at the registered office of Rexel, 13, boulevard du Fort de Vaux, 75017 Paris – France. This Universal Registration Document is also available on the website of Rexel (www.rexel.com) and on the website of the *Autorité des marchés financiers* (www.amf-france.org).

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General information

This Universal Registration Document was prepared in connection with Rexel's disclosure obligations and for the purpose of the Rexel's Combined Shareholders' Meeting convened for April 20, 2023 (the "**Shareholders' Meeting**").

In this Universal Registration Document, "**Rexel**" refers to the company Rexel. References to "**Rexel Développement**" are to Rexel Développement S.A.S., a direct subsidiary of Rexel. References to "**Rexel Distribution**" are to Rexel Distribution, an indirect subsidiary of Rexel, which merged into Rexel Développement during the 2011 financial year. The "**Rexel Group**" and the "**Group**" refer to Rexel and its subsidiaries and, before 2005, to Rexel Distribution and its subsidiaries.

This Universal Registration Document contains information about the Rexel Group's markets and competitive position, including information relating to market size and market shares. Unless otherwise stated, this information is based on the Rexel Group's estimates and is provided solely for indicative purposes.

To the Rexel Group's knowledge, there are no authoritative external reports in relation to the market and providing comprehensive coverage or analysis of the professional distribution of low and ultra-low voltage electrical products. Consequently, the Rexel Group has made estimates based on a number of sources, including internal surveys, studies and statistics from independent third parties or professional federations of electrical products distributors, specialist publications (such as Electrical Business News and Electrical Wholesaling), figures published by the Rexel Group's competitors and data from operational subsidiaries. These various studies, which the Rexel Group considers reliable, have not been verified by independent experts. The Rexel Group does not guarantee that a third party using other methods to analyze or compile market data would obtain the same results. In addition, the Rexel Group's competitors may define their markets differently.

The data relating to market shares and market size included in this Universal Registration Document thus do not constitute official data.

This Universal Registration Document contains information on the trends, objectives and prospects of development of the Rexel Group. Such information should not be interpreted as guarantees of future performance. Such information is based on data, assumptions, and estimates that the Rexel Group considers reasonable. They are likely to change or be modified due to the uncertainties of the economic, financial, competitive or regulatory environment. In addition, such trends, objectives and prospects of development may be affected by the materialization of one or more risk factors as described in chapter 2 "Risk factors and internal control" of this Universal Registration Document.

The forward-looking statements provided in this Universal Registration Document are made as of the date of this Universal Registration Document. Excluding any applicable legal or regulatory requirements, the Rexel Group does not make any commitment to supplement, update and amend these forward-looking statements provided to reflect any changes in its targets or events, conditions or circumstances on which such forward-looking statements are based. The Rexel Group operates in a competitive environment subject to rapid change. Therefore, it is not able to anticipate all risks, uncertainties or other factors that may affect its activities, their potential impact on its activities or the extent to which the occurrence of a risk or combination of risks could have significantly different consequences from those set out in any forward-looking statements, it being noted that such forward-looking statements do not constitute a projection or guarantee of actual results. In addition, such forward-looking statements may be affected by the materialization of one or more risk factors as described in chapter 2 "Risk factors and internal control" of this Universal Registration Document.



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Presentation of the Rexel Group

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Presentation of the Rexel Group



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Message from Guillaume Texier

Chief Executive Officer of Rexel



For Rexel, 2022 has been a record-breaking year. It has also been a landmark year, over the course of which we laid the foundations for an ambitious medium-term strategy to pursue and accelerate our profitable growth trajectory and meet the challenges of the energy transition.

2022 was a second straight record year for Rexel, with financial results that beat even our updated guidance, thus demonstrating that the Group has reached a new level in terms of growth potential, profitability, agility, and resilience:

- Full-year sales grew to 18.7 billion euros, up 27.3% on a reported basis and up 14.1% on a same-day basis.
- Our adjusted EBITA margin reached 7.3%, up 118 basis points vs 2021.
- Our net income was up 54.3% and our recurring net income, which is the basis for our dividend policy, rose 58.6% to 911.8 million euros.
- Our free cash flow before interest and tax reached 873.3 million euros, an increase of 193 million euros.
- Finally, our indebtedness ratio was at its lowest level since our initial public offering in 2007, at 0.96 times EBITDA after leases, which gives us even greater leeway to seize growth opportunities.

These record results allow us to propose an all-time high dividend of 1.20 euros per share, up 45 cents, i.e. +63% vs 2021. We are completing our shareholder return policy with a share buyback program. To date, we have bought back shares for a total amount of 66 million euros out of our total program of 400 million euros over four years.

This performance in 2022 is all the more remarkable considering that we once again faced a difficult context shaped by macroeconomic and geopolitical tensions from the war in Ukraine and the ongoing effects of the COVID-19 crisis, especially in China. This resulted in high inflation, rising energy

prices, and heightened pressure both on the supply chain and on labor availability.

While these uncertainties represented challenges to be addressed by Rexel, they also provided the opportunity to demonstrate our ability to differentiate ourselves. Rexel's 26,000 employees around the world, to whom I want to express my deepest gratitude for their exceptional commitment, came together to provide the best products, services, and solutions while maintaining our customers' satisfaction.

Our reliability is the result of the deep transformation that Rexel has undergone over the past few years in order to reach beyond its traditional role of distributor and affirm its pivotal role in the decisive societal challenge of the energy transition through electrification.

The recent rise in energy prices is only one of many manifestations: the world of energy will undergo a profound shift by 2050, marked by two seemingly contradictory trends that are actually complementary. First, for both economic and environmental reasons, most major countries will drastically reduce their consumption of energy from conventional sources. Second, the use of electricity will experience spectacular growth within the energy matrix, because without the electrification of housing, of transportation and mobility or of industry, decarbonization will remain nothing more than wishful thinking.

Rexel is at the center of this immense challenge and the very reason for transforming its model was to position itself to meet these expectations, in particular by anticipating future needs in terms of products and solutions: charging infrastructures for electric vehicles, heat pumps, solar solution installations or industrial automation solutions, to cite but a few. All of these opportunities are our new playing field and our ambition is to accelerate the growth of these activities.

In order to take advantage of these opportunities, Rexel unveiled an ambitious strategic roadmap in June of 2022. Dubbed Power Up 2025, the roadmap is already bearing fruit. Combined with strict financial targets and a capital allocation strategy that aims to balance investments for organic growth, acquisitions, and shareholder returns, it stands on two strategic pillars:

- Excellence on fundamentals, especially by developing employee skills, consolidating our partnerships with our suppliers, optimizing our supply chain, and determinedly pursuing the digitalization of our activities.
- Striving to be a differentiated leader by providing innovative services, fostering AI innovation, systematizing the use of data analysis, promoting activities that support the development of electrification, and finally, making sustainable development the central aim of our growth strategy.

Each aspect of our strategic roadmap deserves to be mentioned, but three in particular stand out for their remarkable development:

The continued ramp-up of digitalization: Rexel's activity has become highly digital, from its distribution activities (available 24/7 online), to its role as a solutions provider (with the Supplier Portal, for example, which allows manufacturers to assess their performance using data analytics), to the increased productivity of its supply chain (via AI-powered predictive inventory management, the automation of our distribution centers, or sales follow-up tools enhanced with algorithms). Every year, this represents 100 million visits to our webshops and 25 million orders processed on our platforms. In a little over a decade, Rexel has multiplied its digital sales by 2.7 times, reaching almost 5 billion euros in 2022 (or 27% of our fourth quarter sales), with the goal of reaching 40% of overall sales in 2025.

A targeted and active acquisition policy: Since 2021, Rexel has returned to an active external growth policy, with 10 acquisitions representing additional sales of about 1.5 billion euros with very attractive multiples. These acquisitions aim to strengthen us in our key geographies, especially North America (6 of the 10 acquisitions) or in high growth activities, such as industrial automation. Within this framework, our goal is to reach as much as 2 billion euros in additional sales between 2022 and 2025. Simultaneously, in order to focus our resources on high value-creation opportunities, we made six targeted disposals representing total sales of around 500 million euros.

Recognized ESG leadership: Supported by a Board of Directors that is totally committed to the subject,

Rexel strives to be exemplary in all of its practices. More specifically, the Group has set ambitious climate-related goals pertaining as much to its own operations as to its activity as a distributor by offering its customers "green" products (with net zero targets validated by the Science-Based Targets initiative Net-Zero Standard for scopes 1, 2, and 3). For example, Rexel has launched the multi award-winning Carbon Tracker, an innovative solution that provides customers with information about the environmental impact of our products. To foster the adoption of responsible practices by its employees, Rexel launched the Rexel Climate School, an e-learning platform that enables them to better understand climate and sustainable development issues. Rexel is also one of the signatories of the Action Declaration on Climate Policy Engagement initiated by Corporate Knights at COP27. The Group's remarkable results have been rewarded by inclusion in Euronext's CAC 40 ESG index, which groups the French companies among those figuring in the CAC Large 60 that demonstrate best practices in environmental, social, and governance issues. They have also received many other distinctions such as the recognition of Rexel as Diversity Leader 2023 by the *Financial Times*. Rexel's employees are also wholly aligned with the Group's strategy as demonstrated by the 2022 engagement rate of 80%, an increase of 6% compared to the previous internal engagement survey.

Finally, to affirm its ambitions, Rexel unveiled its new purpose on February 16:

Electrifying solutions that make a sustainable future possible.

This purpose is fully in line with our strategy and with the trends supporting our growth, and it testifies to our collective determination to support our stakeholders in adopting products, services, and solutions that will make the energy transition a reality.

We know that 2023 will be another year of uncertainty. However, the strength of the secular trends that support our activity and that experienced explosive growth in 2022 allow us to set solid growth objectives, with projected organic same-day sales growth of between 2% and 6%, an adjusted EBITA margin of between 6.3% and 6.7%, and free cash flow conversion above 60%. Our proven ability to seize the opportunities offered by electrification, combined with the alignment of our teams behind an inspiring and stimulating purpose, give us great confidence in Rexel's ability to reach its medium-term profitable growth goals, thus benefitting all of our stakeholders.

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Group key figures

as of 12/31/2022

Breakdown of sales by end-market



48%

commercial



28%

industrial



26%

residential

50.1%

of positive impact sales in the Group's overall activity in 2022

82%

of direct purchases assessed on sustainable development criteria

Digital sales



Almost €5bn digital sales

100 million visits to our websites each year

400,000 customers with a web account

25 million order lines on our web platforms

2030 net-zero greenhouse gas (GHG) emissions targets, approved by the SBTi⁽¹⁾ Net-Zero Standard

- 60% reduction in CO₂ emissions of its operations (Scopes 1 and 2) in absolute terms, compared to 2016.
- 60% reduction in CO₂ emissions from the use of products sold (Scope 3) in intensity terms, compared to 2016.

(1) Science Based Targets initiative.



over 24,100

employees received training in 2022, i.e. 89.7% of total workforce



25%

Share of women among Group executives
(vs 19% in 2021)

Power UP 2025

Year 1 achievements

Power Up 2025	Year 1 achievements (2022)
4% to 7% organic growth over 4 years	14.1% same-day sales growth
6.5% to 7% of adj. Ebita margin in 2025	7.3%⁽¹⁾ adj. Ebita margin
> 60% of FCF conversion each year	61.4% FCF conversion
€400m of share buyback over 4 years	€66m completed
Up to €2bn of M&A contribution to sales in 4 years	€500m of sales acquired
Between €200m & €500m of divestments	€450m of sales disposed
40% of digital sales in 2025	+25% of digital revenues; i.e. 27% of Q4 2022 sales
Becoming a leader in ESG	Net Zero ambition validated by SBTi

(1) Including 66bps of non-recurring items.

Global footprint

as of 12/31/2022

Group

21

countries

€18.7bn

in sales

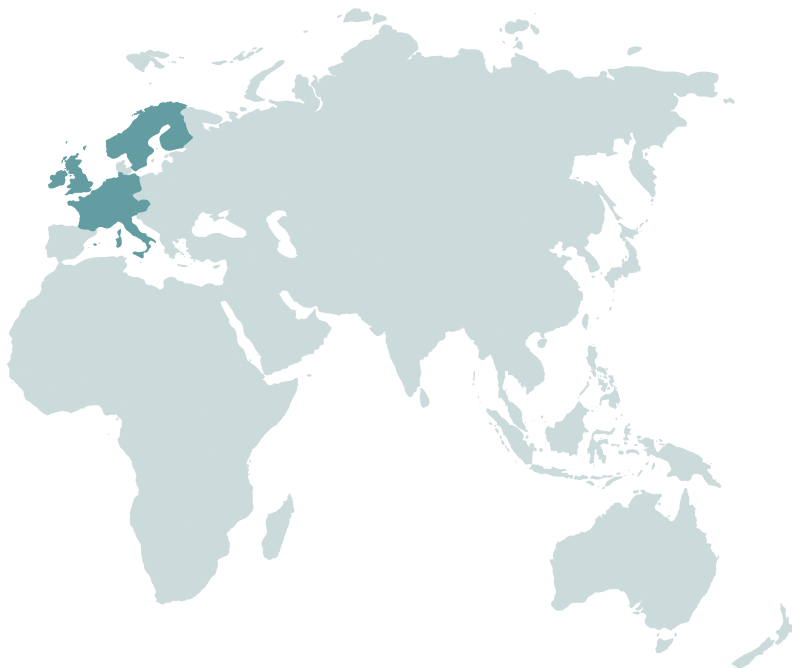
+ 1,900

branches

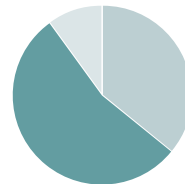
+ 26,000

employees

Europe

**50%**

in sales

**1,000** branches**14,500** employees**14** countries

Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Norway, Slovenia, Sweden, Switzerland, United Kingdom

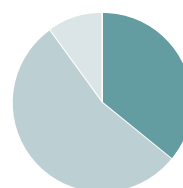
North America



Canada,
United States

42%

in sales



650 branches

9,000 employees

2 countries

1

2

3

4

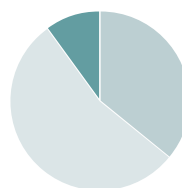
Asia-Pacific



Australia, China (including Hong Kong), India,
New-Zealand, United Arab Emirates

8%

in sales



250 branches

2,500 employees

5 countries

5

6

7

8

1.1 Key consolidated figures

The selected financial information presented below was established on the basis of Rexel's consolidated financial statements for years ended December 31, 2022, 2021 and 2020.

■ Principal key figures of Rexel's consolidated income statement

(in millions of euros, unless specified otherwise)

	2022	2021	2020
Sales	18,701.6	14,690.2	12,592.5
Growth on a comparable basis and same number of working days ⁽¹⁾	14.1%	15.6%	(6.5)%
Gross profit	4,868.6	3,871.6	3,103.4
As a percentage of sales	26.0%	26.4%	24.6%
EBITA ⁽²⁾	1,344.8	963.7	537.0
Adjusted EBITA ⁽²⁾	1,368.5	906.0	526.4
As a percentage of sales	7.3%	6.2%	4.2%
Operating income	1,343.0	911.8	(3.4)
Net income	922.3	597.6	(261.3)
As a percentage of sales	4.9%	4.1%	(2.1)%
Net income attributable to the Rexel Group	922.3	597.2	(261.2)
Net income per share (in euro per share)	3.04	1.97	(0.86)
Net recurring income ⁽³⁾	911.8	575.0	277.7
Net recurring income per share (in euro per share)	3.00	1.89	0.91

(1) See paragraph 5.1.1.1 "Financial position of the Group" of this Universal Registration Document.

(2) EBITA (earnings before interest, taxes and amortization) is defined as the operating income before amortization of intangible assets recognized upon purchase price allocation and before other incomes and expenses. The Adjusted EBITA ("Adjusted EBITA*") is defined as the restated EBITA of the estimated non-recurring impact resulting from fluctuations in copper-based cable prices. See paragraphs:

- "Margin deterioration resulting from raw materials price fluctuation, including that of copper" of Section 2.1.3 "Financial risks"; and
- 5.1.1.1.4 "Impact of changes in copper price" of this Universal Registration Document.

EBITA and Adjusted EBITA are not accepted accounting measures with standard and generally accepted definitions. They should not be considered as an alternative to operating income, net income, cash flow from operating activities or as a measure of liquidity. EBITA and Adjusted EBITA can be calculated in different ways by companies having similar or different operations.

(3) Net recurring income is defined as net income restated:

- for the non-recurring impact resulting from fluctuations in copper-based cables prices,
- other income and expenses, and
- financial expenses associated with refinancing transactions,
- after deducting the tax impact of the above-mentioned items and other non-recurring tax effects.

The table below presents a reconciliation of EBITA and Adjusted EBITA with operating income:

(in millions of euros, unless specified otherwise)

	2022	2021	2020
Operating income	1,343.0	911.8	(3.4)
(-) Other income ⁽¹⁾	(54.1)	(12.4)	(25.0)
(+) Other expenses ⁽¹⁾	42.0	57.0	554.9
(+) Amortization of intangible assets arising on the purchase price allocation of acquisitions	13.9	7.3	10.5
= EBITA	1,344.8	963.7	537.0
(+)/(−) Non-recurring effect resulting from changes in copper-based cable prices ⁽²⁾	23.7	(57.8)	(10.6)
= Adjusted EBITA	1,368.5	906.0	526.4
Adjusted EBITA margin (in % of sales)	7.3%	6.2%	4.2%

(1) See note 8 of the Notes to the consolidated financial statements of the Rexel Group for the year ended December 31, 2022 included in Section 5.2 "Consolidated Financial Statements" of this Universal Registration Document.

(2) See paragraphs "Margin deterioration resulting from raw materials price fluctuation, including that of copper" of Sections 2.1.3 "Financial risks" and 5.1.1.1.4 "Impact of changes in copper price" of this Universal Registration Document.

The table below presents the reconciliation of net income with net recurring income:

<i>(in millions of euros)</i>	2022	2021	2020
Net income	922.3	597.6	(261.3)
(+)/(–) Non-recurring effect resulting from changes in copper-based cable prices ⁽¹⁾	23.7	(57.8)	(10.6)
(–) Other income ⁽²⁾	(54.1)	(12.4)	(25.0)
(+) Other expenses ⁽²⁾	42.0	57.0	554.9
(+) Financial expenses related to refinancing transactions	–	22.6	(4.2)
(–) Tax impact of the items above and other non-recurring tax effects	(22.1)	(32.1)	24.0
= Net recurring income	911.8	575.0	277.7

(1) See paragraphs "Margin deterioration resulting from raw materials price fluctuation, including that of copper" of Sections 2.1.3 "Financial risks" and 5.1.1.1.4 "Impact of changes in copper price" of this document.

(2) See note 8 of the Notes to the consolidated financial statements of the Rexel Group for the year ended December 31, 2022 included in Section 5.2 "Consolidated Financial Statements" of this Universal Registration Document.

■ Principal key figures from the table of consolidated cash flow of Rexel

<i>(in millions of euros, unless specified otherwise)</i>	2022	2021	2020
Cash flow from operating activities	840.1	717.7	706.9
(–) Repayment of lease liabilities	(212.1)	(188.9)	(172.3)
(+) Paid interests	59.9	56.1	66.5
(+) Paid taxes	310.8	199.0	88.5
= Cash flow from operating activities before net interest and income taxes	998.7	783.9	689.6
(–) Acquisition of tangible and intangible fixed assets	(131.4)	(109.3)	(109.6)
(+) Disposal of tangible and intangible fixed assets	5.9	6.1	33.0
= Free cash flow before net interest and income taxes ⁽¹⁾	873.3	680.6	613.0
Conversion rate of the cash flow (in % of EBITDAaL) ⁽²⁾	61.4%	65.7%	101.2%

(1) Free cash flow before net interest and income taxes is defined as the net change in cash flow from operating activities before deduction of net interest paid and before deduction of income tax paid, less net operating investments.

(2) EBITDAaL (earnings before interest, taxes, depreciation, amortization and after leases) is defined as EBITA before amortization of fixed assets less capitalized lease payments in accordance with IFRS 16. EBITDAaL is not a standardized accounting aggregate that meets a single, generally accepted definition. It is used to assess the level of free cash flow before interest and taxes.

The table below presents the reconciliation between EBITA and EBITDAaL:

<i>(in millions of euros)</i>	2022	2021	2020
EBITA	1,344.8	963.7	537.0
(+) Amortization of fixed assets	335.9	300.7	283.9
= EBITDA	1,680.8	1,264.4	820.9
(+) Capitalized leased payments	(258.6)	(229.3)	(215.0)
= EBITDAaL	1,422.2	1,035.2	605.9

■ Principal key figures of Rexel's consolidated balance sheet

<i>(in millions of euros)</i>	2022	2021	2020
Total assets	12,909.7	11,553.7	9,963.2
Non-current assets	6,180.9	5,999.7	5,400.3
Working capital requirements	2,231.9	1,753.6	1,286.6
Shareholders' equity	5,281.8	4,560.8	3,794.8
Net financial debt ⁽¹⁾	1,458.4	1,551.2	1,334.9
Other non-current liabilities	1,672.6	1,641.1	1,557.3

(1) See note 19.1 of the Notes to the consolidated financial statements of the Rexel Group for the year ended December 31, 2022 included in Section 5.2 "Consolidated Financial Statements" of this Universal Registration Document.

■ Leverage Ratio

The Leverage Ratio corresponds to adjusted total net debt relative to adjusted EBITDA. Calculation such as provided by the Senior Facility Agreement is detailed as follows:

<i>(in millions of euros, unless specified otherwise)</i>	2022	2021	2020
Net financial debt ⁽¹⁾	1,458.4	1,551.2	1,334.9
Redemption costs	(17.5)	(28.8)	(19.2)
Foreign exchange effect ⁽²⁾	2.4	(35.8)	16.1
Adjusted total net debt	1,443.3	1,486.6	1,331.8
EBITDA _{AOL}	1,421.7	1,035.2	605.9
Effect of changes in scope of consolidation	3.5	55.5	(2.0)
Share-based payments and employee profit sharing	57.3	52.3	28.3
Non-recurring effect related to changes in copper-based cable prices	23.7	(58.3)	(10.6)
Adjusted EBITDA	1,506.2	1,084.7	621.7
Leverage Ratio (Adjusted total net debt / Adjusted EBITDA)	0.96x	1.37x	2.14x

(1) See note 19.1 of the Notes to the consolidated financial statements of the Rexel Group for the year ended December 31, 2022 included in section 5.2 "Consolidated Financial Statements" of this Universal Registration Document.

(2) Effect of conversion of amounts denominated in currencies other than Euro on the basis of the relevant average foreign exchange rate against Euro over the last twelve months.

1.2 History and development

1.2.1 Corporate name

The corporate name of Rexel is "Rexel".

1.2.2 Place and number of registration

Rexel is registered in the Trade and Companies Register (*Registre du commerce et des sociétés*) of Paris under identification number 479 973 513 RCS Paris.

The LEI (Legal Entity Identifier) of Rexel is 969500N6AVPA51648T62.

1.2.3 Date and term of incorporation

Rexel was incorporated on December 16, 2004 as a *société par actions simplifiée*, for a term of ninety-nine years. Except in the event of extension or early dissolution, such term will expire on December 16, 2103.

Rexel was converted into a French *société anonyme* with a Management Board and a

Supervisory Board by a decision of the Combined General Shareholders' Meeting of its members on February 13, 2007.

Rexel was converted into a French *société anonyme* with a Board of Directors by a decision of the Combined General Shareholders' Meeting on May 22, 2014.

1.2.4 Registered office, legal form, and applicable law

The registered office of Rexel is located at: 13, boulevard du Fort de Vaux, 75017 Paris, France (telephone: +33 (0)1 42 85 85 00).

Rexel is a *société anonyme* under French law, with a Board of Directors. It is governed, in particular, by the legislative and regulatory provisions of Book II of the French Commercial Code.

The website of Rexel is www.rexel.com/en.

The information on the website of Rexel does not form part of the Universal Registration Document, unless it is incorporated by reference therein.

1.2.5 History of the Rexel Group

Rexel S.A. was formed as part of the acquisition of Rexel Distribution, formerly known as Rexel. Rexel Distribution was founded in 1967, under the name "*Compagnie de Distribution de Matériel Electrique* (CDME)". It adopted the name of Rexel in 1993, and later Rexel Distribution in 2007.

The shares of Rexel Distribution were admitted for trading on the *Second Marché* of the Paris stock

market on December 8, 1983. They were admitted for trading on the *Premier Marché* of the Paris stock market in 1990. In 1990, Pinault-Printemps-Redoute ("PPR") became the majority shareholder of Rexel Distribution upon acquisition of *Compagnie Française de l'Afrique Occidentale* (C.F.A.O.), of which CDME, renamed Rexel and later Rexel Distribution, was a subsidiary.

On December 10, 2004, through its subsidiary Saprodis S.A.S., PPR entered into a purchase agreement with a consortium of funds and investment capital companies (composed of Clayton Dubilier & Rice, Eurazeo S.A. and Merrill Lynch Global Private Equity, which became BAML Capital Partners). Under this contract, PPR transferred a controlling stake representing 73.45% of the share capital of Rexel Distribution. This disposal was followed by a share price guarantee and by a public buyout offer followed by a compulsory squeeze-out. The shares of Rexel Distribution were then delisted from the regulated Euronext market on April 25, 2005. Further to a listing transaction, Rexel's shares were admitted for trading on the regulated Euronext market on April 4, 2007 and the private equity funds progressively transferred their holdings. After the last disposals that took place during 2014, the consortium no longer held any share in Rexel.

The Rexel Group initially developed its wholesale distribution operations for low and ultra-low voltage electrical products in France. It next undertook its international development by making acquisitions.

The Group's sales growth is based on an organic growth cornerstone and an external growth strategy. The organic growth strategy, which aims to outperform the market, is based on a differentiated value offering for our customer segments, through the constantly improving service level, thanks in particular to a specialized supply chain, an adapted branch network coupled with our customized digital offer, the expertise of our sales and logistics teams and the depth and breadth of our product ranges.

The strategy of selective external growth has supplemented the organic growth. The Rexel Group thus acquired companies of regional or national. This enabled it to reinforce its position in specific zones. It has also acquired companies in countries with strong growth potential. Between 2010 and 2016, the Rexel Group completed 40 consolidating acquisitions, including Platt in the US in 2012. After a period from 2016 to 2020 when the Group focused on its internal organization and deleveraging, external growth became a strategic focus again with the will to strengthen market shares in the countries where the Group operates and to expand its addressable market through acquisitions in

specific segments, in particular in connection with electrification trends. Between 2021 et early 2023, 10 acquisitions and equity investments were made, in North America and Europe, of which the main were:

- Mayer, electrical distribution in the United States;
- Wesco Utility, specialized electrical distribution in Canada in 2020;
- Horizon solutions, electrical distribution and industrial automation in the United States;
- Buckles Smith Electric Company, a regional industrial automation distributor in the United States;
- Trilec, electrical distribution in Belgium; and
- Freshmile, services and software platform for electric mobility in France.

Finally, since early 2015, Rexel has been dynamically and regularly reviewing its business portfolio in order to refocus on its "core" businesses. Thus, the Group:

- sold in September 2015 six of its companies in Latin America;
- in April 2016, disengaged from its activities in Poland, Slovakia and the Baltic States;
- carried out a plan to focus its business portfolio, in accordance with its 2016 strategic roadmap. The whole disinvestment plan represented an updated sales amount of €650 million and has been carried out between early 2017 and the end of 2018. It included:
 - the sale of all operations in South East Asia; and
 - the divestment of non-industrial activities in China and its portfolios restructuring in Germany and the United Kingdom;
- refocused its electrical distribution activities in the United States, with the signing of the agreement for the sale of the non-core business Gexpro Services to LKCM Headwater on December 31, 2019;
- divested its operations in Russia, Spain and Portugal in 2022, in order to concentrate its resources on markets that are more relevant to the Group, in line with the strategic roadmap communicated in June 2022;
- completed the sale of its operations in Norway to Kesko on March 1, 2023.

1.3 Business and strategy

The Rexel Group considers itself to be one of the leading global distributors in low and ultra-low voltage electrical products in 2022 in terms of sales and number of branches. At December 31, 2022, it operated in 21 countries, spread over three geographical regions: Europe, North America and Asia-Pacific.

In 2022, the Rexel Group's sales reached €18,701.6 million, of which 50% was generated in Europe, 42% in North America and 8% in Asia-Pacific. Rexel Group reported an Adjusted EBITA of €1,368.5 million in 2022, representing 7.3% of sales.

The Rexel Group serves three end-markets and operates in connection with construction, extension, renovation or upgrading projects:

- The residential market, which includes housing, building complexes, buildings, public and private housing;

■ The breakdown of the Rexel Group's sales in 2022 by end-market and by region is as follows:

	NORTH AMERICA	EUROPE	ASIA-PACIFIC	REXEL GROUP
Residential	8%	43%	18%	26%
Commercial	61%	37%	23%	46%
Industrial	31%	20%	59%	28%

For these markets, the Rexel Group is a key link of the value chain between electrical equipment suppliers and professional customers. It offers its solutions and services to various customers:

- electrical equipment contractors;
- end-users with internal installation departments;
- parts manufacturers and panel builders;
- industrial companies; and
- tertiary companies.

The degree of customer concentration varies depending on the countries and product ranges, however remains very low overall, which is a strength of this model. Indeed, this diversity allows the Rexel Group to avoid being dependent on any customer.

The Rexel Group's offering can be broken down into sixteen product families (compared to fifteen families previously): distribution and management of electrical energy; industrial processes; cables;

- The commercial market, which includes, *inter alia*, stores, health institutions, schools, offices, hotels, public facilities as well as energy power plants, public networks and transport infrastructure; and
- The industrial market, which comprises plants and other industrial sites.

The balanced breakdown of its activity between these three end-markets (residential, commercial and industrial) and between the geographic regions is a factor of global resilience and allows it to benefit from various electrification trends.

lighting; building equipment and control; systems related to electric vehicle recharging solutions; photovoltaic products; piping and cable trays; tooling, measuring and fastening; electric heating, heat pumps as well as air conditioning and ventilation systems; security and communication; sanitary equipment; software applications; infrastructure and networks; household appliances, IT and multimedia products and finally services. In order to address all of the needs of its customers, the Group also offers specific services and software, which enhance and complement the product offering. The services provided include logistics, technical assistance, financing, systems operation and training.

As at December 31, 2022, the Rexel Group has a network of 66 logistical centers, of 1,936 branches grouped around different commercial banners. It makes out 4.7 billion euros of sales online, representing 25% of its global revenue. Rexel employs 26,504 people (full time equivalent).

The operational sectors on which the consolidated financial statements presented by the Rexel Group are based are set forth in note 5 of the Notes to the consolidated financial statements of the Rexel

Group for the year ended December 31, 2022. See section 5.2 “Consolidated financial statements” of this Universal Registration Document.

1.3.1 Rexel Group’s Markets

1.3.1.1 The professional distribution market for low and ultra-low voltage electrical products

A market driven by long-term growth factors

The Rexel Group operates in the market for the professional distribution of low and ultra-low voltage electrical products. It anticipates structural growth in its market over the long term, driven in particular by the increasing consumption of electricity in the residential, commercial and industrial markets. Indeed, the portion of electricity consumption should grow from 27% of the mix in 2020 to 46% in 2050, based on commitments announced by the States (source: IEA WEO 2022).

This observed growth trend is based, in particular, on a conjunction of macroeconomic trends, such as:

- The acceleration of States’, companies’ and individuals’ ambitions in respect of energy transition, particularly through CO₂ emission commitments as well as decreases in the share of carbon-based energy, particularly in the context of the Paris, Glasgow and Cairo Agreements. These ambitions are reflected in financing and subsidy plans, such as the European Green Deal or the Inflation Reduction Act in the United States, as well as in changes in the regulatory environment, safety and energy consumption standards, which are a factor in the renewal and modernization of equipment;
- Rising energy costs worldwide, and concerns in Europe about gas supply, which makes the return on investment of electrification solutions more attractive, such as photovoltaic panel solutions, and promotes energy efficiency solutions, in particular through incentives for the electrification of certain systems (e.g. heating) and for better management of energy expenditure;
- The development of the Internet of Things. It results in increased functionalities, in particular in

terms of security, ease of use and energy efficiency. This leads to the modernization of existing installations, leaning towards complex systems of connected products, steerable on-site or remotely;

- The multiplication of electrical uses, along with the development, for instance, of electric vehicles. This equipment requires electrical installations, such as charging stations and associated equipment;
- The development of industrialization in various countries, as well as the trend towards relocation of industrial production and the associated plans decided by certain countries, which are accompanied by a demand for industrial automation;
- The development of technical assistance and maintenance services. These services address, in particular, the technological evolution of installations and customers’ increasing demand for value-added services; and
- The ongoing development and renewal of the higher value-added product offer. This encourages regular growth and an increase in the price of the average basket. This trend is clear in the most technical product categories, such as industrial automation, lighting, security and communication. It also relies on the change in safety and energy efficiency standards.

On this basis, Rexel estimates the global market at €270 billion in 2022, with strong growth observed over the last two years, notably linked to post-Covid effects, the acceleration of the electrification trends described above, and macro-economic and inflationary effects.

A fragmented market at the global level and slightly consolidated on the local level

The electrical supplies distribution industry is made up of a wide variety of players, including international companies with a significant geographic presence but also a number of companies with more local anchoring, including family-owned groups and purchasing organizations. The Rexel Group considers that size, as reflected by market share in a given region, has a direct impact on the quality of its operations and profitability in a country.

At global level, the market for the professional distribution of low and ultra-low voltage electrical products remains globally fragmented. Nevertheless, even if the level of market consolidation varies from country to country, the electrical supplies distribution market is relatively

consolidated, particularly in Europe, Canada and the Pacific region. It is the case, for instance, in Australia, Canada, France, the Netherlands, the United Kingdom, Sweden or Switzerland. This configuration results from the historical presence of players that have consolidated and structured these markets.

Conversely, the US market remains more fragmented and may be divided into two categories of players: multi-regional distributors (including the Rexel Group) and players with a more regional and local presence. This configuration can be explained by the geographical scope of the market and the historical presence of numerous local players. In such environment, local consolidation and market shares per region are essential.

1.3.1.2 The geographical breakdown of the Rexel Group markets and its positioning

The Rexel Group's businesses are spread over three main geographical regions: Europe, North America,

and Asia-Pacific. The Rexel Group's 2022 sales amounted to €18,701.6 million, broken down as follows:

	IN MILLIONS OF EUROS	IN PERCENTAGE
Europe	9,408.1	50%
North America	7,893.5	42%
Asia-Pacific	1,400.1	8%
Total	18,701.6	100%

The presence of the Rexel Group in various countries over several continents limits its exposure to the fluctuations of local economic cycles.

Europe

According to its estimates, the Rexel Group held a 2022 market share of approximately 15% after the disposals of businesses in Russia, Spain and Portugal, in the market for the professional distribution of low and ultra-low voltage electrical products in Europe. It considers that the residential, commercial and

industrial markets represented respectively 43%, 37% and 20% of its 2022 sales in Europe.

At December 31, 2022, the Rexel Group was located in 14 European countries after the disposals of businesses in Russia, Spain and Portugal in 2022.

North America

According to its estimates and based on its 2022 sales, the Rexel Group's market share was approximately 6% for the professional distribution of low and ultra-low voltage electrical products market in North America.

In this region, the Rexel Group operates essentially in the industrial and commercial markets and to a lesser extent in the residential market. The Rexel Group considers that the residential, commercial and industrial markets represented respectively 8%, 61% and 31% of its 2022 sales in North America.

Asia-Pacific

Based on its estimates and its 2022 sales, the Rexel Group considers that it is number two in Asia-Pacific, with a market share of over 2% in 2022.

According to its estimates, the residential, commercial and industrial markets represented

respectively 18%, 23% and 59% of the Rexel Group's 2022 sales in Asia-Pacific.

At December 31, 2022, the Rexel Group was located in 5 Asia-Pacific countries.

The risks associated with the general economic environment are described in paragraph "Macroeconomic and/or geopolitical uncertainties impacting the activities of the Group" of Section 2.1.1 "Commercial and strategic risks" in this Universal Registration Document. The competitive risks are

described in paragraph "Difficulties in adapting Rexel's business model to changing customer expectations and the digital context" of Section 2.1.1 "Commercial and strategic risks" in this Universal Registration Document.

1.3.2 The Rexel Group's businesses and competitive advantages

1.3.2.1 A global player with strong local presence

A major player at the global level

The Rexel Group is a worldwide expert in the professional omnichannel distribution of electrical products and services for the energy world. It is one of the main players in the market of the professional distribution of low and ultra-low voltage electrical products in terms of both sales and number of branches.

At December 31, 2022, the Rexel Group estimates that it held globally a market share between 6 and 7%.

This position allows it to have competitive advantages compared to distributors whose size or organization are different. It may for example:

- Determine and apply the good practices in terms of business management and development within its network; to this end, it carries out Group-

wide operations in the most important functions, *i.e.*, purchasing, logistics, sales and training;

- Benefit from equivalent or better purchasing conditions than its smaller competitors; to this end, it enters into partnership agreements with its strategic suppliers;
- Share IT, digital and artificial intelligence solutions and streamline contracts with partners in these areas;
- Ensure that its clients, in all areas, apply the strictest environmental and social standards in the sector; and
- Better identify external growth opportunities in countries targeted by the Rexel Group; integrate acquired businesses according to processes defined on the basis of its experience.

A strong local leadership

The three main geographical zones where Rexel operates are Europe, North America and Asia-Pacific. Based on its 2022 sales, the Group is one of the main players in these three zones. Moreover, the countries in which it considers that it has a market

share over 15% represent over 50% of its sales. The Rexel Group is convinced of the importance of reaching a critical size on each of its markets. This is a guarantee of quality and profitability for its operations in such countries.

The Rexel Group's local leadership is primarily based on the following factors:

- Its ability to offer customers a range of products and services adapted to local needs, more comprehensive than other independent distributors;
- An extensive network of branches paired with webshops. It can therefore provide an omnichannel offering that fits customers' needs in terms of proximity to their operations. With the expansion of digital transactions, Rexel develops its Click & Collect offers in which orders are placed in lockers available at all times;
- Its attractiveness for suppliers as a leading distributor in a given geographical zone to promote their products;

- A logistics organization adapted to customer demand and market density; and
- Its ability to hire qualified personnel with deep knowledge of the local market and of the product offering; its ability to provide them with ongoing training;

At December 31, 2022, the Rexel Group had 1,936 branches. In the context of the Covid-19 crisis, Rexel decided not to close the sales outlets. The Group thus protected its network's density and its customer proximity. By region, the number of branches changed as follows between December 31, 2020 and December 31, 2022:

(Number of branches)	AT DECEMBER 31		
	2022	2021	2020
Europe	1,054 ⁽³⁾	1,096	1,097
North America	645 ⁽²⁾	637 ⁽¹⁾	570
Asia-Pacific	237	233	239
Total	1,936	1,966	1,906

(1) Including Mayer's 68 branches in the United States.

(2) Including Horizon's 10 branches in the United States.

(3) Including Trilec's 15 branches in Belgium and restated of branches closures due to the disposals of businesses in Russia, Spain and Portugal (59 branches).

The Rexel Group regularly checks the fit of its branch network with market needs. This can lead to branch openings, transfers, regrouping or closures. With changing technology and customer habits, the agency concept is strengthened by two factors:

- the increasing power of digital data; and

- the available product offering search engines, with optimized delivery in terms of location and deadlines, adapted to customers' needs.

Strategic relations with suppliers, capitalizing on these global/local and physical/digital dual assets

The Rexel Group makes sure to adapt its supply structure to the specificities of each country or geographical zone, and to optimize its purchasing conditions. To this end, it has implemented partnerships with its suppliers at several levels:

- On a global level, the Rexel Group considers around forty international suppliers as "strategic suppliers". These suppliers are present in different countries, on one or several continents. They operate with the Rexel Group in international development programs;
- At each country level, the Rexel Group subsidiaries negotiate specific purchasing conditions with their suppliers; and

- At a local level, the branches may also negotiate specific sales conditions with their suppliers.

Rexel's policy of concentrating suppliers aims at rationalizing the Group's purchasing policy. It also intends to strengthen its relations with the most important suppliers, and to implement cooperation in order to foster the sustainable development of the industry. Thanks to its digital transformation, Rexel upgraded its services. The Group now offers its suppliers joint digital marketing proposals or the sharing of analytical data through a dedicated portal.

In this way, the Rexel Group promotes the development of sustainable relations with its strategic suppliers. These suppliers have indeed the ability to contribute to the growth of its business, both on global and local levels. The development of these relations also takes into account the technological innovation of the suppliers, in terms of products and services, and their digital innovation.

These privileged relations enable the Rexel Group:

- To have more bargaining power;
- To obtain productivity gains;
- To generate economies of scale on the logistical level; and

- To benefit from the supplier's marketing resources, as well as their support in introducing innovations on the market.

The Rexel Group's active supplier management has resulted in a gradual concentration in its purchases.

Short- to medium-term contracts are the framework of Rexel's relations with its suppliers. The Group has strategic relationships with a number of them.

The Rexel Group considers that it has generally favorable relations of interdependence with most of its major suppliers. This thus limits the inherent risks in a concentration of suppliers, as shown in the table below:

(number of suppliers to achieve)	AT DECEMBER 31	
	2022	2021
50% of purchases	28	26
80% of purchases	338	302
100% of purchases	9,042	9,068

Rexel is committed to creating and developing long-term relationships with its suppliers, in line with the Rexel Group's sustainable development approach (see chapter 4 "Corporate responsibility" of this Universal Registration Document). These

relationships with suppliers are also regularly reviewed as part of the Rexel Group's vigilance plan (see Section 4.10 "Vigilance plan" of this Universal Registration Document).

1.3.2.2 An extensive and innovative range of products and services

Sixteen product families

The Rexel Group's product offering is now spread across 16 families and aims at covering all needs of its customers (electrical product contractors, industrial and commercial customers):

- industrial processes (representing 18% of 2022 sales), which include:
 - automation: control and signaling units, control command (PLC) and sensors, measuring instruments;
 - motor controls and protection, machine safety devices;
 - connectors and connections (connectors, industrial plugs, boxes);
 - transformers; and
 - pneumatics;

- cables (representing 19% of 2022 sales) for the distribution of electricity including industrial cables, mainly copper-based, small and medium-sized cables, electronic cables;
- distribution and management of electrical energy (representing 13% of 2022 sales), which include systems for connection to the electricity grid and energy management;
- lighting (representing 13% of 2022 sales), which includes:
 - LED and non-LED interior lighting (representing 7% of 2022 sales) such as waterproof lighting, portholes, bathroom wall lights, industrial pendant lights, machine tool lamps, floor lamps, decorative lighting strips;

- LED and non-LED outdoor lighting (representing 2% of 2022 sales) such as outdoor wall and ceiling lights, lanterns, sign and signage lighting;
 - LED and non-LED sources (representing 3% of 2022 sales) such as low-energy incandescent, halogen or fluorescent bulbs or tubes; and
 - various LED and non-LED lighting / equipment (representing 1% of 2022 sales);
 - building equipment and control (representing 7% of 2022 sales), which includes:
 - building automation (home automation systems, presence detectors, stand-alone controls and automation);
 - terminal equipment; and
 - building accessory products, connection and fixing;
 - systems related to electric vehicle recharging solutions, including in particular recharging stations (representing 1% of 2022 sales);
 - photovoltaic products (representing 5% of 2022 sales) mainly including photovoltaic panels, inverters and batteries for energy storage, for example;
 - piping and cable trays (representing 8% of 2022 sales);
 - tooling, measuring and fastening (representing 5% of 2022 sales), including in particular protective and safety equipment and hand tools;
 - electric heating, heat pumps as well as air conditioning and ventilation systems (representing 5% of 2022 sales), covering all products and services related to HVAC as well as hydraulic heating and plumbing related to green energy;
 - security and communication (representing 3% of 2022 sales), which mainly include:
 - voice, data and image transmission devices (VDI), and;
 - detection (intrusion and fire), surveillance and access control equipment.
- The product families (and percentages) presented above correspond to the sole activity of professional distribution of electrical equipment. They do not include:
- sanitary equipment;
 - software applications;
 - infrastructure and networks;
 - household appliances (small and large), IT and multimedia products; and
 - services, including specific services of certain specialized entities of Rexel Group, such as Rexel Energy Solution or Capital Light in the United States.
- The Rexel Group's sales in these other activities were approximately 3% in 2022.

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A wide range of products and solutions, at the forefront of innovation

Among these sixteen product families, the Rexel Group offers a wide range of technical solutions. Thanks to these solutions, it can address local consumption behavior, comply with applicable standards as and follow technological innovations. The product range may, therefore, be widened, in particular within the framework of MRO (Maintenance, Repair and Operations) contracts. The product offer is generally marketed under the suppliers' brands. Their brand awareness is an important element in the contractors' purchase decision. Thus, the change in the product range is the result of a dynamic, continuous approach that is sensitive to customer requirements.

The Rexel Group permanently develops and adapts its product offer. It ensures that it takes into account innovations offered by suppliers, technological innovations, and new customer demands. These demands are, in particular, associated with increased needs for home automation, automation, energy performance, comfort, security and ergonomics. In each of these product categories, manufacturers develop innovations to meet the changes in user needs or applicable standards. This is verified in particular, in the area of energy consumption management. The innovations allow the Rexel Group to improve the value of its offer.

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On the technical level, the Rexel Group has technical mastery of all product families responding to the needs of electrical contractors. Thanks to its close relations with its key strategic suppliers, it is a privileged contact between contractors and suppliers.

The Rexel Group positions itself as a trusted player in the value chain. It assesses the ethical, social and environmental performance of key suppliers in each country. This allows it to strengthen customer confidence in the Group's offer.

The Rexel Group also distributes its own-brand products including the BizLine, Gigamedia or Newlec brands. The product lines concerned are mainly commodities or adjacencies of Rexel's core business (tools, VDI equipment). The Group distributes them in a limited number of segments suitable for their development. They represent around 2% of 2022 sales.

Added-value services corresponding to customer needs

The Rexel Group positions itself for its customers as a technical solutions supplier. It enhances the value of its product offer by combining it with varied added-value services. These services are carried out by qualified personnel, benefiting from continuous training that allows them to master technological changes.

The services provided by the Rexel Group help its customers to handle the technical changes involved in the distributed products families. They allow to support them along their projects. These services notably include:

- Training, support for automation programming, for electrical charging station installation or for drafting cabling diagrams;
- Electrical installations design services;
- Support for major projects, in particular for logistics needs;

- Outsourcing programs for the supply chain, in particular in the following areas: inventory and assembly management, distribution of spare parts and outsourcing of logistics services;
- Technical and pre-manufacturing services, such as cable cutting;
- Provision of turnkey solutions and the calculation of potential savings, in particular in industry and energy efficiency; and
- Financing services adapted to their profiles.

These additional services increase the value of the Rexel Group's distributor role and help improve customer loyalty. In addition, these services are part of a customer loyalty and development policy. In particular, they allow widening customers' skills to products incorporating the most recent technological evolutions.

1.3.2.3 A model adapted to customer expectations

An omnichannel model with a growing digital share

The Rexel Group relies on nine distribution channels, both physical and remotely managed. It can therefore optimize contacts with customers and adapt to their preferences and needs. These channels are as follows:

- Branch network: local channel offering;
 - immediate availability of several thousand products;
- the withdrawal of orders placed until the evening before on tens of thousands of additional references; and
- access to the expertise of sales consultants;
- Automated logistics models: positioned in metropolises. They offer a wide range of immediately available products;

- E-commerce site: an extensive offer and a wide range of services such as online chat with experts and the Click & Collect. This service allows to select a drop-off point to pick up the order, including the numerous branches or safe lockers, as an example;
- Call center: in order to place orders or obtain a quick response to quotes and technical queries;
- Sales force: a unique and dedicated contact point for each customer for a customized response to its needs;
- Know-how center: access to specialists in all fields;
- EDI: a digital catalogue directly integrated into the customer's systems for simple and efficient ordering;
- Web-based configurator: online tools for product configuration; and

- Mobile applications: they aim at making our customers' lives easier. As an example, sales applications allow them to create their shopping cart offline, geolocation helps identifying the nearest branch, etc.

The Rexel Group benefits from the complementarity of skills and expertise available in the various channels. This allows it to build complete and personalized solutions for its customers. The Rexel Group thus appears as a unique partner for the supply of electrical solutions and equipment.

This omnichannel offer improves customer loyalty and the share of purchases made with the Rexel Group. It represents a major competitive advantage, particularly in the face of players specializing in digital technology. It goes together with the will to increase the share of digital sales, *via* online tools and EDIs. This share amounts to 25% of the Group sales in 2022.

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An effective logistics model

The Rexel Group's distribution activities are based on an adaptable logistics model. This model is organized around four variants:

- Logistics centers. Generally used where customer density is high, they:
 - carry out logistics functions,
 - store a large number of referenced products,
 - are directly supplied by suppliers.

Sales of products are carried out by the branches attached to these distribution centers;

- Hub and spoke branches. With their implementation, the Rexel Group has developed in areas with lower customer density. Each hub branch provides logistics support to its spoke branches, in addition to its own sales activity;
- Autonomous branches. They are generally located in areas with lower customer density. They substitute for logistics centers or hub branches that would be economically inefficient. All products are stored in the branches, which are directly supplied by the suppliers; and

- New automated models. Generally located close to metropolitan areas, they enable deliveries to be made on site or in racks in urban areas. For example, Rexel France entered into an agreement with a parking company to install lockers in city centers that are available at any time.

The choice of one of these distribution modes for a given region depends on numerous parameters, including:

- customer concentration,
- locally preeminent customer segments,
- market size,
- density of the branch network,
- product offer,
- competition,
- type and diversity of services to be supplied.

In addition, the Rexel Group can adapt these variants to take into account the characteristics of each region.

If the sales density allows it, the Rexel Group centralizes flows through logistics centers.

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Qualified and experienced teams

Due to the technical nature of its business, linked to the electrical standards in each country and to innovation with the regular introduction of new products in the offer plan, the Rexel Group employs experienced personnel who are regularly trained in the evolution of standards and products. Its employees have in-depth knowledge of product specificities, local needs and applicable regulations. This know-how and training offered to customers allows the Rexel Group to direct them to higher value-added systems for the end customer. It thus can improve such customers' loyalty and develop the market share held with them. The Rexel Group then appears as an advisor in technical solutions.

The Rexel Group's employees benefit from an active training program in performance-oriented

technical and sales areas. The Group commits towards its employees to allow them to update their skills. This is a strong commitment in a context of global digitization. To that end, Rexel relies on the development of its digital tool Rexel Academy. This platform gathers all modules available relating to the company's life and knowledge of new products.

Furthermore, in view of implementing its digital transformation, Rexel had to make arrangements to attract talent before mastering these new skills. It assists its sales force and teams in the introduction of the new digital tools made available to them.

Lastly, the Rexel Group's management is experienced in professional distribution. Its members have developed an expertise in sales, operational, financial and merger and acquisitions matters.

1.3.2.4 Strategy reflected in the operational and financial performance

Balanced cost structure

The Rexel Group has engaged in developing digitization and a sales organization. To this end, it relies on shared structures that allow costs flexibility.

The Covid-19 pandemic also revealed the adaptability of this cost structure in case of sudden and unexpected external events. Thereby, in the stages of decline, Rexel responds efficiently and with agility. This worldwide crisis has confirmed Rexel's capacity to adapt. The Group has been able to implement the various supporting government programs. It has also modified its cost structure on

a permanent basis in order to face an uncertain macroeconomic environment.

Based on the financial statements for the year ended December 31, 2022, the Rexel Group estimates that the structure of its operating expenses before amortization consists in:

- Variable costs depending on the level of activity, of 30%. These costs include for example transportation, commissions, etc.; and
- Fixed costs, flexible in the short- to medium-term, of 70%. These costs include for example salaries, rents or information systems costs).

Improving operational performance

Rexel aims at continuously increasing its profitability through gross margin enhancement and strict cost control.

Gross margin improvement results from:

- the improvement of customer services;

- the systematic implementation of pricing initiatives; and
- the supplier relationship management.

Rexel optimizes its costs base, by improving the productivity of processes while preserving the digital transformation of its organization.

In addition to these Group initiatives, the Rexel Group drove deep transformations to enhance its profitability. These transformations have targeted key countries including the USA, Germany and the UK. For example, over the 2017-2019 period, the United States' transformation was carried out through:

- The opening of 57 additional sales outlets over the period;

- An increase in product inventories of about €150 million between 2016 and 2018; and
- The evolution of the U.S model from a national approach by brand to a multi-banner regional approach, focusing on eight key regions (Northwest, Midwest, Northeast, Southeast, Florida, Gulf Central, Mountain Plains and California).

Through these initiatives, Rexel aims in particular at improving operational efficiency to increase its market shares and improve its profitability.

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An economic model that generates cash flows

The Rexel Group generates major cash flow thanks to the association of three factors:

- operating profitability;
- a rigorous management of its working capital requirements; and
- low capital intensity.

Efficiently managing working capital requirements aims at reducing inventories and customer payment terms through the continuous optimization of logistics and credit management. It is a component of the manager's variable compensation. Several initiatives have contributed to reducing the working capital requirements of the Group as a percentage of sales, including:

- The deployment of the logistics model to a structure based on hub branches and regional distribution centers as well as;

- The implementation of debt recovery monitoring software.

Regarding operating investment, the Rexel Group spends the equivalent of 0.9% of its annual sales in order to accelerate its IT and digital transformation.

Rexel's cash generation profile has historically been robust and also resilient in times of economic downturns. For instance, during the Covid-19 pandemic, Rexel generated a level of "cash flow before interest and taxes" of €680.6 million in 2021.

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1.3.3 The Rexel Group's strategy and its mid-term ambition

Over the past five years, Rexel has proven its ability to structurally outperform the growing and increasingly attractive electrical distribution market. Indeed, Rexel fully benefits from the demand in electricity, renewable energy, industrialization and energy efficiency.

On June 16, 2022, Rexel hosted a Capital Markets Day,⁽¹⁾ unveiling its mid-term ambitions, as well as the launch of its Power Up 2025 strategic plan, which marks a new chapter in Rexel's history. This strategy is in line with the previous roadmap of February 2021. Indeed, after a thorough transformation over the past five years that has made the Group more resilient, Rexel is now well-positioned for a new phase of profitable growth,

driven by both the continued optimization of its model and the development of a leadership position on topics that are shaping the future of the industry such as ESG, energy transition solutions and the development of new services.

The "excellence on fundamentals" pillar is structured around the elements below:

1. Talent Culture. The Group creates value through the men and women who make up its workforce, and wishes to continue to be an employer by choice in the industry. To achieve this, the strategy focuses on attracting, training and retaining talent, and identifying tomorrow's skills. Rexel anticipates the transformation of its businesses, particularly in relation to digital

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(1) Presentation available on www.rexel.com.

trends, in order to promote a culture of talent and attract and retain the employees the company needs.

2. The logistics and supply chain, as well as the network of branches and customer contact points.

The approach is differentiated according to three types of product and service offers:

- “Proximity” value proposition. It relies on a strengthened presence thanks to:
 - a density of branches/counter coverage,
 - a systematic omnichannel approach, and
 - continuous improvement in service levels;
- “Projects” value proposition. It relies on a process of offering specific products and solutions, supported by a catalogue of services dedicated to industrial or commercial projects; and
- “Specialty” value proposition. It relies on the ability to advise and satisfy customers with very specific needs, with on adapted products and solutions.

In future years, the Rexel Group plans to multiply digital approaches in addition to the physical networks. As an example, in the Proximity segment, Rexel launched in 2020 a new model of service in the Paris area. The customer promise revolves around an offer of products of more than 20,000 items. These products are instantly available on site or made available through a new service of lockers located in parking lots of central Paris. In 2022, a similar proposal was launched in the Lyon region. By combining the latest generation logistics tool, expanded hours and lockers on-site and off-site 24/7, Rexel significantly improves the “Proximity” customer offer.

3. Supplier relations. The Rexel Group reinforces its ambition to build sustainable and strategic relations with its key suppliers in each market, in order to offer an optimal and differentiated value offering to its customers according to the local market, as explained in paragraph 1.3.2.1.

4. Accelerating digitalization. Through its digital offering, in support of its multi-channel value offering, Rexel aims to achieve 40% of digital sales in 2025 and 50% in 2027. The Group invested in its digital transformation. These investments have targeted the construction of its data platform, artificial intelligence modules and cybersecurity.

The “Strive to be a differentiated leader” pillar is structured around the elements below:

1. Migration towards a reference service company in the field of data use.
 - The second part of the Rexel Group’s transformation is to become a data-driven company. It is about using available and relevant data to make decisions based on facts and analyzes and not on simple beliefs or experiences. This transformation is derived along three axes:
 - An internal axis. The performance is improved through the implementation of use cases based on algorithms and artificial intelligence. For instance, as of now, a predictive artificial intelligence solution sends alerts to salespersons in order to notify them that some customers are likely to see their sales decrease in the next six months and require greater attention;
 - A customer axis. The Rexel Group aims at enriching customer experience. It will deepen its insight on its customers’ experience and use the data available to ensure an ever simpler and more fluid experience. Initiatives will be prioritized starting with those with the greatest customer impact. As an example, we have implemented customized homepages on our websites. These homepages offer customers differentiated content based on their purchase profile category. This is an additional step towards an enriched customer experience. In this context, the Group ensures to comply with the various aspects of the legislative environment for the protection of personal data; and

- A supplier axis. The Rexel Group develops and generalizes a dedicated data analysis offer for each supplier. With this offer, each supplier receives factual information on its market positioning, its omnichannel offer and its digital conversion rate by product category. This supplier axis also includes a reprofiling of the combined way to best target our customers through field and digital marketing.
2. A strong ambition on the ESG front, including ambitions to reduce CO₂ emissions :
- 2030 Net-zero greenhouse gas (GHG) emissions targets validated by the SBTi:
 - 60% reduction in CO₂ emissions of its operations (Scopes 1 and 2) in absolute terms, compared to 2016; and
 - 60% reduction in CO₂ emissions from the use of products sold (Scope 3) in intensity terms compared to 2016;
 - In order to put short-term milestones on our long-term environmental objectives, the Group has introduced short-term targets in its 2 Sustainability-Linked Bonds (€400 million issued in April and May 2021 and €600 million in November 2021). Rexel has committed to reducing:
 - by 23% greenhouse gas (GHG) emissions related to the consumption of products sold, per euro of sales (Scope 3) by December 31, 2023, compared to 2016 (“Sustainable Performance Goal 1”); and
 - by 23.7% greenhouse gas emissions related to energy consumption in its operations (Scopes 1 and 2) by December 31, 2023, compared to 2016 (“Sustainable Performance Goal 2”).
- These targets are in line with Rexel's 2030 objectives of reducing the GHG emissions on scope 1 & 2 and scope 3;
- The interest rate on the bonds will be increased by 25 basis points to 2.375% per annum from June 15, 2024, if Rexel does not achieve these sustainable performance targets compared to 2016.
- An offer known as “responsible” including, for example, energy auditing and CO₂ emissions measurement activities.
3. An ambition to accelerate electrification
- Thanks to its market position and its skills and competitive advantages, Rexel is in a position to position itself in the growth areas linked to electrification. These include photovoltaics, the electrification of heating, ventilation and air-cooling systems, as well as charging stations for electric vehicles and new industrial automation systems. The growth in demand for energy efficiency solutions and renewable energies is also a performance driver for this strategy.
- To this end, Rexel is developing its expertise and training in this area, adapting its offering, expanding its range of services, and building sustainable supplier relations. For example, Rexel has opened a photovoltaic innovation and training center in Germany, and Rexel has acquired Freshmile, an operator of electric vehicle charging stations in France, in 2021.
4. A reaffirmed commitment to developing services to bring more added value to its customers as a complement and extension of the products and solutions it offers, with, for example:
- new personalized logistics services: the deployment of its urban model, with automated solutions at the entrance to major cities. Lockers located in city centers complement these solutions for a better “proximity” customer offering;
 - support for customers in the rollout of connected solutions;
 - certified training; and
 - software.
5. An acquisition strategy.
- In a fragmented market environment with numerous acquisition opportunities, the Rexel Group believes that its size and strong local market shares, as well as its experience in acquisitions and integration, enable it to implement a value-creating external growth strategy and extract identified synergies.
- Capitalizing on its experience in external growth, Rexel continues to actively implement an acquisition strategy based on three axes:
- strengthening its market shares and/or size in key markets;
 - expanding into new and/or related growth segments; and
 - Investing in value-added models such as software and services.
- Therefore, since 2010, the Rexel Group has made 54 consolidating acquisitions. The risks related to acquisitions are described in paragraph 2.1.1 “Difficulty for the Group to generate the synergies

and results expected from significant acquisitions” of this Universal Registration Document.

Consistent with this strategy, Rexel has:

- adapted its business KPIs;
- created new scorecards across the organization;
- revised its incentive policies; and
- proceeded with adapting its human resources strategy, in order to reflect the need for new skills.

This strategy is accompanied by financial ambitions and an adjusted capital allocation policy with robust four-year ambitions for 2022-2025:

- same-day sales growth of between 4% and 7% (Compound Annual Growth Rate);
- an adjusted EBITA margin of between 6.5% and 7% in 2025;
- a well-balanced capital allocation with:
 - a capex to sales ratio of circa 0.9% over the period;

- a yearly payout to shareholders of at least 40% of recurring net income;
 - Bolt-on acquisitions adding up to €2 billions in sales over the periode; and
 - share buyback of around €400m over the period.
- an indebtedness ratio of around 2x;

More ambitious ESG targets:

- The Group’s Scopes 1 and 2 targets are upgraded to a 60% reduction of CO₂ emissions from our operations (vs. 2016) from -35% in absolute terms; and
- The Scope 3 target is raised to a 60% reduction of CO₂ emissions from the use of products sold (vs. 2016) compared to -45% in intensity terms (equivalent to an upward revision of our objectives to -45% compared to -31% in absolute terms).

These net-zero greenhouse gas (GHG) emissions targets were approved in July 2022 by the Science Based Targets initiative (SBTi) Net-Zero Standard.

1.3.4 Research and development, patents and licenses

Due to the nature of its business, the Rexel Group does not carry out any research and development activities. Its role is to distribute to its customers any innovations from suppliers. At the forefront of its industry, the Group is at the heart of the development of tomorrow’s innovations. It intends to be recognized as a world reference in the use of artificial intelligence and data analysis for the energy industry. It has therefore naturally joined forces with four other major French groups and two prestigious schools, the Institut Polytechnique and HEC, to announce in September 2021 the launch of Hi! Paris. This interdisciplinary research center of excellence specializes in the fields of artificial intelligence and data analysis.

The Rexel Group’s intellectual property policy is centered on the protection:

- of its brands: mainly the Rexel brand and own-brands such as BizLine, Newlec and Gigamedia; and
- of its domain names, in particular **rexel.com**.

This policy means that Rexel files or registers brands and domain names locally or with all the countries

where it operates. These procedures relate to the more widely-used ones, within the several registration classes of the products sold.

In addition, the Rexel Group uses intellectual property rights that are not necessarily registered. These include names, brands, logos, drawings, models or creations. They are unregistered either because they are used occasionally for a specific purpose (e.g. marketing campaign) or because they are difficult to protect. This second category, however, remains marginal. To the Rexel Group’s knowledge, use of these rights does not violate any third party’s rights.

In April 1998, Rexel Distribution signed an agreement on the coexistence and global use of the “Rexel” trade name worldwide. This agreement was entered into with a company that had already registered the trade name, and that operates in a different sector than the Rexel Group. Under the terms of this agreement, both companies are authorized to use the “Rexel” name for products and services that are not associated with the activities of the other company.

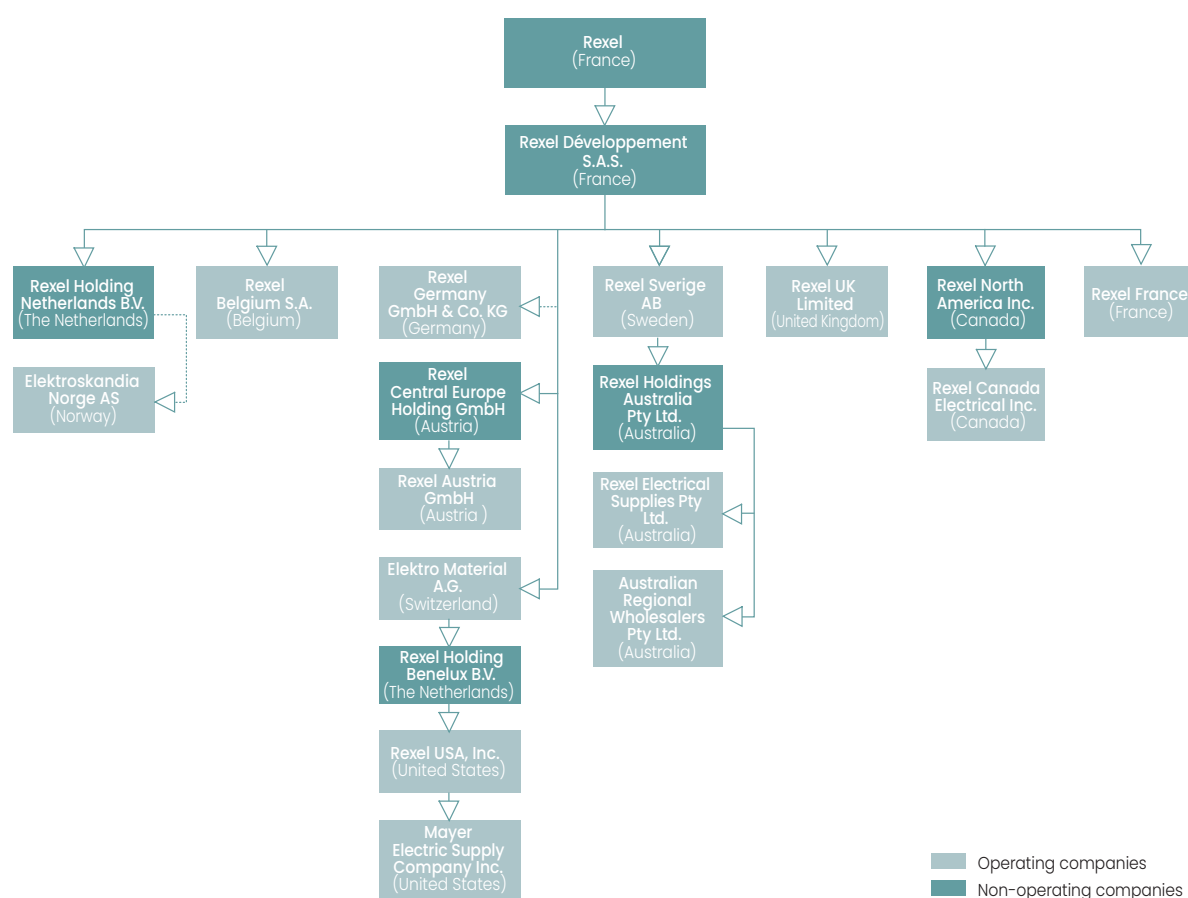
1.4 Organization

1.4.1 Organizational chart

The chart below is a simplified organizational chart of the Rexel Group as of December 31, 2022.

As at December 31, 2022, the Rexel Group comprised 97 companies. The list of all of the companies consolidated by Rexel as of December 31, 2022, and

their geographical location are presented in note 26 of the Notes to Rexel's consolidated financial statements, which are set out in Section 5.2 "Consolidated Financial Statements" of this Universal Registration Document.



* The dotted lines designate the indirect subsidiaries. All the companies mentioned in the simplified organizational chart here above are 100% held by the Rexel Group.

Mayer Electric Supply Company Inc. was absorbed by Rexel USA, Inc. on December 31, 2022.

1.4.2 Principal subsidiaries as of December 31, 2022

The Rexel Group comprises Rexel and its subsidiaries.

Rexel is the parent company of the Rexel Group. It is the head of the tax consolidation Group implemented as of January 1, 2005. Rexel

determines the orientation and strategy of the Rexel Group. Rexel has entered into loan agreements with Rexel Développement and certain of its subsidiaries within the terms set out in paragraph 3.3.2 “Main related party transactions” of this Universal Registration Document.

Rexel Développement is an operational holding company (*holding d’animation*). It centralizes the functional and operating management teams of the Rexel Group. It employs the staff dedicated to the management of the Rexel Group. It holds the Rexel Group operational companies, directly or indirectly.

Rexel Développement has entered into service agreements with certain of its subsidiaries in various fields: financial, cash management, legal, accounting, human resources, activities (purchases, logistics) or IT systems.

Rexel Développement has entered into cash management agreements and/or loan agreements with certain of its subsidiaries in order to allow for their financing.

Rexel’s principal direct and indirect subsidiaries are described below. They do not hold any strategic economic assets. This excludes the equity securities of the Rexel Group’s companies and certain intellectual property rights, held, *inter alia*, by Rexel Développement.

Rexel Développement SAS is a simplified joint stock company (*société par actions simplifiée*) governed by the laws of France with a share capital of €1,259,192,454. Its registered office is at 13, boulevard du Fort de Vaux, 75017 Paris, France. It is registered under number 480 172 840 R.C.S. Paris. Rexel holds 100% of its share capital and acts as chairman of Rexel Développement SAS. Rexel Développement SAS provides services to the Rexel Group companies. These services include management, strategic planning, finance, human resources, IT/ Telecoms and legal services. Furthermore, Rexel Développement SAS directly or indirectly holds Rexel Group operating investments. It provides, *inter alia*, cash management services for certain Rexel Group operating subsidiaries in France and abroad.

Europe

Rexel Austria GmbH is a company governed by the laws of Austria, with a share capital of €10,000,000. Its registered office is at 1A, Object 6, Stg. Walcherstr. 1020, Vienna, Austria. It is registered with the registry of commerce and companies of Vienna under number FN 155978f. Its main activity is the

distribution of electrical products. It is wholly-owned by Rexel Central Europe Holding GmbH.

Rexel Germany GmbH & Co. KG is a limited partnership with a share capital governed by the laws of Germany (*Kommanditeinlage*) with a share capital of €13,001,000. Its registered office is at 57 Riedlerstr., 80339, Munich, Germany. It is registered with the registry of commerce and companies under number HRA 48737. Its main activity is the supply and distribution of electrical products as well as the acquisition and management of equity investments in other companies. It is indirectly wholly-owned by Rexel Développement.

Rexel Belgium SA is a company governed by the laws of Belgium, with a share capital of €30,000,000. Its registered office is at Zuiderlaan 91, 1731 Zellik, Belgium. It is registered with the Companies House under number 0437.237.396. Its main activity is the supply and distribution of electrical products. It is held by Rexel Développement (99.999%) and Rexel Holding Netherlands B.V. (0.0001%).

Rexel Sverige AB is a company governed by the laws of Sweden with a share capital of SKR 80,000,000 paid-up at SKR 46,500,000. Its registered office is at Prästgårdsgränd 4, 125 44 Älvsjö, Stockholm, Sweden. It is registered with the registry of commerce and companies under number 556062-0220. Its main activity is the distribution of electrical products as well as holding equity investments in companies in the electrical products distribution business. It is wholly-owned by Rexel Développement.

Elektroskandia Norge AS is a company governed by the laws of Norway with a share capital of NOK 82,232,150. Its registered office is at Fugleåsen 6, N-1405, Langhus, Norway. It is registered with the registry of commerce and companies under number 977 454 700. Its main activity is the supply and distribution of electrical products. It is indirectly wholly-owned by Rexel Holding Netherlands B.V. It is to be noted that Elektroskandia Norge AS has been sold to Kesko on March 1, 2023.

Elektro-Material A.G. is a joint stock company (*Aktiengesellschaft*) governed by the laws of Switzerland with a share capital of CHF 136,350,000. Its registered office is at Juchstrasse 9, CH-8048 Zurich, Switzerland. It is registered with the registry of commerce and companies under number CH-626.3.005.380-6. Its main activity is the distribution of electrical products, the management of shareholdings and the provision of services. It is

wholly-owned by Rexel Développement.

Rexel France is a simplified joint stock company (*société par actions simplifiée*) governed by the laws of France with a share capital of €41,940,672. Its registered office is at 13, boulevard du Fort de Vaux, 75017 Paris, France. The company is registered with the registry of commerce and companies under number 309 304 616 R.C.S. Paris. Its purpose is to distribute all electrical and electronic products, household appliances, IT equipment and derivative products, and more generally the supply of all materials and products for the construction and manufacturing industries, local authorities and individuals. In addition, its purpose is also to hold and manage shareholdings in other companies. It is wholly-owned by Rexel Développement.

Rexel UK Limited is a limited company governed by the laws of the United Kingdom with a share capital of 30,000,000 pounds sterling. Its registered office is at Ground Floor, Eagle Court 2 – Hatchford Brook, Hatchford Way – B26 3RZ – Sheldon, Birmingham, United Kingdom. It is registered with the Companies House under number 434724. Its main activity is the sale of electrical products and the holding and the management of equity investments in other companies. It is directly wholly-owned by Rexel Développement.

North America

Rexel USA, Inc. is a corporation governed by the laws of Delaware with a share capital of US\$1,001. It is registered under number 20-5021845. Its registered office is at 5429 LBJ Freeway, Suite 600, Dallas, TX 75240, USA. Its main activity is the distribution of electrical products, the acquisition and management of equity investments in other companies and the provision of services. It is wholly-owned by Rexel Holding Benelux B.V.

Rexel North America Inc. is a Canadian corporation with a share capital of CAD 33,904,500 governed by the laws of Canada. It is registered under number 381380-1. Its registered office is at

505 Locke, suite 200, Saint Laurent, Quebec H4T, 1X7 Canada. Its main purpose is the acquisition and management of equity investments in other companies and the provision of services. It is wholly-owned by Rexel Développement.

Rexel Canada Electrical Inc. is a Canadian corporation with a share capital of CAD 1,829,744 governed by the laws of Canada. It is registered under number 428874 2. Its registered office is at 5600 Keaton Crescent, L5R 3G3 Mississauga, Canada. Its main activity is the distribution of electrical equipment. It is wholly-owned by Rexel North America Inc.

Asia-Pacific

Rexel Electrical Supplies Pty Ltd is a New South Wales corporation with a share capital of AUD 39,000,000 governed by the laws of New South Wales, Australia. It is registered under number ACN 000 437 758 NSW. Its registered office is at Level 2, Building 1, Riverview Business Park, 3 Richardson Place – North Ryde, NSW 2113, Australia. Its main activity is the distribution of electrical equipment. It is indirectly wholly-owned by Rexel Sverige AB.

Rexel Holdings Australia Pty Ltd is a New South Wales corporation with a share capital of AUD 249,598,471 governed by the laws of New South Wales, Australia. It is registered under number ACN 081 022 068 NSW. Its registered office is at Level 2, Building 1, Riverview Business Park, 3 Richardson Place – North Ryde, NSW 2113, Australia. Its main activity is the holding and management of interests in other companies. It is directly wholly-owned by Rexel Sverige AB.

The Rexel Group analyzes its sales based on geographic areas, to which the legal entities referred to above belong based on their localization. Therefore, an analysis of sales with a breakdown by legal entity would not be relevant. Breakdown of sales by geographic area is detailed in Section 5.1 “Activity Report” of this Universal Registration Document.

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1.5 Property and equipment

The real estate strategy of the Rexel Group prioritizes operating leases as a predominant mode of occupancy of its commercial and logistical sites. This gives it greater operational flexibility to better adapt to developments in the market.

As of December 31, 2022, the property portfolio of the Rexel Group consisted essentially of the following sites:

- The registered office of Rexel and Rexel France, located in Paris, leased, having a surface area of 10,200 square meters, and the administrative seats of the Rexel Group's operational entities, located in Europe, in North America and in Asia-Pacific, which are mainly leased. These sites house the management and operational functions of the Rexel Group;
- 66 logistical centers situated:
 - in Europe: France, Austria, Belgium, Finland, Germany, Italy, the Netherlands, Norway, Slovenia, Sweden and United Kingdom;
 - in North America: United States and Canada; and

- in Asia-Pacific: Australia, China and New Zealand.

The logistics centers are, mainly, leased. They have an average surface area between 12,000 square meters (10,000 square meters in 2019), for those in Europe (excluding France) and 20,000 square meters (17,000 square meters in 2019) for those situated in France; and

- 1,936 branches located in Europe, North America and Asia-Pacific. The points of sale are mixed-use sales and storage buildings. They are located in craft or industrial areas of activity. Their average surface area is 950 square meters (850 square meters in 2019). The branches are primarily leased.

The real estate assets of the Rexel Group do not contain any item of significant value with respect to the Rexel Group, taken as a whole. No investment of such type is foreseen. These assets are not burdened with sureties which could affect their current use or value.

1.6 Investments

1.6.1 Investments completed

The table below presents the details of the capital expenditures as well as of investments in subsidiaries and divestments for each of the years ended December 31, 2022, 2021, and 2020:

<i>(in millions of euros)</i>	2022	2021	2020	Total 2020-2022
Capital expenditure				
Information systems / Digital	56.8	51.2	63.8	171.8
Renovation and opening of branches	33.9	32.2	26.3	92.4
Supply chain	51.6	11.0	14.2	76.8
Other	6.1	8.6	7.7	22.4
Total gross capital expenditure	148.4	103.0	112.0	363.4
Change in fixed assets suppliers payable	(17.1)	6.3	(2.4)	(13.2)
Disposals of fixed assets	(5.9)	(6.1)	(33.0)	(45.0)
Total net capital expenditure	125.4	103.2	76.6	(305.2)
Acquisitions and disposals of subsidiaries				
Acquisitions	150.0	426.3	5.0	581.3
Disposals	(97.4)	9.6	(153.5)	(241.3)
Total acquisitions and disposals of subsidiaries	52.6	435.9	(148.5)	340.0

Gross capital expenditure made during 2022, 2021 and 2020 respectively represented 0.8%, 0.7% and 0.9% of the consolidated sales of the Rexel Group. They have been adjusted in 2022 along the decrease of the Group's sales in 2021.

Investments made during 2022 are described in paragraph 5.1.2.1 "Cash flow" of this Universal Registration Document. They were financed through cash assets.

Acquisitions and disposals of subsidiaries are described in paragraph 1.2.5.

1.6.2 Principal investments underway

The investments are part of the Rexel strategic plan. Ongoing investments are financed by the Group's cash flow.

New customer-relations, electronic marketing and development solutions are being deployed in Europe, in North America and in the Pacific. Moreover, in several countries, a plan for the evolution and harmonization of information technology tools is also implemented.

To assist in the transformation of the model, Rexel gradually implements new digitization, data processing and robotization solutions in Europe, North America and China.

The evolution in capex in 2022 is also explained by the increased spending in automatized supply chain solutions, in line with our Power Up 2025 to triple the number of automatized solutions by 2025.

1.6.3 Principal investments contemplated

As of the date of this Universal Registration Document, no significant financial investment has been the subject of firm commitment with respect to third parties.

Capital expenditure of the Rexel Group mainly relate to its information systems, to the

acceleration of the digitization (including artificial intelligence solutions), to its logistical resources and to its branch network. Their amount is generally between €100 and €150 million or circa 0.9% of the Group's sales, this on an annual basis.

1.7 Regulations

The wholesale distribution of electrical equipment is subject to the regulations of ordinary law in matters of product liability and environmental responsibility.

1.7.1 Product liability

As a non-manufacturing distributor, the Rexel Group could be held liable for the products it distributes under:

- on the one hand, the regulations on defective products, and
- on the other hand, the legal obligation to guarantee against hidden defects.

Directive 85/374/EEC⁽¹⁾, transposed by French Law No. 98-389⁽²⁾, establishes the principle of no-fault liability of the producer of a product causing personal injury or material damage. Any person who affixes its name, trademark or other distinctive mark to the product shall be considered a producer. In addition, if the producer cannot be identified by the person who suffered the damage, the seller may be held liable.

The legal obligation of guarantee against hidden defects is also a system of liability without fault. This obligation allows the purchaser to claim the

liability of the distributor if the purchaser acquires a product affected by a defect:

- not obvious at the time of delivery,
- existing before the sale, and
- making the product unfit for the use for which it is intended.

The purchaser may then request the distributor:

- to refund the price and return the object, or
- to keep the object and to return a portion of the price.

As a distributor, the Rexel Group's liability is covered by:

- the legal and contractual obligations of the manufacturers, and
- the warranties and insurance coverage obtained from the manufacturers and transferred to the clients.

1.7.2 Environmental regulations

The Group's activities are subject to European environmental regulations such as the so-called "RoHS" Directive, the so-called "REACH" Regulation and

the so-called "WEEE" Directive. The Rexel Group is also subject to specific local environmental regulations in the various countries where it operates.

(1) Council Directive 85/374/EEC of July 25, 1985 on the approximation of the laws, regulations and administrative provisions of the Member States concerning liability for defective products, as amended.

(2) Law No. 98-389 of May 19, 1998 on liability for defective products.

The “RoHS” Directive and the “REACH” Regulation

Directive 2002/95/EC of the European Parliament and of the Council of January 27, 2003, complemented by Directive 2011/65/EU of June 8, 2011 and by Directive 2017/2102/EU of November 15, 2017, known as the “RoHS” (Restriction of Hazardous Substances) Directive, prohibits the use of certain dangerous substances in electrical and electronic equipment and encourages eco-designing, waste sorting and recycling of certain components rather than their disposal.

Regulation (EC) 1907/2006 of the European Parliament and of the Council of December 18, 2006, known as “REACH” (Registration Evaluation and Authorization of Chemicals), amended in 2018 by Regulation (EU) 2018/675 of May 2, 2018 pertains to the registration, evaluation, and authorization of chemical substances as well as the restrictions applicable to such substances. This responsibility

falls upon the manufacturer of the substances. The Rexel Group could at some point no longer receive such products if a supplier were compelled to cease the use of certain substances.

The Rexel Group operates as a non-manufacturing distributor on the European market of articles which may contain substances falling under this regulation. As such, the Rexel Group is required to transmit to its clients the information received from its suppliers pertaining to impacts on health and the environment. The Rexel Group takes the obligations of the REACH Regulation into consideration. It endeavors to put into place adequate measures in order to conform. In each subsidiary concerned by these regulations, a person has been appointed for the setting-up and follow-up of these procedures.

The “WEEE” Directive

The 2012/19/EU Directive of the European Parliament and of the Council of July 4, 2012, known as the “WEEE” Directive (Waste Electrical & Electronic Equipment) pertains to waste from electrical and electronic equipment. It requires:

- the selective collection of electrical and electronic waste;
- the selective processing of certain components; and
- waste recovery through recycling (material and energy recovery).

The WEEE Directive also sets out the obligation for the manufacturer:

- to label devices with reference to European standards, in particular, the French standard NF EN 50149 responds to this requirement; and

- to affix a pictogram on each one of the items of household electrical and electronic equipment, indicating that such products are subject to selective collection.

In this framework, the Rexel Group offers, for each sale, to take back a product of the same kind. This taken back is then collected by the eco-organizations which manage the relevant recycling facilities. The Rexel Group considers the impact from such mechanism to be minor. It complies with such regulations in the countries where it has been implemented.

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Risk factors and internal control

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Risk factors and internal control



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Investors are urged to carefully review the risks described in this chapter, as well as all of the other information set forth in this Universal Registration Document. Such risks are, as of the date of this Universal Registration Document, the risks that Rexel believes may have a material adverse effect on its financial condition, its results, its business activities, its prospects or its reputation, should they occur. Rexel conducted a review of these risk factors and considers that there are no other significant risks than the ones described in this section. Note that there may, however, be other risks that have not yet been identified as of the date of this Universal Registration Document, or whose occurrence as of the date hereof is not considered likely to have a material adverse effect.

2.1 Risk factors

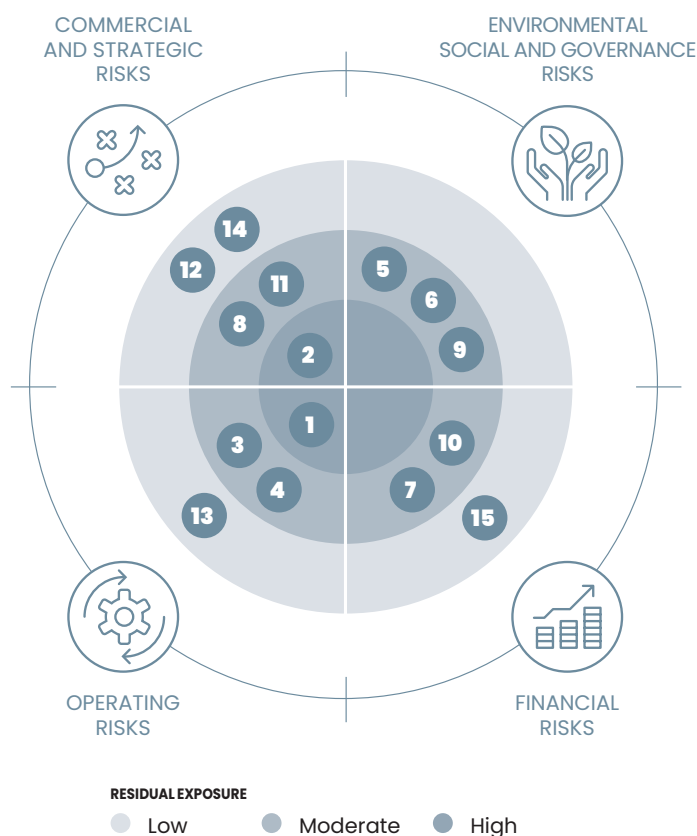
In a constantly changing environment, Rexel is committed to protecting the interests of its shareholders, employees, clients, suppliers, and all other stakeholders, while achieving its objectives. In this context, Rexel is implementing an active risk identification and management policy to be able to efficiently respond to internal and external threats likely to have a material adverse effect on its financial condition, its results, its business activities or its prospects.

The 15 risks presented in this chapter are the risks featured in the risk mapping updated annually as part of the internal control and risk management procedures deployed by the Rexel Group (described in paragraph 2.3 “The Rexel internal control and risk management system” of this Universal Registration Document). These risks are those that may have a material adverse effect on the Rexel Group, its activities, its financial condition, its results of operations, its reputation or its perspectives. The 15 risks are grouped in four categories (commercial and strategic risks, operating risks, environmental risks, social and governance risks, as well as financial risks) and ranked based on Rexel’s level of residual exposure to these risks on a scale of Low/Moderate/High. This residual exposure results from the level of the potential impact on the Group if the risks were to occur, the likelihood that they would occur and the ability of the Group to reduce their impact or likelihood. The ranking, category and exposure of Rexel (including a quantitative analysis of the potential impact when possible) and the control mechanisms in place are mentioned for each of the risks presented below. The risks are ranked by order of importance within each category, the risks with the greatest residual exposure being presented first.

In parallel and for the purposes of the extra-financial performance declaration, Rexel carried out a more detailed analysis than the one undertaken by the Risk Committee of the main risks related to the environmental, social and societal consequences of its activities. The specific risks as well as the specific procedures availed to identify and analyze the risks are described in paragraph 4.1.3 “Main non-financial risks” of this Universal Registration Document. The specific risks that may, according to Rexel, have a material adverse effect are described in this section. Lastly, the vigilance plan (“plan de vigilance”) implemented for the Rexel Group is described in Section 4.10 “Vigilance plan” of this Universal Registration Document.

■ Presentation of the main risks of the Rexel Group, featured in four categories and ranked according to the residual exposure of the Group to these risks:

- 1 Unavailability of the information systems of the Group due to a malfunction or cyber-attack
- 2 Macroeconomic and/or geopolitical uncertainties impacting the activities of the Group
- 3 Difficulties for Rexel to appropriately collect, enrich and exploit data
- 4 Increased human resources challenges related to talent attraction, development, retention and succession
- 5 Unethical behavior within the Group (corruption, anticompetitive agreements, embargoes, personal data protection)
- 6 Events impacting the health and safety of Group employees or third parties (including psychosocial risks)
- 7 Profitability deterioration due to inadequate management of fluctuations in purchase prices and raw material prices (inflation/deflation)
- 8 Less favorable commercial and competitive environment for Rexel
- 9 Insufficient or inadequate actions to meet stakeholders' expectations in terms of environment protection and social responsibility
- 10 Significant fraud due to the misappropriation of assets or accounting manipulation
- 11 Difficulty for the Group to generate the synergies and results expected from significant acquisitions
- 12 Difficulties in adapting Rexel's business model to changing customer expectations and the digital context
- 13 Major disruption of Rexel's supply chain (due to internal and/or external causes)
- 14 Difficulty for Rexel to strengthen its marketing capabilities to transition from a conventional marketing approach to a more customer and data-driven approach in every geography of the Group
- 15 Difficulties in collecting customer receivables and/or increased collection costs



2.1.1 Commercial and strategic risks



Risk n° 2: Macroeconomic and/or geopolitical uncertainties impacting the activities of the Group

RESIDUAL EXPOSURE

● ● ● High

RISK IDENTIFICATION AND EXPOSURE

The Rexel Group operates in Europe, North America, and Asia-Pacific. These geographies accounted for approximately 50%, 42% and 8% of the revenue of the Group in 2022, respectively. In particular, the top three countries in which the Group operates (the United States, France and Canada) generated more than 62% of its sales.

As a result, any global macroeconomic and/or geopolitical uncertainty or any uncertainty specifically affecting the main countries in which the Group is present, for any reason whatsoever (political instability, geopolitical conflicts, health crisis, economic downturn, economic tensions, etc.), could result in adverse effects for Rexel, such as a decrease in sales, a deterioration of the Group EBITA (€1,368.5 million of adjusted EBITA as of December 31, 2022), an increase in bad debt (€151.6 million of impairment losses on receivables as of December 31, 2022, for a total of €2,768.6 million in outstanding receivables), or supply difficulties. The Group is no longer directly exposed to risks related to the conflict situation in Russia and in Ukraine since the disposal of its activities in Russia in March 2022. Prior to this disposal, its exposure was considered minor (sales in Russia represented 0.1% of Group sales in 2021). Nevertheless, the situation in Russia and Ukraine represents a source of uncertainty which may indirectly impact the Group.

Lastly, in 2022 Rexel was also faced with the difficulties experienced by some of its suppliers in their procurement chain. These difficulties are in particular due to the uncertain geopolitical context in which trade tensions are increasing, such as those that may result from the conflict in Ukraine, or from the sanitary crisis, as well as those existing between the United States and China. If the situation worsens, this could lead to the deterioration of the Group's sales, particularly in the areas of lightning, solar panels and cables, more exposed to such dysfunctions, but also an increase in purchase prices that may not be properly managed by the Group (see risk "Profitability deterioration due to inadequate management of fluctuations in purchase prices and raw material prices (inflation/deflation)").

CONTROL SYSTEMS

The Rexel Group pays close attention to changes in the economic and geopolitical environment of the various markets in which it operates. An active, permanent and consistent monitoring, aiming at measuring and analyzing macroeconomic data is implemented by the country and regional management teams as well as by the Investor Relations Department of the Group. The results of this watch are communicated to the Group's management and its countries on a regular basis and are considered when establishing budget or updating the strategy of the Group.

With respect to Rexel's sensitivity to changes in the building and renovation sectors, the Group benefits from renovation and energy efficiency programs which could be maintained even if the economy is in poor shape. They could, therefore, at least partially offset a potential decline in demand in these markets.

Furthermore, while the current growth context is profitable for the Group, in case of economic downturn, the Rexel Group is able to adjust its cost policy (notably its variable and flexible costs) or postpone its investments if necessary to reduce the impact of a potential deterioration in the global economy. In 2022, gross investment totaled €148.4 million, *i.e.* 0.8% of sales, compared to €103 million in 2021 (*i.e.* 0.7% of sales), whereas distribution and administrative expenses amounted to €3,523.7 million in 2022 (*i.e.*, approximately 19% of sales) compared to €2,907.8 million in 2021 (*i.e.* approximately 20% of sales).

Lastly, Rexel continues to pay particular attention to the collection of overdue receivables and the control of inventory levels, which is bearing fruit in terms of the Group's good performance with regard to cash generation, which is confirmed at December 31, 2022, with a positive free cash flow before interest and taxes of 873.3 million euros for the whole of 2022, compared to 680.6 million in 2021. In addition, with regard to supplier procurement difficulties, Rexel, as a multi-brand distributor, is in a position to find alternatives to potential product shortages.

Due to the exogenous nature of the risk and to the fact that the exposure is primarily concentrated on a few countries whose economies are interdependent, the residual exposure level of the Group is considered to be high.



Risk n° 8: Less favorable commercial and competition environment for Rexel

RESIDUAL EXPOSURE

● ● Moderate

RISK IDENTIFICATION AND EXPOSURE

As an electrical supplies distributor, the Rexel Group is exposed to a risk of competition by digital players and its suppliers, in addition to the pre-existing risk of competition by traditional electrical supplies distributors (such as Sonepar or Wesco) who follow a strategy similar to Rexel's.

Moreover, some digital players specialized in online sales are already positioned in some markets of the Rexel Group, especially in the residential market, which accounts for 26% of the Group sales. This risk would increase if major online players were also to position themselves in this market with significant technological and financial resources, which could entail downward pressure on prices and potential loss of market shares and customers, with a negative impact on the results and margin of the Group.

The Rexel Group could also face stronger competition from its main suppliers who could sell their products directly to end customers. This evolution would primarily affect industrial markets (28% of the Group's sales) and commercial sales (47% of the Group's sales), especially major projects on these markets. The top five suppliers of the Group account for approximately 24% of purchases. A significant decline in sales made by the Group for the products of these suppliers could therefore have a negative impact on Group sales, and lead to a loss of market shares and a deterioration in purchase pricing conditions.

Finally, the Rexel Group is exposed in certain countries to the concentration of its customer base, in particular residential installers, who might join forces to form purchasing groups. Such concentrations could adversely affect the Group's results and profitability, due to the increased pressure on prices.

CONTROL SYSTEMS

The Rexel Group has already implemented measures to limit the competition risk inherent in its business:

- First, the Group deployed an omnichannel strategy to best meet customer expectations. It relies on a physical network of approximately 1,900 branches and on sales functions gathering over 61% of the workforce of the Group aiming at answering customer expectations of proximity and expertise. This physical network is enhanced by the various digital initiatives based on artificial intelligence solutions deployed within the Group to provide additional added value to customers. In addition to its physical network and following an omnichannel approach allowing a seamless transition between physical and digital, Rexel is developing an online sales functionality in most of the countries in which the Group operates to meet customer expectations in terms of simplification of administrative tasks, availability of precise technical data and practicality. This approach is completed by a network of sales representatives (in stores and visiting clients) in order to meet customers' expectations. They have developed specific know-how to offer a differentiating customer experience and answer these customers' needs in terms of expertise and advice.
- Secondly, the Group developed an effective, high-performance logistics model, aiming at combining the ability to deliver on time, in full and with no damaged products, to deliver in a single parcel several items from different suppliers, thereby simplifying customers receptions, to deliver the entire product catalog at D+1 or D+2 (depending on the geography) or even in two hours in certain large cities, while working with reliable and well-suited transport providers. The logistics system is being continuously strengthened thanks to the gradual deployment of best practices inspired by the major e-commerce players (locker systems available 24 hours a day, parcel delivery in pick-up locations, express delivery, track-and-trace during delivery, etc.) to best meet customer needs.
- Lastly, the service of a very large number of customers requires a sophisticated receivables and credit risk management system which is specific to distribution companies. Rexel deployed this type of client risk management policy many years ago, and the results show a low level of written-off receivable losses (approximately €52,6 million provision for expected credit losses and bad debt losses in 2022 for customer outstandings of more than €2,768.6 million).

All of these elements are barriers to entry for digital platforms and for manufacturers who would try to sell directly to Rexel customers and help resisting to the traditional competitors in the electrical supplies distribution market.

Thus, the residual exposure of the Group is assessed as moderate.

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Risk n° 11: Difficulty for the Group to generate the synergies and results expected from significant acquisitions

RESIDUAL EXPOSURE

● ● Moderate

RISK IDENTIFICATION AND EXPOSURE

The Rexel Group has built and implements a strategy focused on strengthening its presence in its key markets, which is reflected in particular in external growth operations in certain promising markets.

The Group's strategy is based in part on external growth, which has resulted in 10 acquisitions of securities or assets made since 2021, representing nearly 1.5 billion euros of acquired revenue.

For instance, Rexel acquired in the fall of 2021 the distributor of products and services Mayer, based in Birmingham, United States. This distributor brought in sales of US\$1.2 billion in 2021, accounting for nearly 7% of the Group's sales in 2021.

The realization of the benefits expected from such external growth operations depends in part on the realization of the expected synergies and integration. Thus, these operations are carried out within the framework of a strict process, accompanied by a detailed operational integration plan both at the human and systems level, which provides for an ambitious level of synergies.

An inability for Rexel to generate such results could have adverse effects on the Group, first financially, but also in terms of reputation (in particular with investors) or could jeopardize possible future external growth operations.

CONTROL SYSTEMS

In order to mitigate the risk of not achieving the anticipated synergies and results of acquisitions, Rexel has set up a structured process for following up each external growth project.

Firstly, upstream, the relevance of each acquisition and its alignment with the Group's strategy are examined by an Investment Committee made up of members of the Group's senior management and the relevant senior executives. This committee meets several times during the entire acquisition process in order to carry out an in-depth analysis of each project in order to best prepare for their operational completion and, throughout the acquisition process, the Rexel Group is assisted by specialized advisors. Any significant acquisition is then submitted to the approval of Rexel's Board of Directors, which validates its relevance and timeliness.

As part of this preparatory work, a comprehensive integration plan is prepared, detailing the various stages envisaged in order to achieve the synergies and results expected from the external growth operation. In this plan, the risks of any kind that may have been identified during the due diligence phases are addressed and actions put in place to manage them.

As for the post-acquisition phase, a project governance structure is set up as soon as the acquisition is finalized, and is responsible for deploying and applying the measures set out in the integration plan. Regular progress reviews are organized in order to follow synergies, before a specific internal audit generally carried out one year after completion of the acquisition.

Given these monitoring procedures, and taking into account the size of Rexel's latest acquisitions, the Group's residual exposure is assessed as moderate.



Risk n° 12: Difficulties in adapting Rexel's business model to changing customer expectations and the digital context

RESIDUAL EXPOSURE

● LOW

RISK IDENTIFICATION AND EXPOSURE

In a highly competitive environment, where consumption patterns, customer and business partner expectations are shifting in a context of increased digitalization, the Rexel Group must continue to adapt its business model to offer higher value-added services while leveraging the benefits of digital technology.

Indeed, customer behavior is shifting, driven in particular by the digital experience of B to C (business to consumer) customers. The expectation of an omnichannel offer combined with high value-added services, the importance of a seamless customer experience and the sensitivity to price, quality and expertise are all part of this evolution.

In addition, suppliers have growing expectations towards their distributors in terms of digital transformation, to ensure that their products benefit from efficient and plural distribution channels.

The Rexel Group places digital technology at the core of its strategy in order to retain and uphold a high level of operating excellence and financial and extra-financial experience. For such purposes, Rexel continues the transformation of its business model, the roll-out of new tools and solutions, whether or not benefiting from a digital application, to enhance the services provided to customers and suppliers. However, such new processes may temporarily face difficulties in their adoption by the Group's employees, and primarily by the sales forces in the various countries. Newly developed tools may not achieve their intended objectives or fully meet the expectations of customers and suppliers. Finally, in the event of an unfavorable economic environment and/or a significant decline in the Group's sales and operating margin, this digital transformation strategy could be reconsidered, since it is based on a significant capital expenditure program (€57.2 million of gross capital expenditure related to information systems and digital in 2022, i.e. 39% of the Group's gross capital expenditure). Finally, the planned transformation may only partially meet customer expectations, given the evolution of the markets in which the Group operates.

Any difficulty that the Group may face and that delays or hinders the transformation of its model could adversely affect the Group's results, due to customer dissatisfaction, the loss of certain sales, or even of certain customers, but could also affect the expected return on capital expenditure relating to these innovative initiatives, which could tarnish the Group's image and reputation with its shareholders and the market in general, or the Group's financial rating.

It could also deteriorate relations with its main suppliers.

CONTROL SYSTEMS

The Rexel Group adapts its model to become a leading service company in the use of digital and data. This adaptation is based on the centralized coordination of initiatives developed at regional level (Europe, North America, Asia-Pacific). Such a strategy limits the Group's dependence on a single, global technology or solution while benefiting from various initiatives, the best of which will then be rolled out at Group level. Finally, the Rexel Group is rolling out a major training and support program for its teams in order to ensure rapid and strong adoption of the new digital tools within the Group.

This innovation policy has led to strong growth in the Group's digital sales, which now exceed 25% of sales, and even nearly 36% in Europe (compared to 23% and 34% respectively at the end of 2021), placing Rexel among the digital leaders in its industry.

As far as suppliers are concerned, Rexel's digital transformation is leading to the development of tools for analyzing customer purchase behavior, providing them with final markets insights.

The new "Power up 2025" strategic roadmap announced to investors in June 2022 pursues this digital transformation objective through an ambitious investment policy. Thus, the Group has invested €57.2 million in gross capital expenditure related to information systems and digital in 2022 (i.e. 39% of the Group's gross capital expenditure), compared to €52.2 million in 2021 (i.e. 51% of the 2021 gross capital expenditure).

Finally, while the transformation to digital and services is an important part of the Group's short- and medium-term strategy, its delay would only slightly limit the Group's immediate ability to continue sales through its traditional distribution channels and branch network, which remain its primary source of sales in 2023.

As a result, the Group's residual exposure is assessed as low.



Risk n° 14: Difficulties for Rexel to strengthen its marketing capabilities to transition from a conventional to a more customer and data driven marketing approach in every geography of the Group

RESIDUAL EXPOSURE

● Low

RISK IDENTIFICATION AND EXPOSURE

As a distributor of electrical equipment, one of the priorities of the Rexel Group is to strengthen, in each country and for each market in which it operates, its marketing capabilities to switch from a conventional marketing approach to a more customer and data driven approach, to better answers its customers' needs and expectations in terms of product and service offering.

This strengthening first relies on the drafting of an appropriate offer plan in every geography of the Group to select the products and references that best meet the needs and expectations of its customers.

This plan allows Rexel to select the products that the company wishes to offer for each market, and thus to select those for which it is able to provide competitive prices and high levels of availability.

The drafting of this offer plan is a complex exercise within the Rexel Group because of the number of countries in which it operates (electrical standards are prone to changes and customer profiles differ from country to country) but also due to the highly variable weight of each different market within these countries. For example, in 2022, the residential market accounted for approximately 43% of sales in France, compared to 0% in China and 8.2% in North America, while the industrial market accounted for approximately 17% of sales in France, compared to 100% in China and 32% in North America. The low portion of sales on certain markets and the differences from one country to the other mostly stems from the lack of structuring of the offer and not from a state of affairs resulting from the market itself or its structure. Thus, each entity has to draw up an offer plan tailored to its own specific characteristics.

This complexity is reinforced by the ever-growing advanced technological innovation and frequently evolving standards of the products provided by the Rexel Group. The rapid development of home automation, the widespread use of the Internet of Things and the progress of robotization increased the need for extensive technical skills to build this offer plan and for more frequent updates than in the past.

Relying on this conventional marketing approach, the Group pursues its transformation towards a more customer- and data- driven approach, to increase its relevance and adapt to the changes in customer expectations and behaviors. Such change also requires specific technical and business skills, in every country and every market in which Rexel operates.

As a result, and given this complexity, the risk for Rexel of not being able to strengthen its marketing capabilities and leverage them to reinforce its customer and data driven marketing approach in every geography of the Group is increased. If this risk were to materialize, it could result in a deterioration in the relevance of the Group's product and service offering, and a deterioration in the Group's reputation among its customers (Rexel positioning itself as a provider of expertise and advice). Consequently, this deterioration could lead to a potential loss of market share. In addition, if these difficulties to strengthen the Group's marketing capabilities could result in an inadequate offer plan in one or several countries where Rexel operates, it could lead to an increase in the level of Rexel inventory (stemming from a demand for alternative products from customers) and thus, a potential decrease in the inventory turnover that could induce obsolescence and hence an increase in the inventory depreciation (which amounted to 131.3 million euros in 2022 compared to 100.5 million euros in 2021). This could lead to a negative impact on the Group financial performance.

CONTROL SYSTEMS

The strengthening of Rexel's marketing capabilities to build a more data and customer driven marketing approach in each of the countries and markets in which Rexel operates remains one of the top priorities of the Group.

For this purpose, the Group constantly reinforces its marketing capabilities, especially through the generalization of a global marketing framework for all of its entities. This framework specifies the best practices to be deployed in terms of customer segmentation, product segmentation, offer plan or even measurement of customer satisfaction. This deployment relies on Rexel's experienced teams benefiting from the technical skills required to roll-out such approach. Nevertheless, the deployment of the aforementioned initiatives remains of gradual progression within the Rexel Group.

In addition, the best practices and innovative initiatives developed in several countries of the Group are identified by the central teams and promoted throughout the rest of the Group. In particular, some entities of the Group have also deployed digital solutions for analyzing customer behavior to help them select the products to be included in their offer plan. Those solutions are currently being promoted by Rexel.

Moreover, Rexel continuously invests in its customer and data driven marketing transformation. In 2022, the Group invested €57.2 million in gross capital expenditure related to information systems and the digital sector (representing 39% of total gross capital expenditure of the Group), compared to €52.2 million in 2021 (representing 51% of total 2021 gross capital expenditure). Some of these investments have been dedicated to tools strengthening data and customer driven marketing capabilities. For instance, Rexel developed and deployed in a large number of branches across the Group an artificial intelligence solution which aims to optimize the assortment of each branch to better answer customer expectations.

Finally, as the marketing approach is only drawn up at country level, the impact of an inadequate approach for a given country would be limited to that country.

Consequently, Rexel residual exposure is considered to be low.

2.1.2 Operating risks



Risk n° 1: Unavailability of the information systems of the Group due to a malfunction or cyber-attack

RESIDUAL EXPOSURE

● ● ● High

RISK IDENTIFICATION AND EXPOSURE

The Rexel Group's strategy partially relies on the digital transformation of its business activities, *via* the improvement of the Group's management systems, through the increase in its digital sales using its merchant website or EDI solutions or through the development of innovative digital solutions provided to customers or suppliers. In addition to traditional information systems, on which part of the operations of the Group depends, Rexel is deploying several data and algorithm solutions which improve the management of its customer portfolio and of the product assortment in the branches.

This strategy, as well as the effects induced by the sanitary crisis, have led to an increasing use of the Group's information systems (ERPs, warehouse management systems, customer relationship management software, etc.) as well as to a significant increase in the share of digital sales within the Group. In 2022, the Rexel Group generated over €4.7 billion (approximately 25% of its total sales) through its digital services, compared to approximately €3.7 billion in 2021 (approximately 23% of its total sales in 2020).

Therefore, any major malfunction affecting Rexel's systems or those of one of its IT service providers could adversely affect the Group's business, financial condition or results. In the same way, any significant cyber-attack, regardless of type (ransomware, phishing, etc.) which could interfere with the proper operation of the information systems and of the webshop of the Group on which all of the solutions mentioned above rely, could result in an increasingly significant loss in revenue, related to both the failure of the information systems and the potential loss of strategic commercial data. This type of attack could also affect the image and reputation of the Group but could also result in additional expenses (related to the reactivation of tools) or disrupt the Group's operations.

CONTROL SYSTEMS

The Rexel Group has implemented an internal control process relating to information systems in order to ensure their continuity and resilience. This process provides for the establishment of IT backup plans, incident handling procedures, rules relating to the management of changes made in production environments, control of access rights and authorizations and data backup rules. Rexel routinely conducts assessments of the level of protection of its critical information systems by external service providers and has defined an organization, governance principles and equipped itself with the necessary technology to increase its security against intrusion attempts.

In addition, the IT architecture is specific to each country, thus limiting the Group's exposure to a major global shutdown of its activities. In addition, in the event of an information system outage, the Group's physical network of branches and dedicated procedures temporarily allow the Group to continue to serve and deliver to its customers.

Concerning the risk of cyber-attack, the Rexel Group has deployed a global and sophisticated IT security system within all of the entities of the Group. It includes an analysis of all the risks that can affect the Group's information systems, a dedicated organization and governance, and reinforced investments in technology and human resources to detect attacks, reduce the weaknesses in internal and open systems and increase the protection against intrusion attempts. In addition, the digital solutions of Rexel do not collect nor store its customers' bank information, thereby reducing the risk of banking information theft *via* a cyber-attack. Since the information systems of the main countries are mostly independent, any potential risk of contagion between countries and systems is limited.

Due to the increase in cyber-attacks during the sanitary crisis, the Group has increased its efforts to prevent and raise awareness among its employees while continuing to strengthen its protection against cyber-attacks.

Nevertheless, considering the fundamental importance of IT tools and due to the increasing frequency and sophistication of targeted and contagious cyber-attacks, the residual exposure level of the Group is assessed as high.



Risk n° 3: Difficulties for Rexel to properly collect, enrich and exploit data

RESIDUAL EXPOSURE

● ● Moderate

RISK IDENTIFICATION AND EXPOSURE

In an increasingly connected world, and as the Group fully rolls out its digital transformation strategy, Rexel has become fully aware of the value of data.

It has become key for Rexel to be able to identify, collect, classify, enrich and properly exploit all the data that the Group handles, whether relating to customers, products, suppliers or even transactions, especially in a context where the value of this data will be a major factor in the Group's value creation.

Indeed, the data collected by Rexel's information systems is becoming crucial to improving the Group's operations and the service provided to customers. As an example, transactional data is analyzed in order to identify purchasing behavior and to allow sales teams to focus on the least satisfied customers. Similarly, this data is used to optimize the range of products available in branch inventory by identifying key products for which immediate availability in store is necessary and those for which next-day delivery from logistical centers is possible. Product data is used to provide customers with alternatives to products that are out of supply.

The processing, enrichment and use of a growing volume of data requires extensive work to classify, clean and characterize this data, but also requires increased performance from the Group's information systems. If Rexel were unable to manage and exploit the data it collects in all the countries in which the Group operates, for whatever reason (IT failure, insufficient stringency in data classification, etc.), this could hinder the good performance of the various digital tools it uses and therefore jeopardize the effectiveness and expected return from these tools, in particular in the possibility of developing new services. This could affect the service level provided to customers as well as the financial performance of the Group.

CONTROL SYSTEMS

The Rexel Group is fully aware of the necessity to exploit and manage the data it collects as efficiently as possible.

A large number of capital expenditures have been undertaken (€57.2 million in gross capital expenditure related to information systems and digital in 2022 compared to €52.2 million in 2021) in particular to standardize the segmentation of the customer base, which contributes to the optimization and acceleration of its digital tools and its marketing approach.

In particular, the Group has set up two digital centers, in France and the United States, bringing together more than 150 digital and data experts, to support the various data management and exploitation solutions within the Group's entities.

However, the fragmentation of the Group's information systems, inherited in particular from Rexel's history of external growth, could make the exploitation of data more complex and slow down the implementation of global data projects.

As a result, the Group's residual exposure is assessed as moderate.



Risk n° 4: Increased human resources challenges related to talent attraction, development, retention and succession

RESIDUAL EXPOSURE

● ● Moderate

RISK IDENTIFICATION AND EXPOSURE

The added value and the transformation strategy of the Rexel Group rely on the quality of its teams and their ability to manage and push forward the company, develop its commercial relationships with nearly 639,000 customers and deliver its products and services. Therefore, the human resources strategy of Rexel is designed to attract, recruit, develop and retain its employees, who are increasingly qualified and able to provide customers with expertise and both differentiating and appropriate technical advice. In 2022, the Group hired 5,422 new staff, out of a total workforce of 26,897 employees, *i.e.*, over 20% of staff. However, the ongoing effort to recruit and maintain the Group's teams faces challenges resulting from increasingly tense job market conditions (full employment zones, strong salary competition, increased scarcity of skills), notably in the United States and in China as well as in logistical jobs in general.

The inability of the Group to attract key resources and to recruit the staff required to conduct company business could lead in the future to a decline in sales, the loss of certain customers, or a deterioration of delivery conditions or service level promised by the Group.

In addition, Rexel employees must develop very specific know-how to offer a differentiating customer experience. This expertise relies on skills that need to be regularly updated, otherwise the Group would be unable to meet customer expectations and deliver the best possible service.

The inability of the Group to develop its employees' skills and maintain them at the level required to implement the company's strategy could have a negative impact on the service offered to its customers and, as result, decrease their satisfaction and degrade the performance of the Group.

Also, while 4,368 employees under permanent contracts left the Rexel Group in 2022 (compared to 3,813 in 2021), of which 70% resigned (63% in 2021), the Group is aware of the negative impact that too high employee turnover would have on the company. The inability to limit this turnover rate and to retain employees with key skills within the company could result in a loss of knowledge and know-how, additional recruiting costs, deterioration of the quality of service provided to customers and, therefore, of the financial results of Rexel.

Finally, while at December 31, 2022, 33.2% of the Group's employees were over 50 years old (compared to 33.3% at the end of 2021) while those under 30 years old represented 17.8% (compared to 16.4% in 2021), it is crucial for Rexel to prepare the replacement of its employees in key positions, whether at the head office or within its subsidiaries, who are likely to leave the Group and retire in the near future. Any failure by the Group to prepare for these departures and organize the replacement for these key positions (in particular by identifying and training talent) could affect the Group's revenues and financial performance. As at December 31, 2022, the average age of all Group employees was stable around to 44 years.

CONTROL SYSTEMS

Talent recruitment is a key issue for Rexel, which operates in a highly competitive environment. To support the transformation and digitalization of its business, the Group especially relies on its employer brand and, more specifically, has implemented an ambitious recruitment and communication strategy aimed at strengthening the Group attractiveness.

The number of employees hired in 2022 (5,422 recruitments) demonstrates that the Rexel Group is able to attract and recruit new staff. The digital transformation undertaken by the Group also enables it to partially reduce pressure on human resources *via* the automation of certain processes, while raising productivity, allowing resource redeployment and increasing the appeal of the Group.

Employee development also remains a strategic priority for the Group. Rexel intends to promote a culture of knowledge and experience sharing and offer tailor-made training to employees. In particular, the Rexel Group is committed to offering rich training possibilities to its employees, whether face-to-face or remotely through the Group's online training platform (Rexel Academy), to develop their skills. In 2022, 327,250 hours of training were provided (excluding safety training), compared to 292,242 hours in 2021, covering approximately 89.7% of the total workforce compared to 87.8% in 2021.

To retain talents as effectively as possible, numerous measures have been taken at country level to promote the integration of new employees and reduce turnover (mentoring, follow-up interviews, induction seminars, etc.). Functional and geographic mobility is also an important driver of talent retention, offering employees opportunities for career development. In 2022, 3,110 employees on permanent contracts benefited from mobility (3,157 in 2021), representing 11.9% of the workforce on permanent contracts (12.9% in 2021).

In addition, and in order to retain talents within the company, several programs have been launched to strengthen the corporate culture in the service of performance (such as the continuous development and performance management program, the top 150 development plan, and the identification and development of high-potential employees in key managerial and business skills). To retain its key talents, the Group also strengthened its leadership training programs, with for example the "shadow committee" program over a one-year cycle, which includes junior talents, identified for their innovative and creative abilities, in order to present them with studies and solutions to cross-functional challenges. Shadow committee members have the required opportunities to develop through internal mentors and career development.

The Rexel Group analyzes the reasons for employees' departures and, in most of the Group's subsidiaries, organizes exit interviews with departing employees to understand the reasons for their resignation and draw up action plans to retain talents as effectively as possible.

Lastly, in order to prepare as effectively as possible for successions in key positions, a "Talent Review" program has been in place since 2022 within all entities. Such program allows the Group's Human Resources Department to identify positions that may become vacant and, in collaboration with local teams, to organize internal or external succession plans based on the reviews carried out. In collaboration with the various human resources departments in the subsidiaries, the Group identifies and ensures the sharing of best practices in attraction of talents and development.

Despite all of the above control systems, the Group's residual exposure is considered to be moderate.

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Risk n° 13: Major disruption of Rexel's supply chain (due to internal and/or external causes)

RESIDUAL EXPOSURE

● Low

<p>RISK IDENTIFICATION AND EXPOSURE</p> <p>As a distributor of electrical products for professionals, it is essential for Rexel to have a high-performance end-to-end supply chain, from supplier to customer. Indeed, one of the major components of the Group's added value for its customers is its logistical efficiency, allowing it to deliver a wide array of products to its customers in a very short time, at the agreed time and place. This performance is the result of several factors unique to Rexel:</p> <ul style="list-style-type: none"> • an ability to anticipate and adequately supply products, in order to have at all times the quantity and range of products required to meet customers' needs, while also foreseeing any supply difficulties that Rexel's suppliers may experience and limiting the quantity of products in inventory so as not to affect the Group's profitability; • a network of warehouses, logistics centers and branches wisely located in the regions where the Group operates to ensure that products are delivered and/or made available to customers as quickly as possible; and • a reliable internal or external transport network capable of delivering to customers in a timely manner and with satisfactory quality, without damaging the products. <p>Any disruption in the supply chain, whether due to internal causes within Rexel's logistical organization or external causes (failure of suppliers, failure of logistical subcontractors, etc.), could result in temporary or extended disruptions to the Group's business and prevent the supply of its branches and/or delivery to its customers. In addition to the financial consequences of such disruptions, both in terms of lost sales and profitability, such a situation could also harm Rexel's image and reputation among its customers, whose expectations in terms of quality and delivery times are increasing, and among its suppliers, who may be tempted to turn to other distribution channels.</p>	<p>CONTROL SYSTEMS</p> <p>The Rexel Group places great emphasis on the operational continuity of its supply chain.</p> <p>Firstly, although the Group's logistical centers work with standardized processes and are supported by warehouse management systems (WMS) common to several countries, the Group's logistical organization remains defined on a national, and not a global, level, which limits the risk of global disruption of the Rexel supply chain. If a malfunction occurs in a distribution center, disruptions can be limited by using another center or by inter-branches transfers.</p> <p>In addition, various daily service quality indicators that are common to all Group entities, as well as data relating to the safety of logistical platforms and their employees, are reported by the entities and monitored in detail by the country and Group teams. The purpose of this routine monitoring is to identify any issues as quickly as possible and to take corrective action if necessary.</p> <p>With respect to the risk of supply difficulties on the supplier's part, the logistical teams work in close cooperation with the suppliers and the purchasing teams in order to obtain the most accurate information possible as to potential supplier difficulties so as to allow for the implementation of corrective actions (increase in quantity to be stored, identification of alternative products, etc.).</p> <p>Finally, the Rexel Group has set up and steers initiatives to share best practices and international working groups on the development of the Lean approach between the various countries in which it operates in order to harmonize and improve service levels within the Group.</p> <p>Thanks to all these control systems, the Rexel Group is able to process a very large number of lines each month (over 10 million) while having an average rate of orders delivered complete and on time to customers exceeding 90% in 2022.</p> <p>As a result, the Group's residual exposure is assessed as low.</p>
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2.1.3 Financial risks



Risk n° 7: Profitability deterioration due to inadequate management of fluctuations in purchase prices and raw material prices (inflation/deflation)

RESIDUAL EXPOSURE

● ● Moderate

RISK IDENTIFICATION AND EXPOSURE

In an inflationary context, resulting in particular from the strong economic recovery since 2021, Rexel is faced with volatility in the prices of raw materials and a sharp increase products sold by the Group. For instance, between January and December 2022, the price of copper rose from approximately \$9,754 per ton to \$8,402 per ton, a drop of 13.9% and an 8% decrease in euros.

While, at first glance, an inflationary context constitutes an opportunity for Rexel, such an increase requires strong discipline to pass on this inflation to its customers, without which the Group would see its margin shrink. This discipline requires rapid and consistent updating of its sales prices, in response to fluctuations in purchase prices, but also by focusing on long-term sales contracts entered into with customers, to ensure that these contracts do not lead to a risk of deterioration in the sales margin (in the event that Rexel commits to resale prices for products whose purchase price increase in the meantime).

Given the high volatility of prices, any inability of the Group to effectively pass through this inflation could materially affect the Group's profitability, as sales of cables, for instance, which are approximately 60% copper, represent approximately 17% of the Group's sales in 2022.

In addition, the Rexel Group is also exposed to variations in the prices of other raw materials, in particular oil, for which rising prices impact the transportation costs of products distributed by the Rexel Group. In 2022, these transportation costs represented 1.7% of the Rexel Group's sales, compared to 2.2% in 2021. A significant increase in prices could lead to additional transportation expenses and thus adversely affect the Group's profitability.

Finally, although the current environment is inflationary, the context could change in the coming months or years, and the prices of raw materials and products that Rexel distributes could decrease. Such a decline could result in a decrease in the Group's sales but also adversely affect the Group's margin.

CONTROL SYSTEMS

Although the Group does not have direct control over changes in the price of raw materials and the purchase prices of the products it resells, Rexel has implemented the necessary tools to monitor and assess the level of risk and its impact. A specific monthly reporting system has been developed and is subject to regular reviews.

In addition, the Group reports financial results adjusted for the non-recurring effects of changes in copper prices, so that the market can assess the Group's financial results without considering the impact of copper price volatility on its results.

With respect to the ability to pass on inflation to its customers, the Rexel Group has demonstrated significant discipline in this regard, as evidenced by the increase in its gross margin as a percentage of sales from 25.6% in 2021 to 26.2% in 2022. Such an increase, in an inflationary environment, demonstrates the Group's ability to pass on this inflation to its customers.

As a result, the Group's residual exposure is assessed as moderate.

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Risk n° 10: Significant fraud due to the misappropriation of assets or accounting manipulation

RESIDUAL EXPOSURE

● ● Moderate

RISK IDENTIFICATION AND EXPOSURE

The Rexel Group is a global distribution company, and as such is exposed to a risk of fraud by misappropriation of internal or external assets daily. Given that fraud attempts are becoming increasingly sophisticated and diverse (IT pirating, social engineering, phishing, etc.), the Rexel Group could become a victim of fraud, which could entail significant financial consequences. In particular, and notably due to the growing proportion of revenue achieved through online sales (approximately 25% of sales in 2022, compared to approximately 23% in 2021), the Rexel Group is exposed to the risk of fraudulent payment methods (such as stolen credit cards) and identity theft, which is not always detected immediately given the credit lines and payment terms granted to customers.

Although the misappropriation of assets in the warehouses and branches is limited given the low unit value of the items stored, Rexel is nevertheless exposed to the risk of merchandise theft as the Group operates logistics centers and branches which carry inventory (valued at a total of €2,275.4 million as of December 31, 2022).

The Group could also be a victim of accounting fraud in one or more of its subsidiaries or even at head office, which could result in financial penalties and, potentially, prison sentences for Group managers and harm the Group's reputation.

CONTROL SYSTEMS

The Rexel Group has deployed a control system dedicated to the fight against fraud for many years. The Group, through its subsidiaries, conducts fraud awareness-raising and training actions for its employees on a regular basis. Rexel implemented robust accounting and financial controls, a challenging audit plan of its branches, designed to prevent and detect any fraud attempt, and introduced increasingly higher-performing information system security tools. The accounting and consolidation controls are centralized at Group level, which limits potential accounting manipulation within the subsidiaries.

However, considering in particular the current context of increasing fraud (for example, according to the Euler Hermes – DFCG barometer published in September 2022, 91% of French companies whose sales exceed €100 million have suffered at least on fraud attempt in 2022), the Group's residual exposure is assessed as moderate.



Risk n° 15: Difficulties in collecting customer receivables and/or increased collection costs

RESIDUAL EXPOSURE

● Low

RISK IDENTIFICATION AND EXPOSURE

As a distributor of electrical products to professionals, one of the Rexel Group's business characteristics is to grant a significant number of its customers a line of credit. Thus, as at December 31, 2022, the total amount of trade receivables held by the Group represented €2,617 million, compared to €2,353.2 million as at December 31, 2021.

In view of the economic conditions, in particular linked to the war in Ukraine as well as the consequences of the sanitary crisis, which has contributed to weaken some of the Group's customers, Rexel cannot rule out that some of its customers may no longer be able to pay their debt, in particular in the event of bankruptcy of these customers.

Such a default situation of a large number of customers would adversely affect the Group's financial results and profitability by increasing the amount of impairment of receivables due to the risk of customer default, which amounted to €151.6 million at December 31, 2022, compared to €128.6 million at December 31, 2021. In addition, such a situation could significantly increase the cost of credit insurance, adversely affecting the Group's profitability.

CONTROL SYSTEMS

The Group has long had an effective and efficient system for managing customer receivables. Before granting a customer credit, the Group analyzes the creditworthiness and commercial potential of each customer, based on various sources of information, in order to decide whether or not to grant credit based on the risk of each customer. In addition, once credit has been granted, the Group has a highly developed credit management organization and procedures, specifying the various stages of invoicing and follow-ups to ensure payment of customer receivables, including contentious management in the event of non-payment when required. This system explains the low percentage of impairment of trade receivables of €151.6 at December 31, 2022 out of total receivables of €2,617 million, i.e. an impairment rate of 5.8%, compared with 5.5% at December 31, 2021 (€128.6 million of impairment for a total of €2,352.2 million outstanding at December 31, 2022).

Finally, the Group has set up credit insurance schemes in certain key countries where trade receivables are significant. The amount of receivables covered by these programs amounted to €1,034.2 million as of December 31, 2022, i.e. 39.5% of the Group's total receivables, compared to €912.3 million as of December 31, 2021 (approximately 39% of customer receivables). Alternatively, in certain countries, the Group benefits from guarantees in accordance with local legal requirements, in particular in the United States and Canada. The amounts covered by these guarantees represented €406.8 million at December 31, 2022, compared with €116.8 million at December 31, 2021.

As a result, the Group's residual exposure is assessed as low.

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2.1.4 Ethics and environmental risks



Risk n° 5: Unethical behavior within the Group (corruption, anticompetitive agreements, embargoes, personal data protection)

RESIDUAL EXPOSURE

● ● Moderate

RISK IDENTIFICATION AND EXPOSURE

As a specialist in the distribution of electrical supplies for professionals, the Rexel Group could be exposed, like any other distributor for professionals, to the risk of unethical behavior, including the risk of corruption, anticompetitive agreements, non-compliance with embargoes or the failure to protect personal data:

- With respect to the risk of corruption, the Rexel Group answers public and private calls for tender for construction and renovation projects on a regular basis. Rexel also operates in some countries in which the level of perceived corruption (established by the NGO Transparency International) is relatively high, like India and China. These elements could expose the Rexel Group to a risk of corruption;
- With respect to the risk of anticompetitive agreements, on September 6, 2018, raids were performed in the offices of Rexel in relation to a judiciary investigation from the *Tribunal de Grande Instance* of Paris (Paris magistrate's court). This investigation, conducted with the assistance of the French Competition Authority, mainly deals with the mechanisms of price formation on the market of distribution of electrical equipment.

In the context of this investigation, Rexel received, on July 4, 2022, a Notification of Charges issued by the Investigation Department of the French Competition Authority. According to this Notification of Charges, the price formation mechanism applicable to the relations between Schneider and Rexel, on the one hand, and Legrand and Rexel, on the other hand, (the so-called "derogation" mechanism) is allegedly anticompetitive. More specifically, according to the charges brought against Rexel, this system allegedly involves two arrangements between Schneider and Rexel, on the one hand, and Legrand and Rexel, on the other hand, aimed at determining Rexel's resale prices, and as such, is allegedly contrary to Article 101 of the Treaty on the Functioning of the European Union and Article L.420-1 of the French Commercial Code. Rexel vigorously disputes this characterization and believes that it is free to determine its resale prices. Rexel filed observations to this effect, together with detailed economic analyses, on October 4, 2022.

The Authority's Investigation Department is currently reviewing the observations filed by Rexel and the other companies involved. The Investigation Department is expected to issue a report in the near future, which may propose to maintain all or part of the objections against Rexel or to dismiss the case. Rexel will have the opportunity to respond to the report. The procedure will continue with a hearing before the College of the Authority and the issuance of a decision. At this stage, the Notification of Charges does not contain any information that would allow for a more accurate assessment of the financial risk to which Rexel could potentially be exposed.

As a continuation of the judicial investigation underway since 2018, relating to the same facts as the proceedings before the Competition Authority, an entity of the Rexel Group has been indicted with a judicial review imposing a bank guarantee for €20 million and a cash guarantee for €48 million. This decision is a step in the investigation of the case and does not prejudge Rexel's liability. Rexel still vigorously disputes the basis and validity of this decision. It intends to exercise the appropriate remedies to assert its rights. It is not possible at this stage to accurately assess the legal and financial risk to which Rexel may be exposed in connection with these proceedings.

CONTROL SYSTEMS

The Rexel Group and its management have been committed to a consistent and repeated ethical approach that reflects the standards of loyalty, integrity, respect and transparency of the Group. This commitment has been laid out in an Ethics Guide since 2007. It was updated in 2013 and 2017 to reflect the Group's strategy and the legislative and regulatory requirements applicable. This guide and the Anti-Corruption Code of Conduct and Guide for the Prevention of Anti-Competitive Practices which complete it form the ethics corpus of reference of the Rexel Group. They have been provided to all Group employees and are published in the local languages of the countries in which the Group operates on a dedicated public Internet page (<https://ethique.rexel.com/en>).

Extensive ethics training (compliance with competition law, prevention of corruption, protection of personal data, etc.) has also been provided to all Group employees through classroom sessions or e-learning to raise awareness on this ethical approach. In addition, and in application of the Sapin II Law, Rexel has deployed a comprehensive anticorruption program based on the recommendations of the *Agence Française Anticorruption* (French Anticorruption Agency). With respect to the risk related to embargoes, while Rexel carries out few international transactions, the Group has nevertheless implemented dedicated procedures to ensure that no sales violate any sanctions or embargoes in effect and has provided specialized training to the most exposed employees. With respect to the protection of personal data and compliance with the GDPR, the Group has deployed a complete system to ensure compliance in all affected countries. It includes training, dedicated procedures and the strengthening of personal data security. Lastly, with respect to the risk of anticompetitive agreements, the Group has strengthened its policies and training for its employees to limit any risk of competition law non-compliance.

As a result, the Group's residual exposure is considered to be moderate.



Risk n° 5: Unethical behavior within the Group (corruption, anticompetitive agreements, embargoes, personal data protection) (continued)

RESIDUAL EXPOSURE

● Moderate

RISK IDENTIFICATION AND EXPOSURE	CONTROL SYSTEMS
<ul style="list-style-type: none"> With respect to the risk of non-compliance with sanctions and embargoes (including the sanctions implemented by OFAC – the Office of Foreign Assets Control), the Rexel Group carrying out few international transactions, especially with countries subject to an embargo, its exposure to this risk is limited; Lastly, with respect to the risk related to the protection of personal data, and within the framework of a digital strategy based on the collection and advanced use of data, some of the personal information of Group customers, suppliers and/or employees could be inadequately or insufficiently protected due to external or internal causes. <p>Any unethical behavior could have a negative impact on the Group's reputation or image. This could result in the loss of customers or a decline in employee commitment. It could also result in a conviction for the Group, which could lead to financial penalties and potentially involve prison terms for Group management. Some of the penalties and fines could involve a percentage of the sales of the Group (up to 10% for illegal agreements, 2 to 4% for non-compliance with the GDPR).</p>	

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Risk n° 6: Events impacting the health and safety of Group employees or third parties (including psychosocial risks)

RESIDUAL EXPOSURE

● ● Moderate

RISK IDENTIFICATION AND EXPOSURE

In terms of health and safety, the main risks to which the Rexel Group's employees and third parties (customers, subcontractors, etc.) are exposed are related to road traffic, falls, the use of machines, the handling of equipment and cables and sedentary and computer work. Indeed, approximately 18% of the Rexel Group's employees work in warehouses and approximately 61% work in sales positions and may regularly travel by car in the context of their duties, directly exposing them to a health and safety risk at work. Similarly, Rexel itself operates nearly 2,200 trucks and vans daily to carry out its deliveries, which could result in accidents involving employees of the Group and/or third parties. In addition, the logistic handling of new products such as photovoltaic panels, batteries and other chemical products is likely to create new risks.

The number of working days lost as a result of work-related accidents was 8,925 in 2022, compared with 6,948 in 2021 and 7,271 in 2020. In 2022, the vast majority of work-related accidents resulting in lost time were in the logistics function (183 accidents, or 71%) and the commercial/sales function (74 accidents, or 29%). The Rexel Group's work accident frequency rate, calculated as the number of work accidents resulting in a work stoppage per million hours worked, was 5.8% in 2022. This rate decreased compared to 2021. The Rexel Group's work-related accident severity rate, defined as the number of working days lost due to temporary disability per 1,000 hours worked, was 0.2 in 2022, compared to 0.16 in 2021 and 0.17 in 2020. A fatal accident involving an employee occurred in Austria in 2022.

The human consequences could be tragic in the event of a serious impact on the health or safety, physical or mental, of an employee or a third party. Beyond these significant human consequences, any accident negatively affecting the physical or mental integrity of an employee of Rexel or a third party could also adversely affect the Group from a financial, legal or reputational standpoint.

CONTROL SYSTEMS

A responsible, effective and consistent safety policy has been implemented since 2015 in the countries where the Group operates. This policy was fully updated in 2021 and distributed to all Group subsidiaries. This policy aims to guarantee a safe working environment in all the places where Rexel operates, in order to build a culture of shared responsibility and to ensure employee commitment. To guarantee responsible practices, the Group is enriching and completing the procedures and rules in place. This allows to promote a common framework for all entities and create a dedicated community of representatives from each country contributing to this objective. In order to strengthen its prevention policy, a near-accident campaign has been deployed in the Group's various entities in 2021.

Safety-related training courses are held throughout the Group every year. 22,173 employees benefited from it in 2022, compared with 17,482 in 2021.

In addition, some countries have chosen to commit to the OHSAS 18001 occupational health and safety certification process. Subsidiaries in Austria, Finland, Spain, China and the United Kingdom have implemented this health and safety risk management method.

Finally, with regard to psychosocial risks, the Group is constantly attentive to the quality of life at work, with numerous initiatives to promote well-being at work and the balance between personal and professional life and limit psychosocial risks: the right to disconnect, remote working, promotion of sporting activities, stress management, development and training initiatives (including managerial training), implementation of a culture of exchange between managers and employees, etc.

As a result, the Group's residual exposure is assessed as moderate.



Risk n° 9: Insufficient or inadequate actions to meet stakeholders' expectations in terms of environment protection and social responsibility

RESIDUAL EXPOSURE

● ● Moderate

RISK IDENTIFICATION AND EXPOSURE

As part of its environmental policy, Rexel has analyzed greenhouse gas emissions within its value chain. As a specialist in the distribution of electrical supplies for professionals, the Rexel Group does not operate any production sites nor factories. As a consequence, the most significant sources of emissions in the Group's value chain are related to the use of the products sold by Rexel, which represent approximately 92% of the greenhouse gas emissions of its value chain.

Present in 21 countries in 2022 and at over 2,000 sites (branches, logistics centers, head offices), the Group is nevertheless faced with an environmental challenge which is due more to the dispersion of its impacts than to their extent.

- First, Rexel manages a large vehicle fleet for its logistics operations. The Group's in-house logistics fleet consumed 8 million liters of diesel fuel and 3 million liters of gasoline in 2021, i.e. energy consumption of 111,360 MWh at current scope (note that transport is outsourced by some entities of the Group). The commercial fleet consumed nearly 4 million liters of diesel fuel and 5 million liters of gasoline. This amounts to an energy consumption of 89,421 MWh at current scope. The Group also consumes energy to provide heat and electricity to the sites it operates in. In all, the Group's internal CO₂ emissions (direct or indirect emissions from the energy consumption of buildings and the Rexel vehicle fleet) totaled 86,288 ktCO₂ in 2022, compared to 86,353 ktCO₂ in 2021.
- In addition, the Group consumes, due to its activity, resources for a range of packaging needs. The total quantity of packaging (cardboard, plastic, wood and other) consumed by the Rexel Group in 2022 is estimated at 17,877 tons, based on a scope which includes 100% of the Rexel Group's sales, compared with 15,762 tons in 2021.
- The Group distributes products that have a strong impact on the environment because of the resources and energy used to manufacture them and the fact that recycling is not consistent. Indeed, about 57 million tons of electrical supplies are disposed of around the world every year (according to the estimate of the Global E-waste Monitor 2020 study) and only 17% are recycled.

In addition, the Group is facing growing expectations from its various stakeholders (both internal and external) regarding corporate social responsibility, regarding diversity, gender equality, responsible practices in the value chain or the workplace well-being of its employees.

Considering these growing expectations from stakeholders, both in terms of environmental and social responsibility, the Group's inability to meet them could affect its image and reputation or its sales (in a context of increased customer awareness and environmental issues).

CONTROL SYSTEMS

In 2019, the Rexel Group carried out a study to identify the environmental and social impacts of its activities throughout its value chain. This study, presented in paragraph 4.1.2.2 "A sustainable development approach across the value chain" of this Universal Registration Document, identified the main expectations of its stakeholders (customers, suppliers, exports, NGOs, employee representatives, etc.) and identified a sustainable development strategy for the Group, which is both aligned with its strategic priorities and anchored in the day-to-day running of its activities.

The new "Power up 2025" strategic plan announced to investors in June 2022 has reinforced its requirements in terms of climate protection. The Group aims to achieve a net-zero greenhouse gas emissions target across the value chain by 2050, in two steps:

- In 2030, reduction, compared to 2016:
 - absolute GHG emissions from Scopes 1 and 2 by 60%,
 - absolute Scope 3 GHG emissions from the use of products sold by 45%.
- In 2050, reduction, compared to 2016:
 - absolute GHG emissions from Scopes 1 and 2 by 90%,
 - absolute Scope 3 GHG emissions by 90%.

SBTi validated the level of ambition of Rexel's short-term target for Scopes 1 and 2 and determined that it was in line with a trajectory of limitation of warming to 1.5°C.

In this context, Rexel is implementing concrete actions to achieve its greenhouse gas emission reduction targets, starting with the most significant ones, namely those linked to the use of the products sold. To this end, Rexel selects the most energy-efficient products from its catalog and promotes them to its customers.

In addition, several Rexel subsidiaries (24% of sites) undertook the ISO 14001 certification process, attesting to their commitment to the continuous improvement of their environmental approach. Furthermore, some entities also committed to implementing energy management systems that meet ISO 50001 standards. These entities account for approximately 15% of Group sites and 7% of the energy consumption on Group sites.

This ambitious policy is regularly rewarded by the Group's performances in various international rankings or evaluations (CDP, DJSI, etc.), as detailed in paragraph 4.1.2.4 "Extra-Financial ratings" of this Universal Registration Document.

Lastly, the Group implemented procedures to assess its third parties, notably its suppliers, to identify potential environmentally unacceptable behaviors with a target of 80% of the volume of direct purchases assessed on CSR criteria.

Regarding its social responsibility, the Group has implemented concrete actions to meet the expectations of its stakeholders: promotion of responsible practices in the value chain, promotion of the employment of people with disabilities, promotion of gender equality in the company, fight against discrimination, fostering intergenerational diversity and senior employment, fight against fuel poverty through the Rexel Foundation, etc.

As a result, the Group's residual exposure is considered to be moderate.

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2.2 Insurance

The Rexel Group's insurance policy focuses on the coverage of insurable risks the occurrence of which could result in a material negative impact on its business activities or endanger them. Accordingly, the Rexel Group has implemented insurance programs that cover its business and its whole infrastructure against material damage and losses (property damage and subsequent operating losses) caused by unforeseeable and difficult to control events, as well as civil liability insurances. These programs cover all the risks related to the businesses and locations of the Rexel Group.

In accordance with the risk management procedure described below, the Rexel Group implements a policy of prevention and protection to reduce the probability of occurrence, and the severity of losses, in particular: awareness-raising procedures and actions, audit of main sites, follow-up of guidelines from security professionals.

In addition, the Rexel Group believes that the impact of potential losses on its financial situation may be mitigated given the density of its network, which limits the impact of accidents on one or more of its sites.

The insurance programs of the Rexel Group underwritten by leading international insurance companies cover in particular the following risks:

- Property damage to the assets of the Rexel Group caused by an external unexpected event,

including fire, explosion, water damage, lightning, storm, flooding and other natural hazards, as well as subsequent operating losses; and

- Civil liability: bodily injury, property damage and financial losses caused to third parties by the Rexel Group during its activities, for operating risks and after delivery.

Given its international operations and applicable regulations, the Rexel Group has taken out local insurance policies to take into account local practices and/or obligations in the relevant countries.

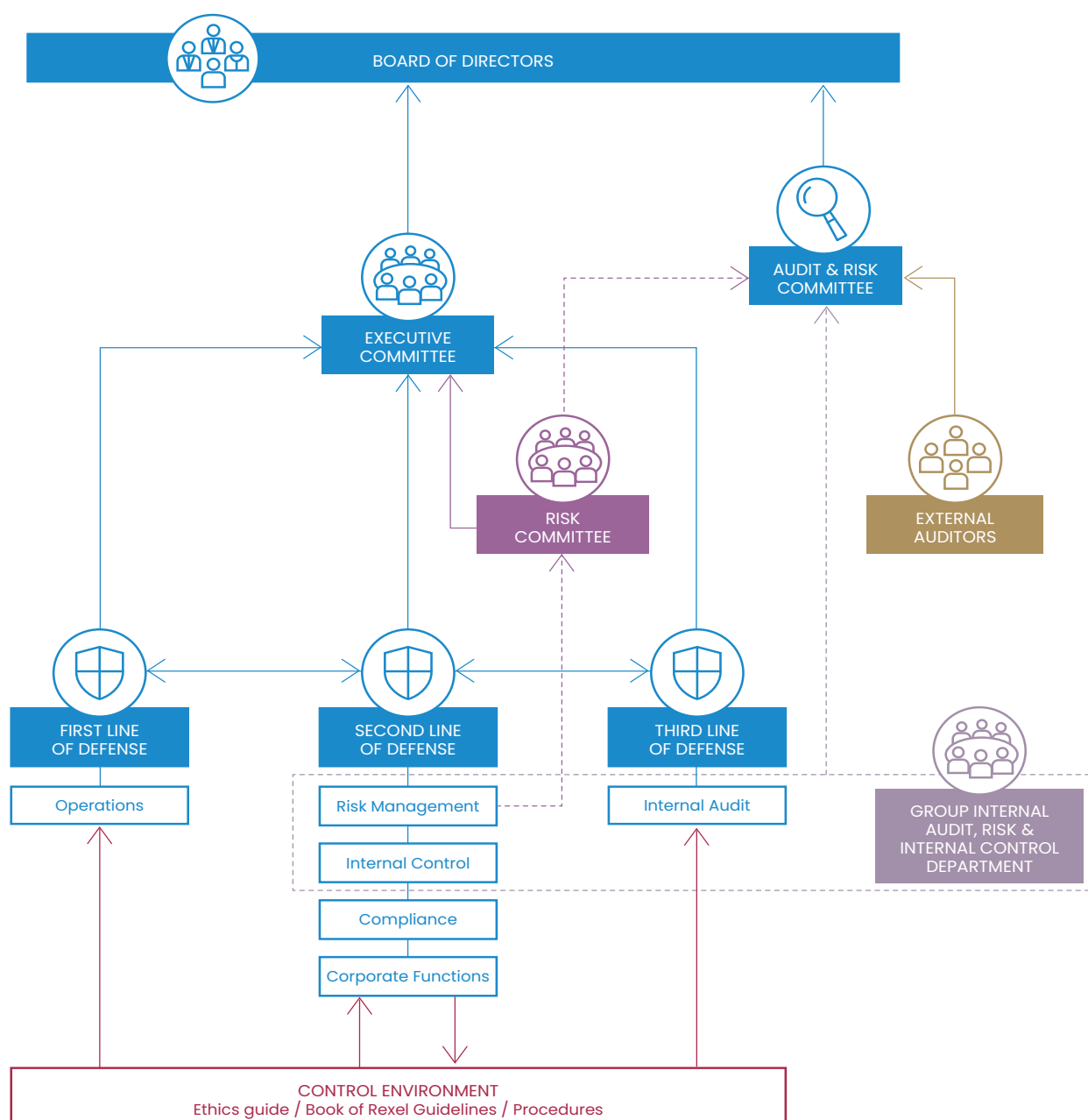
These policies are regularly analyzed (based on Rexel Group's experiences, exchanges with the market, industry practices, and the advice of brokers) to check the adequacy of coverage with regards to potential risks. Coverage limits significantly exceed the amount of losses experienced in the past.

In addition, risks of payment default for receivables are covered by local credit insurance policies taken out in countries where such credit insurance is available and where the Rexel Group can obtain favorable conditions. The contractual terms of this insurance are negotiated at the Rexel Group level through credit insurance companies of international renown. The resulting coverage is obtained subject to certain conditions on an individual basis for each customer.

2.3 The Rexel internal control and risk management system

The Rexel Group implemented an internal control and risk management system over 10 years ago. It is based on the COSO (Committee Of Sponsoring Organizations of the Treadway Commission) standard and on the frame of reference of the *Autorité des marchés financiers* (AMF), together with its implementation guide. The internal control

and risk management system is summarized in the following diagram and described in the following three sections which cover the control environment, the three lines of defense model in Rexel and the steering and monitoring of Rexel's internal control system, respectively.



2.3.1 Rexel's control environment

The Rexel Group's internal control system is based on a solid control environment, which is the reference for operations within the Group.

2.3.1.1 A control environment based on Rexel's ethics commitment

The first building block of Rexel's control environment is the ethics commitment of the Group and its management, reflecting the standards of loyalty, integrity, respect and transparency of the Group. This commitment has been laid out in an Ethics Guide since 2007. It was updated in 2013 and 2017 to reflect the Group's strategy and the legal and regulatory requirements applicable. The guide and

the Group's Anti-Corruption Code of Conduct and Guide for the Prevention of Anti-Competitive Practices which completed it form the ethical corpus of reference of the Group. They have been provided to all Group employees and are published in the local languages of the countries in which the Group operates on a dedicated public Internet page (<http://ethique.rexel.com/en>).

2.3.1.2 The Book of Rexel Guidelines, the cornerstone of the control environment of Rexel

The cornerstone of Rexel's control environment is the Book of Rexel Guidelines, the Rexel Group's internal control frame of reference. This manual presents and describes the risks, the control objectives and the related controls that all Group entities must implement for each of the processes within the company. After a major update in 2020 by Group Internal Control Department, the manual was updated again in 2022, in close cooperation with the different functional directions and the operational entities of Rexel to better adapt it to the strategy, the organization and the risks of the Group. This new 2022 version has been significantly circulated within the Group, especially to the management of each

entity. It includes about 247 controls for each operational entities, of which 60 critical controls covering all Group activities: governance, communication, strategy, sustainable development, sales, purchasing, logistics, information systems, human resources, financial and accounting information, treasury, taxes, legal affairs, compliance, real estate, insurance, etc. Each control mentions the risks that it is designed to mitigate and all the Group guidelines or policies that can ease its implementation in the operating entities. This facilitates the appropriation and implementation of the framework by Rexel's entities.

2.3.1.3 The procedures, manuals and instructions of the functional departments, operationally complementing the control environment, particularly for the processing of accounting and financial information

The Book of Rexel Guidelines is completed with procedures, instructions and manuals established by the functional departments of the Group to ensure operational implementation within the Rexel entities. These procedures deal with all the processes within the Group and are widely communicated to all the entities.

In particular, the Group developed procedures for management reporting and the preparation of financial statements: the Rexel Group's Finance Department defined a set of directives, tools and standards to secure the quality, completeness, truthfulness and consistency of the information

provided to the Group and published for the markets. The financial statements of the Rexel Group are prepared in accordance with IFRS standards as adopted by the European Union and are based on information provided by the financial departments of the entities. The latter are responsible for ensuring that this information complies with the Rexel Group standards (especially accounting methods and accounts structure, included in a Reporting Manual) and observance of the detailed instructions issued by the financial department. This data is transmitted by the Financial Departments of the entities in a set format using a single consolidation tool that is used

in preparing monthly reports and external financial information at each stage of consolidation: monthly reporting, budget, forecasting and

strategic plan. This single format guarantees consistency between the different data used for internal steering and external communication.

2.3.2 The stakeholders of Rexel's internal control system, structured around the three lines of defense model

The internal control and risk management system of the Rexel Group is structured around the concept of three lines of defense which provides clear and effective assignment of the roles and responsibilities

for everyone in the company and allows the application and monitoring of the internal control system.

1

2.3.2.1 The operations of the entities of the Group: the first line of defense

The Rexel Group and its network of branches form a decentralized organization in which the principles of responsibility and accountability of each person are at the core of the definition of roles. For this purpose, the different operational functions of the Group are informed about compliance with the rules and about the Group's procedures and instructions to create a first, effective line of control.

Each entity of the Group is responsible for establishing an internal control system based on the control environment presented above and for complementing it with local procedures when appropriate. The operations managers define the appropriate controls at the operational level for the processes for which they are responsible, through the application of the rules and procedures developed at the Group level, especially the Book of Rexel Guidelines.

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2.3.2.2 The functional departments of the Group: an essential part of the second line of defense

In addition, and to support operations, the functional departments at Group level form a key essential part of the second line of defense in Rexel. The departments rely on the opinion of Group internal control and internal audit to identify the needs for cross-functional actions the Rexel Group. Each functional department supports the entities of the Group in the setting-up of action plans to reduce identified risks in their areas of expertise.

Among these departments, the ethics and compliance department holds a key position within Rexel's second line of defense since it is responsible for preparing and upkeeping the Ethics Guide and the other compliance rules and procedures. This corpus of ethics documents is implemented in the entities, under the responsibility of this department, through a certain number of mechanisms and concrete actions that ensure sharing and adoption of Rexel's ethical values: regular communication on ethics, training and awareness-raising for Group employees, creation of a Group ethics

whistleblowing line, creation of a Group ethics committee, etc.

Lastly, the Group financial department also plays a major role within the second line of defense in Rexel:

- Jointly with executive management and in close cooperation with Group entities, it contributed to the elaboration of a three-year strategic plan, the first year of which constitutes its budget. The plans are consolidated at the Rexel Group level and submitted for approval to the Rexel Board of Directors.
- It conducts periodic business activity reviews with executive management and the regional departments which provide insight into financial and economic changes with respect to activities, the assessment of operational decisions to be taken, the analysis of gaps between targets and performance, the steering of the financial structure and the monitoring of the implementation of action plans.

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- It ensures the consistency of feedback from the entities before aggregating the results and the consolidation entries and prepares detailed and documented analysis of the data, explaining changes in the scope of consolidation, exchange rate impacts and non-recurring operations.
- Each month, it provides the Board of Directors with a summary report on financial performance and provides the Audit and Risk Committee of the Group with the annual, half-year and quarterly financial statements which are then approved by the Board of Directors.

2.3.2.3 The Group Internal Audit, Risk Management and Internal Control Department: the cornerstone of the system at the border between the second and third lines of defense

The cornerstone of the internal control and risk management system of Rexel is the Group Internal Audit, Risk Management and Internal Control Department, which combines the key functions of the second and third lines of defense. These functions, grouped in 2019, generated strong synergies and strengthened the Group's internal control system.

The department is structured around two services to ensure the independence between internal audit and internal control: an internal control and risk management service (with one manager and one internal controller at the end of 2022) and an internal audit service (with one manager and five internal auditors at the end of 2022).

As part of his risk management duties, the internal control and risk manager is responsible for identifying the risks to which the Group is exposed, for annually updating the Group risk mapping and for following the action plans intended to reduce the impact or likelihood of the main risks identified in the Group. The action plans may include the implementation of controls, the transfer of financial consequences (insurance mechanism or equivalent) or an adjustment to the organization. The manager carries out these duties under the supervision of the Risk Committee, a committee appointed by the Group Executive Committee to assist them with risk management (see paragraph 2.3.3.1 "Steering by the Group Executive Committee" in this Universal Registration Document).

As part of his internal control duties, the manager is also responsible for maintaining and updating the Book of Rexel Guidelines based on the risks identified and on the Group's situation and strategy, and for deploying and coordinating the annual self-assessment exercise to assess the compliance of operating rules with the Book of Rexel Guidelines (presented in paragraph 2.3.1.3 "The procedures, manuals and instructions of the functional departments, operational complements to the control environment, in particular for the processing

of accounting and financial information" of this Universal Registration Document), *via* a questionnaire sent to the local management of the entities and using the dedicated Group information system. The results are shared with the Executive Committee, the operational departments of the entities and the Audit and Risk Committee, which share them with the Board of Directors. The last self-assessment was rolled out during the summer of 2022, and covered all the processes included in the Book of Rexel Guidelines. The self-assessments enable the identification of the action plans to be implemented to correct any non-compliances revealed and identification of the best practices and support needs within the different entities.

Given that the self-assessment approach is not, by nature, sufficient to guarantee that the internal control system is being implemented effectively, the Rexel Group completes it with internal audits. Group internal audit is responsible for ensuring that the entities comply with the rules of the Rexel Group and, more generally, for evaluating the operational, financial, health and safety or fraud risks in the areas covered by the audits. The Group internal audits are conducted under the supervision of the internal audit manager who works with a team of five auditors at the end of 2022. The role, the scope and the responsibilities of internal audit have been defined in an Internal Audit Charter, officially approved by the Audit and Risk Committee. Based on a plan approved by the Audit and Risk Committee in February 2022, the Group internal audit team was able to carry out 19 assignments in 2022. Following each audit and based on recommendations by the auditors, action plans are prepared by the relevant entities to address the weaknesses identified in the audit report. The assignments also include a verification of the results of the self-assessments conducted by the entities, since nearly all of the controls subject to self-assessment are reviewed during a standard audit of all accounting, financial and operational processes. The Group Internal Audit Department

established a follow-up process for the implementation of the action plans to ensure that the weaknesses identified are corrected.

This central system is completed with 27 local internal controllers and auditors (at the end of 2022) in the main Group subsidiaries (Australia, Austria, Canada, France, Germany, the United States and the United Kingdom) who report

functionally to the Director of Internal Audit, Risk Management and Internal Control and who are responsible for supervising the successful local deployment of the Group's internal control system and for conducting audits of the processes, branches and logistics centers. In 2022, the local internal controllers and auditors carried out 627 audits of the branch network and logistics centers.

2.3.3 Steering and monitoring of the internal control system

2.3.3.1 Steering by the Group Executive Committee

The Group Executive Committee is responsible for steering Rexel's internal control system.

With respect to risk management, the Executive Committee implemented a dedicated Risk Committee in 2010, which reports to it and is responsible for steering the risk mapping and management system implemented by the risk manager. This Risk Committee is chaired by Grégoire Bertrand, Chief Financial Officer for the Europe region and member of the Executive Committee of the Group, thus allowing a better steering of the risks in our operations. Moreover, this Committee gathers approximately a dozen members representing the different countries and functions within the Group (sourcing, supply chain, human resources, finance, legal, IT, etc.) as well as several managing directors of subsidiaries of the Group to be as close as possible from the reality of Rexel's operations. It met 3 times in 2022 for the

update of the Group risk mapping and reported on its work and formulated its recommendations to the Executive Committee.

In addition, the Group Internal Audit, Risk Management and Internal Control Department, which hierarchically reports to the Group Chief Financial Officer (member of the Group Executive Committee), presented to the Group Executive Committee a complete picture by country of the control environment at Rexel. They detailed the salient aspects resulting from local risk mapping, of the self-assessment of internal control, of the work done by internal audit (when applicable) and of the work done by external audit. This communication helps the Rexel Group's Management to share with local management teams not only the risk management measures and objectives, but also the necessary information to align their decisions and activities with the defined objectives.

2.3.3.2 Monitoring of the system by the Audit and Risk Committee of the Board of Directors

The Rexel Group Audit and Risk Committee is responsible for monitoring the Group's internal control system and the Group Internal Audit, Risk Management and Internal Control Director functionally reports to it. Each quarter, this Director presents to the Rexel Audit and Risk Committee a summary of the work done by the internal audit, internal control and risk management teams, including the main conclusions of the internal audit assignments undertaken and a follow-up on the progress made by the corresponding action plans.

As part of this process, each quarterly meeting of the Audit and Risk Committee provides an opportunity to summarize the risk management, internal control and audit activities carried out during the preceding quarter. The Audit and Risk Committee is also responsible for the annual approval of the Group risk mapping and the internal audit plan. The Audit and Risk Committee formulates its recommendations and proposals to the Board of Directors based on these presentations.

2.3.3.3 Monitoring process carried out by external audit

Lastly, the external auditors take part in the internal control system monitoring process. In addition to the diligence conducted in certifying the financial statements, they verify each year the reliability of the results of the self-assessment campaign with respect to a segment of the framework, changing every year. Although the scope of this review is

limited, this verification applies to all Rexel Group entities, and the internal audit teams follow up with more comprehensive verifications on a limited number of entities. Thus allowing the Rexel Group to improve the reliability of the self-assessments.

3

Corporate governance

3

Corporate governance



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This Chapter 3 is the report on corporate governance required by article L225-37 of the French Commercial Code.

This report is drawn up by the Board of Directors in collaboration with the Group's Executive Management, General Secretary including the Legal Department, the Corporate Communications Department as well as the Human Resources Department of the Rexel Group.

Rexel refers to the corporate governance principles of listed companies set out in the corporate

governance code (the AFEP-MEDEF Code) established by the *Association française des entreprises privées* (Afp) and the *Mouvement des entreprises de France* (Medef), in its version as revised in December 2022. The aspects on which the Company departs from the guidelines are set out in section 3.5 "Implementation of the AFEP-MEDEF corporate governance Code of listed companies – Paragraph 28.1 of the AFEP-MEDEF Code" of this Chapter.

This code is available on the website of Medef (www.medef.fr) or at the registered office of Rexel.

3.1 Administration Bodies and Management

Rexel is a French *société anonyme* with a Board of Directors. This governance model is aimed at:

- Simplifying the decision-making process;
- Speeding up the implementation of the Rexel Group's strategy;
- Strengthening the Board of Directors' responsibility; and
- Creating greater proximity between the Directors and the members of the Executive Committee.

Dissociation of the duties of Chairman of the Board of Directors and Chief Executive Officer

The Board of Directors is chaired by Ian Meakins, non-executive and independent corporate officer.

The Chief Executive Officer is Guillaume Texier, executive member of the Board of Directors.

By dissociating the duties of Chairman and of Chief Executive Officer, the Board of Directors aimed at

better serving the interests of the Rexel Group. The Rexel Group operates in a difficult macroeconomic and competitive environment. Dissociating the duties allows the Chief Executive Officer to focus all of his efforts on the implementation of the Rexel Group's strategy.

3.1.1 Board of Directors

In accordance with Rexel's by-laws, the Board of Directors is made up of a minimum of 5 members and a maximum of 15 members. This number is established subject to the exceptions provided for by law in the event of a merger.

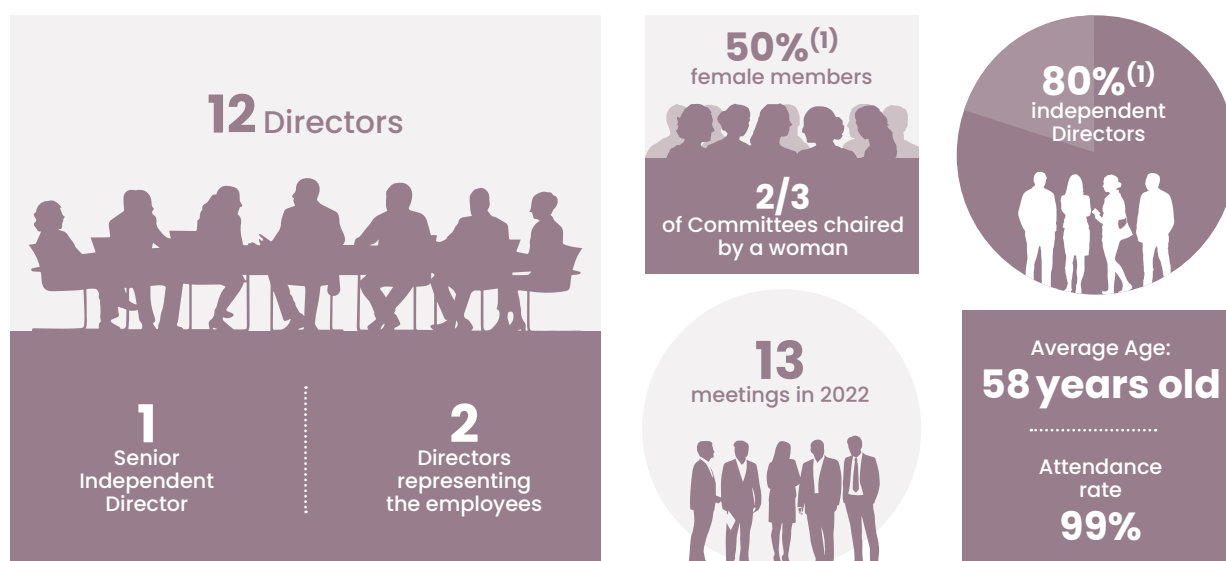
The Directors are appointed for a maximum term of 4 years.

The Board of Directors is renewed in quarters, rounded to the higher whole number every year. This allow it to be fully renewed every four years.

As at December 31, 2022, the Board of Directors was made up of 12 Directors, including two Directors representing the employees.

Excluding the Directors representing the employees, the Board of Directors had:

- 80% of independent members (*i.e.* 8 members out of 10); and
- 50% of female members (*i.e.* 5 females out of 10).



(1) Excluding the Directors representing the employees.

Committees

The Committees are responsible for providing the Board of Directors with their opinions, proposals or recommendations. Their powers are strictly advisory and they discharge their duties under the Board of Directors' responsibility.

The three Committees of the Board of Directors are the following: the Audit and Risk Committee, the

Nomination Committee and the Compensation Committee.

The Board of Directors is currently considering which committee will prepare the work of the Board of Directors regarding environmental and social responsibility (ESG).



(1) Excluding the Directors representing the employees.

The table below summarizes the membership of the Board of Directors as at December 31, 2022:

NAME	DUTIES WITHIN THE BOARD OF DIRECTORS OF REXEL	GENDER	NATIONALITY	AGE	INDEPENDENCE	OTHER DUTIES OF BOARD MEMBER HELD IN LISTED COMPANIES	MEMBERSHIP OF A COMMITTEE			DATE OF FIRST APPOINTMENT	DATE OF EXPIRY OF TERM OF OFFICE	NUMBER OF SHARES
							AUDIT AND RISK COMMITTEE	NOMINATION COMMITTEE	COMPENSATION COMMITTEE			
DIRECTOR												
Ian Meakins	Chairman	Male	British	66	Yes	Yes	●	●	●	July 1, 2016 ⁽¹⁾	2024 Shareholders' Meeting	115,250
François Henrot ⁽⁵⁾	Deputy Chairman Senior Independent Director	Male	French	73	Yes	Yes		●	●	October 30, 2013 ⁽²⁾	2025 Shareholders' Meeting	7,133
Marcus Alexanderson	Director	Male	Swedish	47	No	No	●		●	May 15, 2017	2025 Shareholders' Meeting	5,000
François Auque	Director Chairman of the Audit and Risk Committee	Male	French	66	Yes	Yes	■			May 23, 2019	2026 Shareholders' Meeting	3,000
Julien Bonnel ⁽³⁾⁽⁶⁾	Director representing the employees	Male	French	37	–	No			●	November 17, 2017	2025 Shareholders' Meeting	6,354
Brigitte Cantaloube	Director	Female	French	55	Yes	No	●		●	February 12, 2020	2024 Shareholders' Meeting	1,000
Barbara Dalibard ⁽⁵⁾	Director	Female	French	64	Yes	Yes			●	December 3, 2021	2026 Shareholders' Meeting	2,400
Toni Killebrew ⁽⁴⁾	Director representing the employees	Female	US	44	–	No		●		November 19, 2020	2024 Shareholders' Meeting	–
Elen Phillips	Director	Female	US and British	63	Yes	No	●	●		March 8, 2016	2023 Shareholders' Meeting	5,000
Maria Richter	Director	Female	US and Panama	68	Yes	Yes	●	●		May 22, 2014	2025 Shareholders' Meeting	6,500
Guillaume Texier	Director	Male	French	49	No	Yes				April 22, 2021, effective September 1, 2021	2025 Shareholders' Meeting	10,000
Agnès Touraine ⁽⁵⁾	Director Chairwoman of the Nomination Committee and of the Compensation Committee	Female	French	67	Yes	Yes		■	■	February 10, 2017	2026 Shareholders' Meeting	1,112

● Committee member ■ Committee chairman

(1) In his capacity as Director, Ian Meakins has been Chairman of the Board of Directors since October 1, 2016.

(2) In the capacity of member of the Supervisory Board, and subsequently in the capacity of Director as of May 22, 2014.

(3) Appointed on November 17, 2017 and renewed on April 22, 2021 by the most representative trade union in France, pursuant to the provisions of section 7.1 of article 14 of the by-laws of Rexel and articles L.225-27-1 and L.22-10-7 of the French Commercial Code. In accordance with the provisions of the AFEP-MEDEF Code, the Directors representing the employees are not taken into account in the calculation of the independence rate of the Board of Directors and Committees. In accordance with article 14 of the by-laws, the Directors representing the employees are not required to hold a minimum number of shares of the Company.

(4) Appointed on November 19, 2020 by the European Works Council, pursuant to the provisions of section 7.1 of article 14 of the by-laws of Rexel and articles L.225-27-1 and L.22-10-7 of the French Commercial Code. In accordance with the provisions of the AFEP-MEDEF Code, the Directors representing the employees are not taken into account in the calculation of the independence rate of the Board of Directors and Committees. In accordance with article 14 of the by-laws, the Directors representing the employees are not required to hold a minimum number of shares of the Company.

(5) At the end of the Shareholders' Meeting, the Board of Directors should decide on:

- the appointment of Agnès Touraine as Independent Lead Director and Deputy Chairwoman of the Board of Directors to replace François Henrot, whose term of office, expiring at the end of the general meeting to be held in 2025, would continue. Agnès Touraine would retain, alongside her duties as Independent Lead Director and Deputy Chairwoman of the Board of Directors, the Chairmanship of the Nomination Committee;
- the appointment of Barbara Dalibard as Chairman of the Compensation Committee.

(6) The mandate of Julien Bonnel as director representing the employees has ceased on February 17, 2023 following the termination of his employment contract. The most representative trade union has been informed of the necessity to appoint a new director representing the employees.

The table below presents the main characteristics of the Board of Directors and of the Committees of the Board of Directors of Rexel as at December 31, 2022:

■ Board of Directors

NUMBER OF MEETINGS	AVERAGE ATTENDANCE RATE	NUMBER OF DIRECTORS	INDEPENDENCE RATE ⁽¹⁾	REPRESENTATION OF WOMEN ⁽¹⁾	AVERAGE AGE
13	99%	12	80%	<ul style="list-style-type: none"> • 50% • 2 committees out of 3 chaired by a woman 	58

(1) Excluding the Directors representing the employees.

■ Audit and Risk Committee

NUMBER OF MEETINGS	AVERAGE ATTENDANCE RATE	NUMBER OF DIRECTORS	INDEPENDENCE RATE	REPRESENTATION OF WOMEN	AVERAGE AGE
5	100%	6	83%	50%	61

■ Nomination Committee

NUMBER OF MEETINGS	AVERAGE ATTENDANCE RATE	NUMBER OF DIRECTORS	INDEPENDENCE RATE ⁽¹⁾	REPRESENTATION OF WOMEN ⁽¹⁾	AVERAGE AGE
6	100%	6	100%	60%	64

(1) Excluding the Director representing the employees.

■ Compensation Committee

NUMBER OF MEETINGS	AVERAGE ATTENDANCE RATE	NUMBER OF DIRECTORS	INDEPENDENCE RATE ⁽¹⁾	REPRESENTATION OF WOMEN ⁽¹⁾	AVERAGE AGE
6	100%	7	83%	50%	58

(1) Excluding the Director representing the employees.

3.1.1.1 Membership of the Board of Directors

As at December 31, 2022, the Board of Directors was made up of 12 Directors, the details of whom are set out below.

IAN MEAKINS

(66 years old)

Professional address:

Rexel
13, Boulevard du Fort de Vaux
75017 Paris – France

Number of Rexel shares held:

115,250

Experience and expertise

Chairman of the Board of Directors, Member of the Audit and Risk Committee, the Nomination Committee and the Compensation Committee

Ian Meakins was co-opted as Director by the Board of Directors on July 1, 2016, in replacement of Rudy Provoost. He was also appointed Chairman of the Board of Directors on July 1, 2016, effective October 1, 2016. His co-option as well as the renewal of his term of office have been approved by the Shareholders' Meeting of May 23, 2017. Ian Meakins' term of office as Director was renewed during the June 25, 2020 Shareholders' Meeting.

Ian Meakins is a British citizen.

He was Chief Executive Officer for Wolseley from July 2009 to August 2016, when he retired. He was previously Chief Executive Officer for Travelex, an international company dealing with currency exchange and payments.

Before that he was Chief Executive Officer for Alliance UniChem plc until its merger with Boots in July 2006. Between 2000 and 2004, he was President in charge of European Major Markets and Global Supply for Diageo plc, a company for which he has held various international management positions for more than 12 years. Ian Meakins was also the non-executive Chairman of the Learning Network until November 30, 2020.

Ian Meakins is a graduate of Cambridge University.

Term of office

First appointment:

July 1, 2016

Current term of office:

From June 25, 2020, until the Shareholders' Meeting deciding on the accounts for the financial year ending December 31, 2023

Titles and other duties exercised in French and foreign companies during the last five financial years

Titles and duties within the Rexel Group:

Current:

In France

- Chairman of the Board of Directors of Rexel
- Member of Rexel's Audit and Risk Committee
- Member of Rexel's Nomination Committee
- Member of Rexel's Compensation Committee

Abroad

–

Over the last five financial years:

In France

- Member of Rexel's Strategic Investment Committee
- Member of Rexel's Nomination and Compensation Committee

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

–

Abroad

- Non-Executive Chairman of Compass Group (United Kingdom – listed company)

Over the last five financial years:

In France

–

Abroad

- Non-Executive Chairman of The Learning Network (The Netherlands – non-listed company)

FRANÇOIS HENROT

(73 years old)

Professional address:

Rothschild & Cie
23 bis, avenue de Messine
75008 Paris – France

Number of Rexel shares held:

7,133

Experience and expertise

Senior Independent Director, Deputy Chairman of the Board of Directors, Member of the Nomination Committee and Member of the Compensation Committee

François Henrot has served on the Board of Directors of Rexel as Senior Independent Director referent and Deputy Chairman of the Board since May 22, 2014. He served as interim Chairman of the Board of Directors between July 1, 2016, and October 1, 2016. He was previously a member of the Supervisory Board of Rexel further to his co-option on October 30, 2013, to replace Manfred Kindle. The ratification of his co-option as member of the Supervisory Board was approved by the Shareholders' Meeting of May 22, 2014. The renewal of his term of office has been approved by the Shareholders' Meeting of May 23, 2017, and subsequently by the Shareholders' Meeting of April 22, 2021.

François Henrot is a French citizen.

He was Managing Partner of Rothschild & Cie from 1998 to 2021, and serves as Chairman of the investment bank of the Rothschild Group. He started his career in 1974 at the French Council of State. In 1979, he became Director of France's Telecommunications Department. In 1985, he joined the Compagnie Bancaire where he became COO and Chairman of the Management Board. He was a Management Board Member at Compagnie Financière de Paribas from 1995 to 1998 before joining Rothschild. He is a member of the Supervisory Board of Rothschild & Co (the holding company of the Rothschild Group), and of Yam Invest NV and a Director of Cobepa, which he presides.

François Henrot is a graduate of the *École Nationale d'Administration* (ENA) and of the University of Stanford.

Term of office

First appointment:

October 30, 2013 (as member of the Supervisory Board)

May 22, 2014 (as Director)

Current term of office:

From April 22, 2021 until the Shareholders' Meeting deciding on the accounts for the financial year ending December 31, 2024

Titles and other duties exercised in French and foreign companies during the last five financial years

Titles and duties within the Rexel Group:

Current:

In France

- Senior Independent Director of Rexel
- Deputy Chairman of the Board of Directors
- Member of Rexel's Nomination Committee
- Member of Rexel's Compensation Committee

Abroad

–

Over the last five financial years:

In France

- Member of Rexel's Strategic Investment Committee
- Chairman of the Board of Directors of Rexel from July 1, 2016 to September 30, 2016
- Member of Rexel's Supervisory Board
- Chairman of Rexel's Nomination Committee
- Member of Rexel's Compensation Committee
- Member of Rexel's Strategic Committee
- Chairman of Rexel's Nomination and Compensation Committee
- Member of Rexel's Audit and Risk Committee

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

- Chairman of the investment bank of the Rothschild Group (France – non-listed company)
- Member of the Supervisory Board of Rothschild & Co (holding of the Rothschild Group) (France – listed company)
- Special Senior Advisor of Rothschild & Cie (France – non-listed company)
- Vice-President of Rothschild Europe (France – non-listed company)

Abroad

- Member of the Supervisory Board of Yam Invest NV (The Netherlands – non-listed company)
- Chairman of the Board of Directors of Cobepa (Belgium – non-listed company)

Over the last five financial years:

In France

- Managing partner of Rothschild & Cie Banque (France – non-listed company)

Abroad

–

MARCUS ALEXANDERSON

(47 years old)

Professional address:

Cevian Capital
Engelbrektsgatan, 5
114 32 Stockholm – Sweden

Number of Rexel shares held:

5,000

Experience and expertise

Director, Member of the Audit and Risks Committee and member of the Compensation Committee

Marcus Alexanderson was co-opted as Director by the Board of Directors on May 15, 2017, to replace Pier-Luigi Sigismondi. His co-option as well as the renewal of his term of office were approved by the Shareholders' Meeting of May 24, 2018. The renewal of his directorship was subsequently approved in advance by the Shareholders' Meeting of April 22, 2021.

Marcus Alexanderson is a Swedish citizen.

He is a partner of Cevian Capital AB, an investment advisor to Cevian Capital, an investment fund managing EUR 13 billion of assets and investing in listed European companies. He joined Cevian Capital at its founding in 2002 and is co-responsible for the investment and active shareholding businesses of Cevian. Previously, Marcus Alexanderson was an investment analyst with AB Cutos (Sweden).

Marcus Alexanderson holds a Master of Science in Economics and Business Administration from the Stockholm School of Economics.

Term of office

First appointment:

May 15, 2017 (co-option)

Current term of office:

From April 22, 2021 until the Shareholders' Meeting deciding on the accounts for the financial year ended December 31, 2024

Titles and other duties exercised in French and foreign companies during the last five financial years

Titles and duties within the Rexel Group:

Current:

In France

- Director of Rexel
- Member of Rexel's Compensation Committee
- Member of Rexel's Audit and Risk Committee

Abroad

–

Over the last five financial years:

In France

- Member of Rexel's Nomination Committee

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

–

Abroad

- Partner of Cevian Capital AB (Sweden – non-listed company)

Over the last five financial years:

In France

–

Abroad

–

FRANÇOIS AUQUE

(66 years old)

Professional address:

77, rue Madame
75006 Paris – France

Number of Rexel shares held:

3,000

Experience and expertise

Director and Chairman of the Audit and Risk Committee

François Auque has been a Director and Chairman of the Audit and Risk Committee of Rexel since May 23, 2019. Previously, he was appointed as Observer of Rexel on October 24, 2018 with a view to proposing his candidacy as Director, replacing Fritz Froehlich.

François Auque is a French citizen.

He is a partner at InfraVia Capital Partners.

He was Chairman of the Airbus Ventures Investment Committee from July 2016 to September 2018. Previously, for 16 years, he headed the Space Division of the Airbus group as a member of the Group Executive Committee.

Previously, he was Chief Financial Officer of Aerospatiale Matra after having been Chief Financial Officer and together Corporate Executive Vice-President of Aerospatiale from 1991 to 2000. He began his career at the French Court of Auditors (*Cour des Comptes*), then joined the Suez Group and Credisuez.

He has been a member of various Boards of Directors: Dassault Aviation, Arianespace, GIFAS, Starsem (Russia), MBDA, OneWeb (United Kingdom/United States), Seraphim Space Fund (United Kingdom) and Chairman of the Board of Bordeaux École de Management.

François Auque is a graduate of *École des hautes études commerciales* (HEC), *Sciences-Po Paris* and *École nationale d'administration* (ENA).

Term of office

First appointment:

May 23, 2019

Current term of office:

From April 21, 2022 until the Shareholders' Meeting deciding on the accounts for the financial year ended December 31, 2025

Titles and other duties exercised in French and foreign companies during the last five financial years

Titles and duties within the Rexel Group:

Current:

In France

- Director of Rexel
- Chairman of the Audit and Risk Committee of Rexel

Abroad

–

Over the last five financial years:

In France

- Observer of the Board of Directors and of the Audit and Risk Committee of Rexel

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

- Partner at InfraVia Capital Partners
- Director of Airbus Defence and Space Holding SAS (France – non-listed company)

Abroad

- Director of CyberArk (United States – listed company)
- Chairman of the Board of Directors of VividQ (United Kingdom – non-listed company)
- Director of Aerospacelab (Belgium – non-listed company)

Over the last five financial years:

In France

- Director of Arianespace (France – non-listed company)
- Director of Starsem (France – non-listed company)
- Director of MBDA (France – non-listed company)

Abroad

- Deputy Director of OneWeb (United Kingdom/United States – non-listed company)
- Director of Seraphim Space Fund (United Kingdom – non-listed company)
- Director of Airbus Espana (Spain – non-listed company)
- Director of Airbus North America (United States – non-listed company)

JULIEN BONNEL

(37 years old)

Professional address :

Rexel France
13, Boulevard du Fort de Vaux
75017 Paris – France

Number of Rexel shares held:

6,354

(In accordance with article 14 of the by-laws, the Director representing the employees does not have to hold a minimum number of shares of the Company)

Experience and expertise

Director representing the employees, member of the Compensation Committee

Julien Bonnel was appointed on November 17, 2017 and renewed on April 22, 2021 as Director representing the employees by the most representative trade union in the French subsidiaries of the Rexel Group.

Julien Bonnel is a French citizen.

He has been Sales Director and Chief Transformation Officer within Rexel Spain since 2018. He joined the Rexel Group in 2012, when he worked within the Strategy Division of the Group, subsequently as a branch Manager in Nîmes and finally as Head of Hérault division of Rexel France. He started his career as a consultant and strategy with Estin & Co (2009-2012).

Julien Bonnel is a graduate of the *École Centrale de Paris*.

Term of office

First appointment:

November 17, 2017

Current term of office:

From April 22, 2021 until the Shareholders' Meeting deciding on the accounts for the financial year ending December 31, 2024⁽¹⁾

Titles and other duties exercised in French and foreign companies during the last five financial years

Titles and duties within the Rexel Group:

Current:

In France

- Director of Rexel
- Member of Rexel's Compensation Committee

Abroad

–

Over the last five financial years:

In France

–

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

- CEO (*Président*) of Evariste (France – non-listed company)
- CEO (*Gérant*) of GFA Henri (France – non-listed company)

Abroad

–

Over the last five financial years:

In France

–

Abroad

–

(1) The mandate of Julien Bonnel as director representing the employees will cease on February 17, 2023 following the termination of his employment contract. The most representative trade union has been informed of the necessity to appoint a new director representing the employees.

BRIGITTE CANTALOUBE

(55 years old)

Professional address:

Rexel
13, Boulevard du Fort de Vaux
75017 Paris – France

Number of Rexel shares held:

1,000

Experience and expertise

Director, member of the Audit and Risk Committee and of the Compensation Committee

Brigitte Cantaloube was co-opted as Director by the Board of Directors on February 12, 2020, in replacement of Thomas Farrell. Her co-option as well as the renewal of her term of office were approved by the Shareholders' Meeting of June 25, 2020.

Brigitte Cantaloube is a French citizen.

She was Chief Digital Officer for PSA group from February 2016 to November 2017, in charge of leading the digital transformation of the Group as well as the management of the partnerships with global digital players. She had previously occupied various executive positions within Yahoo! Group and in particular, as Vice-President and Commercial Director in charge of EMEA, based in London, from 2014 to 2016, Managing Director of Yahoo! France from 2009 to 2014 and Commercial Director for Yahoo! France from 2006 to 2009.

Brigitte Cantaloube had started her career within *L'Expansion* group in 1992 where she held a number of executive positions, notably Marketing Director of the internet department of *L'Expansion* group from 2000 to 2002, and Commercial Director of *L'Express* magazine from 2002 to 2006.

She has a Master's Degree in Management from EDHEC Business School Lille.

Term of office

First appointment:

February 12, 2020 (co-option)

Current term of office:

From June 25, 2020, until the Shareholders' Meeting deciding on the accounts for the financial year ending December 31, 2023

Titles and other duties exercised in French and foreign companies during the last five financial years

Titles and duties within the Rexel Group:

Current:

In France

- Director of Rexel
- Member of Rexel's Audit and Risk Committee
- Member of Rexel's Compensation Committee

Abroad

–

Over the last five financial years:

In France

–

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

–

Abroad

–

Over the last five financial years:

In France

–

Abroad

–

BARBARA DALIBARD

(64 years old)

Business address:

Rexel
13, Boulevard du Fort de Vaux
75017 Paris – France

Number of Rexel shares held :

2,400

Experience and expertise

*Director, member of the Compensation Committee**

Barbara Dalibard was co-opted as a Director by the Board of Directors on December 3, 2021 to replace Herna Verhagen, who resigned, for the remainder of her predecessor's term of office, i.e. until the Shareholders' Meeting of April 22, 2022. Her co-option and the renewal of her term of office as Director have been approved by the Shareholders' Meeting of April 21, 2022.

Barbara Dalibard is a French citizen.

Barbara Dalibard was Chief Executive Officer and member of the Board of Directors of SITA (*Société Internationale de Télécommunication Aéronautique*) from 2016 to 2021. She has held various duties in several companies in the new technology industry.

Barbara Dalibard has also spent most of her career at Orange, where she held various management positions, including that of CEO of Orange Business Services. She was also CEO of SNCF Voyageurs and chaired or was a member of the Board of Directors of several international subsidiaries of SNCF (Voyages sncf.com, NTV, Eurostar). She was a member of the Board of Directors of Société Générale and a member of the Supervisory Board of Wolters Kluwer and is currently Chairman of the Supervisory Board of Michelin.

Barbara Dalibard is an alumna of the *École normale supérieure*, an associate professor of mathematics, a graduate engineer of the *École nationale supérieure des télécommunications* (ENST) and an honorary general engineer of the *Corps des Mines*. She is an officer of the *Légion d'honneur*, an officer of the *Ordre du mérite*, a member of *Académie des technologies* and an honorary doctor of *École Polytechnique de Montréal*.

Term of office

First appointment:

December 3, 2021 (co-option)

Current term of office:

From April 21, 2022 until the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2025

Titles and other duties exercised in French and foreign companies during the last five financial years

Titles and duties within the Rexel Group:

Current:

In France

- Director of Rexel
- Member of the Compensation Committee of Rexel

Abroad

–

Over the past five financial years :

In France

–

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

- Chairman of the Supervisory Board of Michelin (France – listed company)
- Member of the Board of Directors of the *Institut Polytechnique de Paris* (public entity – not listed)
- Member of the Supervisory committee of Castillon (France – non-listed company)

Abroad

–

Over the past five financial years :

In France

–

Abroad

- Chief Executive Officer and Director of SITA (Switzerland – non-listed company)

* Barbara Dalibard's appointment as Chairwoman of the Compensation Committee will be proposed to the Board of directors meeting following the Shareholders' Meeting of April 20, 2023. She would succeed to Agnès Touraine.

TONI KILLEBREW

(44 years old)

Professional address:

Rexel Gulf Central Region
2965 Commodore Drive
Carrollton
TX 75007 – United States

Number of Rexel shares held:

–
(In accordance with article 14 of the by-laws, the Director representing the employees does not have to hold a minimum number of shares of the Company)

Experience and expertise

Director representing the employees, member of the Nomination Committee

Toni Killebrew was appointed as a Director representing the employees by the European Works Council on November 19, 2020.

Toni Killebrew is a US Citizen.

She is Region Mergers & Acquisitions Integration Director (Gulf Central Region) at Rexel USA since January 2023. Toni Killebrew joined Rexel as part of the acquisition of GE Supply in 2006, under the Global Sales Organization. She started her career with GE Supply in 2000 and has held positions in Sales and Operations since that time.

Toni Killebrew holds a Bachelor of Science in Business Management from the University of Evansville and an MBA in Finance from the Kelley School of Business at Indiana University.

Term of office

First appointment:

November 19, 2020

Current term of office:

From November 19, 2020, until the Shareholders' Meeting deciding on the accounts for the financial year ending December 31, 2023

Titles and other duties exercised in French and foreign companies during the last five financial years

Titles and duties within the Rexel Group:

Current:

In France

- Director of Rexel
- Member of Rexel's Nomination Committee

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Abroad

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Over the last five financial years:

In France

–

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

–

Abroad

–

Over the last five financial years:

In France

–

Abroad

ELEN PHILLIPS

(63 years old)

Professional address:

Rexel
13, Boulevard du Fort de Vaux
75017 Paris – France

Number of Rexel shares held:

5,000

Experience and expertise

Director, Member of the Audit and Risk Committee and Nomination Committee

Elen Phillips was co-opted as Director by the Board of Directors on March 8, 2016 in replacement of Isabel Marey-Semper. Her co-option as well as the renewal of her term of office have been approved by the Shareholders' Meeting of May 25, 2016.

The renewal of her term of office as Director was also approved by anticipation by the Shareholders' Meeting of May 23, 2019.

Elen Phillips is a dual citizen of the United Kingdom and the United States.

She was Vice-President Fuel Sales and Marketing of Shell Oil for the American continent from 2010 until her retirement from the Shell Group at the end of March 2016.

She had previously occupied various executive positions within the Shell Group, in particular as Vice-President in charge of the Shell International worldwide distribution network from 2004 to 2010 and Manager of the Shell Retail International distribution network from 2002 to 2004 and Chief Executive Officer in charge of network development of Shell Oil from 2000 to 2002. She also served as Chief Executive Officer Retail Sales for the Gulf Coast region of the United States of Motiva Enterprises LLC from 1998 to 2000. Previously, she was Commercial Manager Retail for the East region of Shell Oil from 1997 to 1998. She acted as consultant within the enterprise transformation team of Shell Oil from 1995 to 1997 and as commercial manager in charge of aircraft fuels of Shell Oil Products from 1993 to 1995. She was also in charge of program development for Shell Chemical from 1991 to 1993 as well as of the strategic development of Shell International Chemical from 1988 to 1990. She had started her career within the Shell Group in 1983, and was in charge of business development and of product management until 1988.

Elen Phillips holds a BSc in Chemistry & Business (Salford University) and a Master in Business Science (Manchester Business School).

Term of office

First appointment:

March 8, 2016 (co-option)

Current term of office:

May 23, 2019 until the Shareholders' Meeting deciding on the accounts for the financial year ending December 31, 2022

Titles and other duties exercised in French and foreign companies during the last five financial years

*Titles and duties within the Rexel Group:***Current:***In France*

- Director of Rexel
- Member of Rexel's Audit and Risk Committee
- Member of Rexel's Nomination Committee

Abroad

–

Over the last five financial years:*In France*

- Member of Rexel's Strategic Investment Committee

Abroad

–

*Titles and duties outside the Rexel Group:***Current:***In France*

–

Abroad

–

Over the last five financial years:*In France*

–

Abroad

- Vice-President, Fuel Sales and Marketing of Shell Oil for the American continent (United States – listed company)

MARIA RICHTER

(68 years old)

Professional address:

Rexel
13, Boulevard du Fort de Vaux
75017 Paris – France

Number of Rexel shares held:

6,500

Experience and expertise

Director, Member of the Audit and Risk Committee and Member of the Nomination Committee

Maria Richter was co-opted as Director by the Board of Directors on May 22, 2014, to replace Roberto Quarta. Her co-option and the renewal of her directorship have been approved by the Shareholders' Meeting of May 27, 2015. The renewal of her term of office was approved by anticipation by the Shareholders' Meeting of May 24, 2018, and subsequently by the Shareholders' Meeting of April 22, 2021.

Maria Richter is a dual citizen of the Republic of Panama and the United States.

A former Investment Banker, she currently sits as a non-executive Director on public and private company boards. From 2003 to July 2014, she was a Non-Executive Director of National Grid plc and Chairwoman of its Finance Committee and a member of its Audit Committee and Appointments Committee. Since 2008, she has been a Director of Bessemer Trust, a US wealth management company and is a member of its Compensation Committee. Since January 1, 2015 she has also served as a Non-Executive Director of Johannesburg based Anglo Gold Ashanti and a member of the company's Audit and Risk Committee and Human Resources & Compensation Committee. Since May 2019, she also serves as a Chairman of the company's Human Resources & Compensation Committee and a member of the Nomination Committee. From September 2017, to September 2019, she also served as non-executive Director of Barclays Bank plc. She began her career as an attorney for the then law firm Dewey Ballantine (1980-1985) before joining The Prudential (1985-1992) where she held a number of executive positions latterly as a Vice-President of Prudential Power Funding Associates. She joined Salomon Brothers (1992-1993) as Vice-President and then joined Morgan Stanley (1993-2002) as Executive Director and Head of Independent Power and Structured Finance and later became Managing Director and Head of South America Investment Banking and Managing Director of Corporate Finance Retail.

Maria Richter has a Bachelor of Arts degree from Cornell University and a Juris Doctor degree from Georgetown University Law Center.

Term of office

First appointment:

May 22, 2014

Current term of office:

From April 22, 2021 until the Shareholders' Meeting deciding on the accounts for the financial year ending December 31, 2024

Titles and other duties exercised in French and foreign companies during the last five financial years

Titles and duties within the Rexel Group:

Current:

In France

- Director of Rexel
- Member of Rexel's Audit and Risk Committee
- Member of Rexel's Nomination Committee

Abroad

–

Over the last five financial years:

In France

- Member of Rexel's Compensation Committee

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

–

Abroad

- Director and member of the Compensation Committee of Bessemer Trust (United States – non-listed company)
- Non-executive Director, Chairman of the Human Resources & Compensation Committee, member of the Audit and Risk Committee and member of the Nomination Committee of Anglo Gold Ashanti (South Africa – listed company)

Over the last five financial years:

In France

–

Abroad

- Director of Pro Mujer International (United States – non-listed organization) and Chairwoman of the Board of Trustees of Pro Mujer UK (United Kingdom – non-listed organization)
- Non-executive Director and member of the Risk Committee and Compensation Committee of Barclays Bank plc (United Kingdom – listed company)

GUILLAUME TEXIER

(49 years old)

Professional address:

Rexel
13, Boulevard du Fort de Vaux
75017 Paris – France

Number of Rexel shares held:

10,000

Experience and expertise

Director, Chief Executive Officer

Guillaume Texier has been a Director of Rexel since September 1, 2021.

Guillaume Texier is a French citizen.

He started his career in the French Government where he was notably Technical Advisor to the staffs of the ministers in charge of ecology and industry.

Guillaume Texier joined Saint-Gobain in 2005, where he was successively Group Planning and Strategy Director, Managing Director of CertainTeed Gypsum in Canada, Managing Director of Certain Teed Roofing in the United States, Managing Director of the Ceramic Materials activity worldwide, Group Chief Financial Officer between 2016 and 2018, and Senior Vice Président, CEO of France, Southern Europe, Middle East and Africa Region where he managed all Saint-Gobain's activities in the region, including building materials distribution and manufacturing of glass, gypsum, insulation, mortars.

He is also Director of Veolia since 2016.

He is a graduate of the *École Polytechnique* and of *Mines Paris Tech*.

Term of office

First appointment:

April 22, 2021, with effect from September 1, 2021

Current term of office:

From September 1, 2021, until the Shareholders' Meeting deciding on the accounts for the financial year ending December 31, 2024

Titles and other duties exercised in French and foreign companies during the last five financial years

Titles and duties within the Rexel Group:

Current:

In France

- Director of Rexel
- CEO of Rexel
- Director of Rexel France

Abroad

- Director and Chairman of Rexel USA
- Chairman and CEO of Rexel North America Inc.

Over the last five financial years:

In France

–

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

- Member of the Board of Directors of Veolia (France – listed company)

Abroad

–

Over the last five financial years:

In France

- Assistant CEO, CEO South Europe, Middle-East, Africa of Saint Gobain (France – listed company)
- Financial Director of Saint-Gobain (France, listed company)
- President of the Institut Mines Telecom Atlantique (France – Public University non listed)

Abroad

–

AGNÈS TOURAINE

(67 years old)

Professional address:
Act III Consultants
5, rue Budé
75004 Paris – France

Number of Rexel shares held:
1,112

Experience and expertise

*Director, Chairwoman of the Compensation Committee and of the Nomination Committee**

Agnès Touraine was co-opted as Director by the Board of Directors on February 10, 2017 in replacement of Marianne Culver.

Her co-option was approved by the Shareholders' Meeting of May 23, 2017.

The renewal of her term of office was approved by anticipation by the Shareholders' Meeting of May 23, 2019, and subsequently by the Shareholders' Meeting of April 21, 2022.

Agnès Touraine is a French citizen.

She is also the CEO and founder of Act III Consultants, a consultancy firm dedicated to digital transition. Previously, she acted as Chairwoman and CEO of Vivendi Universal Publishing after having spent 10 years at Groupe Lagardère and 4 years at McKinsey. She is a Director of GBL, Proximus and SNCF, and of the Supervisory Board of Tarkett. She previously acted as non-executive Director of Cable&Wireless Plc (UK), Neopost and Darty Plc. She is also a member of the Board of various non-profit organizations such as IDATE and the French American Foundation.

Agnès Touraine was also Chairwoman of the IFA (*Institut Français des Administrateurs*) until May 2019.

She is a graduate in law of *Sciences-Po Paris* and of Columbia University Business School (MBA).

Term of office

First appointment:
February 10, 2017 (co-option)

Current term of office:
From April 21, 2022 until the Shareholders' Meeting deciding on the accounts for the financial year ending December 31, 2025

Titles and other duties exercised in French and foreign companies during the last five financial years

Titles and duties within the Rexel Group:

Current:

In France

- Director of Rexel
- Chairwoman of Rexel's Compensation Committee
- Chairwoman of Rexel's Nomination Committee

Abroad

–

Over the last five financial years:

In France

- Member of Rexel's Nomination and Compensation Committee

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

- Member of the Supervisory Board of 21Partners (France – non-listed)
- Member of the Supervisory Board of the French American Foundation (France – association, non-listed)
- Director of SNCF (France – non-listed company)

Abroad

- Director of Proximus (Belgium – listed company)
- Director of GBL (Belgium – listed company)

Over the last five financial years:

In France

- Chairwoman of the IFA (*Institut Français des Administrateurs*, France – association, non-listed)
- Member of the Supervisory Board of Tarkett (France – listed company)

Abroad

- Director of Darty Plc (United Kingdom – listed company)
- Director of Keesing (The Netherlands – non-listed company)

* Her appointment as Lead Independent Director and Deputy Chairwoman of the Board of Directors in place of François Henrot should be decided by the Board of Directors taking place after the Shareholders' Meeting of April 20, 2023.

Departure, nomination and renewal of members of the Board of Directors

During the financial year ended on December 31, 2022, the following changes took place in the membership of the Board of Directors:

DIRECTOR	APPOINTMENT/CO-OPTION/APPROVAL	RE-ELECTION	LEAVE	COMMENTS
Barbara Dalibard	X	X		Ratification of the co-option as Director in replacement of Herna Verhagen as of December 3, 2021 by the Shareholders' Meeting of April 21, 2022. Renewal of term of office as Director by the Shareholders' Meeting of April 21, 2022.
François Auque		X		Renewal of term of office as Director by the Shareholders' Meeting of April 21, 2022.
Agnès Touraine		X		Renewal of term of office as Director by the Shareholders' Meeting of April 21, 2022

It will be proposed to the Shareholders' Meeting of April 20, 2023 to:

- renew in advance for a term of 4 years the terms of office as Director of Ian Meakins, pursuant to article 14.2 of the by-laws, which provides for a renewal in quarters, rounded up to the nearest whole number each year;
- to appoint Marie-Christine Lombard for a term of 4 years, replacing Elen Phillips, whose term will end on the day of the General Meeting of April 20, 2023; and
- to appoint Steven Borges for a term of 4 years as a Director.

MARIE-CHRISTINE LOMBARD

(64 years old)

Professional address:
Geodis
26, quai Charles Pasqua
92300 Levallois-Perret

Number of Rexel shares held:
0

Experience and expertise

The appointment of Marie-Christine Lombard is proposed to the Shareholders' Meeting on April 20, 2023.

Marie-Christine Lombard is a French citizen.

Marie-Christine Lombard is Chairman of the Supervisory Board of Geodis, a world leader in transport and logistics. She is also a member of the steering committee of SNCF. Before, she held several management positions within TNT Express before becoming CEO of the company. She started her career in the banking sector where she occupied various functions at Chemical Bank in New York and at Paribas in Paris, where her last function was deputy chairwoman in the M&A department of BNP Paribas (commercial banking group).

Marie-Christine Lombard is currently a member of the Board of Directors, Chairwoman of the compensation committee and member of the nomination committee of Vinci. She is also a member of the Board of Directors of Union TLF. She was a member of the Supervisory Board of BPCE.

She was also a member of the Supervisory Board of Metro and Wessanen NV.

Marie-Christine Lombard is a graduate of ESSEC and Harvard University's Executive Program.

Term of office

First appointment:
N/A

Current term of office:
N/A

Titles and other duties exercised in French and foreign companies during the last five financial years

Titles and duties within the Rexel Group:

Current:

In France

–

Abroad

–

Over the last five financial years:

In France

–

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

- Member of the Board of Directors of Vinci (France – listed company)
- Member of the Board of Directors of Union TLF (France – non listed company)

Abroad

–

Over the last five financial years:

In France

- Member of the Supervisory Board of BPCE (France – listed company)
- Member of the supervisory board of Keolis SAS (France – non listed company)
- Member of the steering committee of TLF (France – non listed company)
- Member of the management committee of BMV (France – non listed company)
- Member of the Board of directors of École Polytechnique (France – Public entity, non listed)

Abroad

–

STEVEN BORGES

(54 years old)

Professional address:

Jabil Inc.
10560 Dr Martin Luther King Jr
Street North
Saint Petersburg
FL 33716 United States

Number of Rexel shares held:

0

Experience and expertise

The appointment of Steven Borges is proposed to the Shareholders' Meeting on April 20, 2023

Steven Borges is a US Citizen.

Steven Borges currently serves as EVP and CEO of the Diversified Manufacturing Services segment of Jabil Inc., a global manufacturing services company. He joined Jabil in 1993 and has held positions of increasing responsibility in business development, manufacturing operations and supply chain management over the course of his 30-year career. Prior to his current role, he served as EVP and CEO of Jabil's Regulated Industries segment with additional responsibility for additive manufacturing.

He also serves on the Board of Trustees of Johns Hopkins All Children's Hospital.

Steven Borges is a graduate of Fitchburg State University.

Term of office

First appointment:

N/A

Current term of office:

N/A

Titles and other duties exercised in French and foreign companies during the last five financial years

Titles and duties within the Rexel Group:

Current:

In France

–

Abroad

–

Over the last five financial years:

In France

–

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

–

Abroad

- EVP and CEO of the Diversified Manufacturing Services segment of Jabil Inc. (United States – listed company)

Over the last five financial years:

In France

–

Abroad

- EVP and CEO of Jabil's Regulated Industries and Healthcare division segments (United States – listed company)

Succession plan

The Nomination Committee drew up a succession plan for the Chief Executive Officer, based on different hypothesis (including in case of anticipated or unforeseen situations).

The Nomination Committee works together with the other Committees of the Board of Directors. The Committee also solicits the contribution of the General Secretary, the Group Human Resources Manager and the Chief Executive Officer. These contributions aim, in particular, at defining the criteria, identifying internally the candidates, and conducting interviews. In addition, the Board of Directors is led to meet with the candidates. The appropriate profile of the officer in terms of leadership and personality has been defined based on several selection criteria. In particular, the Nomination Committee ensures compliance with Rexel's non-discrimination and diversity policies, in

particular the search for a balanced representation of men and women in senior management.

A recruitment advisory firm assists it throughout the whole process, from the definition of the required profile to the presentation of potential candidates for the functions of Chief Executive Officer or Directors.

The succession plan is reviewed two times per year.

The Board of Directors has been informed of the progress of the works relating to the establishment of the succession plan in 2022 and has been informed regularly of its implementation, as the case may be, after each meeting of the Nomination Committee. The Chairman of the Audit and Risk Committee and the Chairwoman of the Compensation Committee were involved in the work of the Nomination Committee, in particular as

part of the review of the succession plan of the Chief Executive Officer. The Board of Directors has to approve the implementation of the plan and the candidate and submit the project to the Shareholders' Meeting, if necessary.

Succession plans have also been drawn up for the Chairman and the Vice-Chairman of the Board of Directors.

3.1.1.2 A membership of the Board of Directors based on skills and diversity

Diversity policy within the Board of Directors

The Board of Directors is committed to ensuring effective diversity among its members and among the members of its Committees. A team made up of members with diverse and complementary profiles, whether in terms of age, gender, nationality or qualifications, who also benefit from the necessary experience and expertise to manage the Group's strategy and achieve its objectives, is indeed a key factor to ensure a proper administration of Rexel.

The policy implemented by the Board of Directors therefore aims at recruiting diverse profiles, having recognized experience and expertise to ensure cohesiveness among the directors and to allow the Board of Directors and its Committees to carry out their operations thoroughly and efficiently and in line with the businesses of the Rexel Group.

The diversity policy of the Board of Directors is organized in accordance with the following principles:

- Presence of members with complementary and recognized skills: the Board of Directors strives to ensure a balanced composition, seeking complementarity among its members in terms of experience in international business, management, finance and digital, strategy, regulation, social and environmental responsibility, and the retail sector (see the matrix of Directors' skills in section 3.1.1.2 "A membership of the Board of Directors based on skills and diversity";

- Search of generational balance: the Board of Directors seeks to maintain an ongoing balance in the age distribution of its members. As at December 31, 2022, the members of the Board of Directors were between 37 and 73 years of age (including Directors representing employees);
- Presence of independent members: the Board of Directors endeavors to ensure that the proportion of independent members on the Board and on each of its Committees complies with market recommendations and, in particular, with the requirements of the AFEP-MEDEF Code;
- Diversity of nationalities and multicultural dimension: in addition to the need for each Director to have international experience, the diversity policy aims to bring together directors of various nationalities and cultures;
- Balanced representation of men and women: the Board of Directors seeks a balance of men and women both within the Board and in its Committees, with the aim of maintaining a gender balance of around 50%.

Appointments of new profiles are submitted by the Board of Directors to the General Shareholders' Meeting, after receiving recommendations from the Nomination Committee. The Nomination Committee reviews the profile, skills and experience of each of the Directors and verifies that they are in line with the policy determined by the Board of Directors (see paragraph 3.1.5 "Non-discrimination and diversity policy within management bodies" of this Universal Registration Document).

Members with complementary and recognized skills

The Board of Directors estimates that its current membership allows it to benefit from the complementarity and recognized skills of its members. Indeed, the Directors have the practical and industry skills allowing the Board to carry out its operations thoroughly and efficiently.

Similarly, in its works relating to the evolution of its membership, the Board of Directors takes into account the current skills of its members and identifies the skills to be sought among candidates.

The skills represented within the Board of Directors, at December 31, 2022, are set out below.

■ Skills matrix of the Directors

	INTERNATIONAL EXPERIENCE	MANAGEMENT EXPERIENCE	FINANCE	STRATEGY	DISTRIBUTION INDUSTRY	REGULATIONS	DIGITAL	SOCIETAL AND ENVIRONMENTAL RESPONSIBILITY
DIRECTORS								
Ian Meakins	✓	✓	✓	✓	✓			
François Henrot	✓	✓	✓	✓	✓			
Marcus Alexanderson	✓		✓	✓				
François Auque	✓	✓	✓	✓			✓	✓
Julien Bonnel	✓	✓		✓	✓			
Brigitte Cantaloube	✓	✓		✓			✓	
Barbara Dalibard	✓	✓					✓	
Toni Killebrew	✓	✓			✓			✓
Elen Phillips	✓		✓		✓	✓		✓
Maria Richter	✓	✓	✓			✓		✓
Guillaume Texier	✓	✓	✓	✓	✓			✓
Agnès Touraine	✓			✓		✓	✓	✓

Directors with a diversity of nationalities provide a multicultural dimension to the Board of Directors

As at December 31, 2022, 5 Directors were foreign nationals (United States, Panama, United Kingdom, Sweden).

This cultural diversity among the Directors allows the latter to benefit from various visions and to better grasp the international issues at stake for the Rexel Group.

Independent Directors

The Board of Directors and each of the Committees are composed of independent members elected or co-opted as such. They comply with the principles and good practices of corporate governance set out in the internal rules of the Board of Directors.

Definition of independence and related criteria

The definition of independence as well as the independence criteria are set by reference to the AFEP and MEDEF corporate governance guidelines.

Accordingly, in assessing the situation of each Director, the Board of Directors analyzes the following criteria:

- Not be (or have been, over the past five years) an employee or an executive corporate officer of the Company or of a company included in its scope of consolidation, or an employee, an executive

corporate officer or a Director of its parent company or of any company consolidated by the parent company;

- Not be an executive corporate officer of a company in which the Company holds a directorship (whether directly or indirectly) or in which an employee appointed as a Director or an executive corporate officer of the Company (currently or over the past five years) hold as directorship;
- Not be a client, supplier, investment banker, finance banker, counsel (or be directly linked to such persons):
 - Of significant importance to the Company or its Group;
 - Or for whom the Company or its Group presents a substantial part of its business.

For the purpose of the analysis of this criterion, the Board of Directors analyzes:

- The weight of the supplier in the total expenses of the Group/the weight of the client in to the total sales of the Group, or the fact that the Company or its Group represents a substantial part of the business of the supplier/of the client; and
- The appraisal of exclusive relationships;
- Not have any close family ties with a corporate officer;
- Not have been a Statutory Auditor of the business in the past five years;
- Not be a Director of the business for more than twelve years. The loss of the capacity of independent Director occurs after twelve years.

Furthermore, a non-executive corporate officer cannot be considered as independent if he or she receives:

- variable compensation in cash;
- shares; or
- any compensation related to the performance of the company or the group.

Directors representing significant shareholders of the company or of its parent company may be considered as independent. To this end, such shareholders must not participate in the control of the company. Nevertheless, beyond a threshold of 10% of share capital or voting rights held, the Nomination Committee provides a report to the Board of Directors, which systematically questions the capacity of independent Director. For such purpose, it considers the shareholding structure of the Company and the existence of potential conflicts of interest.

The Board of Directors may find that even where a Director satisfies the criteria recommended by AFEP and MEDEF, that Director may not be qualified as independent. This may be due to his/her individual situation or to the situation of Rexel, in light of its shareholder base or for any other reason. Conversely, the Board of Directors may consider that a Director who does not satisfy the criteria detailed above is nonetheless independent.

Qualification procedure for independent members

The Nomination Committee reviews the designation of independent members each year

and draws up a report to the attention of the Board of Directors on the matter. The Board relies on such report to review the situation of each Director with respect to independence criteria.

The Board of Directors submits the findings of its review to the shareholders in the annual report.

The findings of the report of the Board of Directors are mentioned in paragraph below.

As of December 31, 2022 and in accordance with the guidelines of the AFEP-MEDEF Code in connection with the percentage of independent members within Board of Directors and Committees, and in particular guideline 9.3, which provides that the Directors who represent employees shall not be accounted for when determining the percentage of independent Directors within the Board of Directors:

- 8 members out of 10 of the Board of Directors, excluding the Director representing employees, were considered as independent: François Auque, Brigitte Cantaloube, Barbara Dalibard, François Henrot, Ian Meakins, Elen Phillips, Maria Richter and Agnès Touraine, *i.e.*, an independence rate of 80%;
- 5 members out of 6 of the Audit and Risk Committee were considered as independent: François Auque, Brigitte Cantaloube, Ian Meakins, Elen Phillips and Maria Richter, *i.e.*, an independence rate of 83%;
- 5 members out of 5 of the Nomination Committee, excluding the Director representing employees, were considered as independent: François Henrot, Ian Meakins, Elen Phillips, Maria Richter and Agnès Touraine, *i.e.*, an independence rate of 100%; and
- 5 members out of 6 of the Compensation Committee, excluding the director representing employees, were considered as independent: Brigitte Cantaloube, Barbara Dalibard, François Henrot, Ian Meakins and Agnès Touraine *i.e.*, an independence rate of 83%.

Based on the report drawn up by the Nomination Committee, the Board of Directors of February 15, 2023 reviewed the status of each Director (except for the Directors representing the employees). It relied to this end on the independence criteria established by the AFEP-MEDEF Code.

In particular, the status of François Henrot has been analyzed. The review considered in particular whether or not the existing business relationship between Rexel and the Rothschild Group is significant. It allowed the Nomination Committee to conclude that there was no significant business relationship between Rexel and the Rothschild Group. These findings took into consideration the following elements:

- The fees paid to the Rothschild Group represent a small percentage of the consolidated turnover of Rexel (approximately 0.0034 % in 2022); and
- The type of missions provided by the Rothschild Group to Rexel. Those financial consulting missions do not fall under the field of intervention of François Henrot within the Rothschild Group. Those missions are not provided by departments or offices under his responsibility and François

Henrot is not informed, within the Rothschild Group, of the missions carried out for the benefit of Rexel. Indeed, “Chinese walls” need to be implemented. Furthermore, François Henrot is no longer a member of the Rothschild Group’s Managing Partners and is acting only as a special advisor.

In consideration of the report established by the Nomination Committee, the Board of Directors concluded that the Directors met the independence criteria within the meaning of the AFEP-MEDEF Code. Marcus Alexanderson and Guillaume Texier are not concerned by these findings.

This analysis did not cover Julien Bonnel and Toni Killebrew as Directors representing the employees.

The findings of this review are set out in the table below.

■ **Summary table of the independence criteria of the Directors compared to the criteria of the AFEP-MEDEF Code**

	NOT BEING OR HAVING BEEN WITHIN THE LAST FIVE YEARS AN EMPLOYEE, EXECUTIVE CORPORATE OFFICER OR DIRECTOR WITHIN THE GROUP	ABSENCE OF CROSS-DIRECTORSHIPS	ABSENCE OF BUSINESS RELATIONS	ABSENCE OF FAMILY TIES	NOT BEING AN AUDITOR OR FORMER AUDITOR	NOT BEING A DIRECTOR FOR MORE THAN 12 YEARS	NOT REPRESENTING A SHAREHOLDER HAVING MORE THAN 10%, ALONE OR IN CONCERT	DECIDED CHARACTERIZATION
DIRECTOR								
Ian Meakins	✓	✓	✓	✓	✓	✓	✓	Independent
François Henrot	✓	✓	✓ ⁽¹⁾	✓	✓	✓	✓	Independent
Marcus Alexanderson	✓	✓	✓	✓	✓	✓	✓ ⁽²⁾	Not independent
François Auque	✓	✓	✓	✓	✓	✓	✓	Independent
Julien Bonnel								Director representing the employees ⁽³⁾
Brigitte Cantaloube	✓	✓	✓	✓	✓	✓	✓	Independent
Barbara Dalibard	✓	✓	✓	✓	✓	✓	✓	Independent
Toni Killebrew								Director representing the employees ⁽³⁾
Elen Phillips	✓	✓	✓	✓	✓	✓	✓	Independent
Maria Richter	✓	✓	✓	✓	✓	✓	✓	Independent
Guillaume Texier	✓ ⁽⁴⁾	✓	✓	✓	✓	✓	✓	Not independent
Agnès Touraine	✓	✓	✓	✓	✓	✓	✓	Independent

(1) Please see above for an analysis of the situation of François Henrot.

(2) Marcus Alexanderson represents Cevian, a shareholder representing more than 10% of the share capital.

(3) In accordance with the guidelines of the AFEP-MEDEF Code, the Directors representing the employees are not accounted for in the calculation of the independence rates of the Board and of the Committees.

(4) Guillaume Texier has been serving as Chief Executive officer of Rexel since September 1, 2021

Balanced representation of men and women

As at December 31, 2022, the Board of Directors comprised 5 female members out of a total of 10 members excluding Directors representing the employees, *i.e.*, 50%. Its composition was therefore in compliance with the provisions of articles L.225-18-1 and L.22-10-3 of the French Commercial Code. Also, two out of the three Committees of the Board of Directors are chaired by a female: the Nomination Committee and the Compensation Committee are chaired by Agnès Touraine.

In addition, with a view to achieving a balanced representation of women and men, and in accordance with Article L.225-53 of the French Commercial Code, the Board of Directors has implemented a selection process that guarantees the presence of at least one person of each gender among the candidates in the event of the appointment of a Deputy Chief Executive Officer. The process is organized primarily around internal

departments and external service providers in charge of conducting the recruitment. These parties must identify, contact and select candidates of each gender to the extent possible. The recruitment process is then carried out in such a way as to ensure that at least one person of each gender is present among the candidates. Once the profiles have been selected, the Nomination Committee makes its recommendations to the Board of Directors. It includes at least one candidate of each gender. Finally, the Board of Directors makes its decision taking into account the recommendations of the Nomination Committee.

The percentage of women will be at 45% if the Shareholders' Meeting of April 20, 2023 approves the renewal of the term of Ian Meakins, and the appointments of Marie-Christine Lombard and Steven Borges.

Multiple corporate offices

Regarding multiple corporate offices, Rexel aims to comply with the recommendations of the AFEP-MEDEF Code.

The Board of Directors reviews the suggested appointments and the appointments of Directors or

of the Chief Executive Officer within a Board of Directors of another listed company. This review determines the potential impact of such appointments on the limitations on multiple corporate offices in accordance with the recommendations of the AFEP-MEDEF Code.

Results of the diversity policy

In accordance with the diversity policy that it determined, the Board of Directors submitted to the approval of the Shareholders' Meeting of April 21,

2022, the renewal of the term of office of Barbara Dalibard, François Auke, and Agnès Touraine as Directors.

3.1.1.3 Rules governing the membership and operation of the Board of Directors

The Board of Directors is made up, organized and performs the missions entrusted to it in accordance with applicable laws and regulations, the Company's by-laws and its internal regulations.

The internal regulations of the Board of Directors were adopted on May 22, 2014, which were last updated on February 12, 2020. This update further clarified the process for the evaluation of the Board of Directors. The internal regulations were adopted pursuant to Rexel's by-laws and set forth the provisions governing the organization and operation

of the Board of Directors and the rights and responsibilities of its members. These internal regulations are not enforceable against third parties and may not be invoked by such parties against Directors.

The Board of Directors' internal regulations are available on the Company's website (www.rexel.com/en) and the main stipulations of the internal regulations are reproduced or summarized below.

Membership of the Board of Directors

Without prejudice to the exception provided by law on the event of a merger, the Board of Directors comprises at least 5 members but no more than 15 members, appointed or renewed in office by the

Ordinary Shareholders' Meeting for a period of 4 years in accordance with the provisions of the by-laws.

Chairman, Deputy Chairman and Senior Independent Director, Executive Management

The Board of Directors elects a Chairman and, as the case may be, a Deputy Chairman from among its members who are natural persons in accordance with the provisions of the by-laws.

Chairman

The Chairman convenes the Board of Directors. He organizes and directs its work and reports thereon to the Shareholders' Meeting. He oversees the proper functioning of Rexel's bodies and ensures, in particular, that the Directors are able to carry out their assignments.

The Chairman is also in charge of:

- Ensuring that the corporate governance principles are defined and implemented;
- Ensuring efficient operation of the Board of Directors and of its Committees with the assistance of the Nomination Committee. It organizes the replacements and successions of members of the Board of Directors as well as the nominations on which to resolve;
- Ensuring that the Directors have access to all the documentation and information necessary for performing their duties. These documents must be accessible within the required timeframe, under a clear and appropriate form;
- Where applicable, assisting and advising the Chief Executive Officer while respecting the executive duties of the latter;
- Contributing to the promotion of the values and image of Rexel both within and outside of the Group; and
- Preserving the quality of the relationship with the shareholders in close coordination with the action taken in this respect by the Chief Executive Officer.

To such effect, the Chairman:

- Is kept informed of significant events of the life of Rexel and of its Group;
- May access any documents and information deemed necessary or useful for the discharge of his/her duties;

- May attend meetings of any Committees of which he/she is not a member, without the right to vote; and
- May meet current or potential shareholders and transmit their concerns in relation to governance to the Board.

The Chairman reports on his duties to the Board of Directors.

Works of the Chairman

During the financial year ended December 31, 2022, the Chairman of the Board of Directors:

- Kept himself abreast of shareholders' expectations, particularly in terms of governance, activity and prospects, and ensured that any concerns they may have were discussed in the Board;
- Discussed on a number of occasions with the Chief Executive Officer in relation to various material and strategic events for Rexel. Following these exchanges, he ensured that material points (such as the continuation of the digital transformation, investment and divestment transactions, succession plans of the Executive Committee and country performance) were presented and discussed by the Board;
- Discussed several times with the members of the Executive Committee and various employees of the Group to discuss organizational, strategic, commercial and other issues; and
- Discussed on a regular basis, and at least once per month, with each of the Chairmen of the Committees in order to make sure that all of the points to be discussed within the Board of Directors are also reviewed by the members of the Committees and presented to the Directors for discussion; the Chairman also ascertained that the Board and Committee meetings are well organized and that the meeting schedule and working meetings are effective; and that the Board and Committee members' meetings are conducted in an appropriate manner.

Deputy Chairman

In the absence of the Chairman, the Deputy Chairman serves as Chairman and enjoys the same prerogatives.

In addition, the Deputy Chairman also performs the functions of Senior Independent Director. The Deputy Chairman acting as Senior Independent Director must qualify as an independent member under the criteria defined by the AFEP-MEDEF Code.

The appointment of a Deputy Chairman is mandatory where the functions of Chairman of the Board of Directors and of Chief Executive Officer are exercised by a single person. In such case, the Deputy Chairman shall also perform the functions of Senior Independent Director.

In his/her capacity as Senior Independent Director, the Deputy Chairman is in charge of:

- Managing potential conflict of interest situations, if any;
- Where applicable, assisting and advising the Chairman of the Board of Directors in respect of the corporate governance principles or the organization of the Board of Directors and of its Committees, while respecting the duties of the latter; and
- Conducting annual assessments of the organization and operation of the Board of Directors and its Committees.

For such purpose, the Deputy Chairman/Senior Independent Director:

- Presents the potential conflicts of interest identified to the Chairman of the Board of Directors and to the Board of Directors, as well as his/her recommendations as to how to address them;
- May access any documents and information he/she deems necessary or useful for the discharge of his/her duties;
- May attend meetings of any Committees of which he/she is not a member, without the right to vote;
- May call a meeting of the Directors in the absence of the executive corporate officers, at least once a year; and

- May meet current or potential shareholders and inform the Board of Directors of their concerns in relation to governance.

The Deputy Chairman reports on his/her work to the Board of Directors.

Works of the Deputy Chairman and Senior Independent Director

During the financial year ended December 31, 2022, the Deputy Chairman and Senior Independent Director, François Henrot:

- Discussed on a regular basis with the Chief Executive Officer (which was appointed on September 1, 2021) and the members of the Board of Directors in relation to the performance of the latter as well as the monitoring of investment and divestment transactions;
- Spoke on several occasions with the Chairman of the Board of Directors Ian Meakins in respect of the best practice recorded in France on the governance of listed companies, particularly in terms of the compensation of executive corporate officers.
- Presented the governance of Rexel and the operation of the Board of Directors and of its Committees during the governance roadshow organized at the beginning of 2022 with various investors. The compensation policy for executive directors was discussed at these meetings and a report on these discussions was presented to the Board so that it is fully informed of the expectations of the main investors.

Executive Management

The Company's Executive Management is performed, under his/her responsibility, by the Chairman of the Board of Directors, or by another private person, who need not be a Director. This other private person is appointed by the Board of Directors and bears the title of Chief Executive Officer.

The Chief Executive Officer is Guillaume Texier.

The information concerning the Executive Management of Rexel are developed in detail in paragraph 3.1.3 "Executive Management" of this Universal Registration Document.

Board of Directors observer (*censeur*)

The Board of Directors may appoint up to 3 observers (*censeurs*) for up to 4 years, who may be but are not required to be shareholders. Observers are appointed for a maximum term of

4 years. They may attend and take part in the meetings of the Board of Directors and of the Committees with an advisory vote.

Operation of the Board of Directors

Competence

The Board of Directors determines the Company's business orientations and oversees their implementation. It addresses any and all matters pertaining to the proper operation of the Company and settles the Company's business through its deliberations. These duties are subject to the powers specifically assigned to the Shareholders' Meeting and shall take place within the scope of the corporate purpose.

In its relationships with third parties, the Company is bound even by the *ultra vires* acts of the Board of Directors. Nevertheless, Rexel is not bound if it is able to prove that the third party was aware that the act was *ultra vires* or could not be unaware of it in the circumstances. The mere publication of the by-laws shall not suffice to establish such proof.

The Board of Directors undertakes the controls and verifications it deems fit.

Each Director receives all of the information required for the purpose of discharging his/her duties and may obtain copies of any and all documents he/she deems useful from the Chairman.

Each Director may benefit from training in connection with the specificities of Rexel, its businesses and industry, including in connection with social and environmental responsibility. In addition, the training modules on the prevention of corruption risks available within the Group have been kept accessible to Directors. In 2022, Directors attended a training on companies' social responsibility, in particular on climate change, carbon neutrality and sustainable investments.

Taking into account their specific status, the Directors representing the employees benefit from a preparation time of 15 hours prior to each meeting, as well as of 40 hours of training time per year. These training sessions may concern, in particular, the operation of the Board of Directors, the rights and duties of a Director and the business of Rexel.

The Board of Directors has the following powers, *inter alia*:

(i) Powers in the area of control:

- It controls the management;
- It reviews the financial position, liquidity and commitments of Rexel and its subsidiaries;

- It reviews the liquidity of Rexel and its subsidiaries;
- It reviews the financial statements auditing process and information provided to the shareholders and to the market; and
- It authorizes related-party agreements.

(ii) Powers in the area of nomination:

- It appoints and dismisses the Chairman of the Board of Directors and the Deputy Chairman of the Board of Directors;
- It appoints and dismisses the Chief Executive Officer and the Deputy Chief Executive Officers, determines their number within the limits provided by the by-laws;
- It chooses the executive management organization method (separation of the functions of Chairman from the functions of Chief Executive Officer, or merger of both functions);
- It co-opts the Directors; and
- It is informed on the appointment, dismissal/ termination of the members of the Executive Committee.

(iii) Powers in the area of compensation:

- It determines the compensation of the Chairman and Chief Executive Officer and the Deputy Chief Executive Officers;
- It allocates the compensation of Directors; and
- It issues opinions on the compensation of the Executive Committee members.

(iv) Preparation of reports to be submitted to General Shareholders' Meetings:

Each year, the Board of Directors submits a report on the Company's situation and business during the financial year and on the financial statements for the financial year to the Ordinary Annual Shareholders' Meeting. It also presents a report on corporate governance.

The Board of Directors submits recommendations on the reappointment of the Directors.

(v) Powers to grant prior authorization to the Chief Executive Officer to make certain decisions:

The Board of Directors grants the Chief Executive Officer the authorizations required by law or by a provision of the by-laws.

Under Rexel's by-laws and the internal regulations of the Board of Directors, the following decisions require the prior authorization of the Board of Directors:

- Adoption of the annual budget;
- Adoption of the strategic plan;
- Proposed shareholder resolutions in relation to distributions to shareholders, including dividends or reserves;
- Proposed shareholder resolutions in relation to the replacement of the Statutory Auditors;
- Adoption of significant changes to the accounting methods;
- Rexel's acceptance of and resignation from any office as a member of a Board of Directors or equivalent body. This provision also includes the nomination and dismissal of the Company's permanent representatives at such boards or equivalent bodies;
- Proposed shareholder resolutions and exercise of delegations of authority or powers granted by the Shareholders' Meeting. These relate to the issue of shares or securities conferring access to the share capital of the Company:
 - of a company that holds more than one-half of its share capital (whether directly or indirectly),
 - of a company whose share capital is more than 50% held by the Company (whether directly or indirectly), or
 - of securities conferring the right to the allotment of debt securities;
- Proposed resolutions to the Shareholders' Meeting in relation to share buyback programs;
- Acquisitions and disposals of any businesses, holdings in any companies or assets, and incurrence of any investment expenditure. These transactions are carried out, in each case, for an enterprise value in excess of an amount determined by the Board of Directors;
- Decisions to create a business division or subsidiary or to invest in a business division or to acquire an interest in a business in a country where the Company is not active;
- Indebtedness (including by means of bond issues) or assumption of liabilities, in each case for an amount in excess of a threshold determined by the Board of Directors;

- Allotment of stock options, free shares or other plans involving Company equity-securities in favor of employees of the Company or its subsidiaries;
- Signing of any merger, demerger or contribution agreement;
- Listing of securities of the Company or of any of its subsidiaries on a regulated market;
- Any transaction resulting in a significant change in the business of the Company and its subsidiaries; and
- Any settlement or compromise in relation to any dispute involving an amount in excess of a threshold determined by the Board of Directors.

Prior consultation of the Committees

Insofar as possible and depending on the circumstances, any deliberation of the Board of Directors on a matter falling within Committee's scope of competence shall be preceded by a referral of the relevant matter to the Committee. This deliberation may take place only after the relevant Committee has submitted its recommendations or proposals.

Meetings

The Board of Directors meets whenever the best interests of the Company so require, and at least once every quarter, at meetings convened by its Chairman or Deputy Chairman in accordance with the provisions of the by-laws.

The convening notice and the documents necessary to the duties of the Directors are sent three business days prior to each meeting of the Board of Directors.

Meetings held by videoconference or other means of telecommunication

The Directors can take part in Board meetings by videoconference or any other means of telecommunication. They must do so in accordance with the law and the provisions of the by-laws.

Majority rules

In accordance with the Company's by-laws, decisions are made by majority vote of the Directors who are present or represented. Each Director holds one vote and may not represent more than one fellow Director.

In the event of a tie, the Chairman of the meeting shall have a casting vote if (and only if) the Board of Directors comprises an even number of Directors in office. This principle applies only at meetings presided by the Chairman of the Board of Directors.

Code of Conduct of the Board of Directors

The Board of Directors, a collegiate body, is required to act in Rexel's corporate interests under all circumstances.

The Directors carry out their duties with loyalty and professionalism.

The Directors make sure to avoid conflicts of interest between their personal interests and those of Rexel. Accordingly:

- The Directors ensure that their independence of judgment, decision and action is at all times protected. They agree not to be influenced by any factors contrary to the corporate interest that they are duty bound to defend; and
- The Directors undertake to avoid conflicts between their moral and material interests and those of the Company. They inform the Senior Independent Director of any effective or potential conflicts of interest in which they may be involved. In such case, they abstain from taking part in the debates and in any decision on the relevant matters and do not receive any document relating to the situation that creates, even potentially, a conflict of interests.

The Senior Independent Director may review, at his own option, any current or potential conflict of interests that he may become aware of. He may conduct the necessary investigations to identify or prevent such conflicts of interest. However, if he is involved, the Chairman is responsible for identifying the conflict and conducting investigations.

Compensation

The Ordinary Shareholders' Meeting may allocate a compensation to Directors. The amount of such compensation recorded in Rexel's operating

expenses. It remains valid until another decision is made by the Shareholders' Meeting. The Board of Directors allocates the compensation among the Directors as it deems appropriate.

In addition, Directors reside on another continent than the place of meeting of the Board. They may therefore receive a specific time and travel allowance for their journey. Its amount is decided by the Board of Directors.

The Chairman of the Board of Directors, the Chief Executive Officer, the Deputy Chief Executive Officers and the Directors may receive a compensation in accordance with applicable law and the Company by-laws.

Holding of shares by the Directors

For their whole term of office, the Directors must hold at least one thousand shares of Rexel. If a Director does not hold the required number of shares at the date of his/her appointment, or if he/she ceases to hold such number of shares during the course of his/her term of office, he/she shall be deemed to have resigned from his/her duties. This provision shall not apply if the Director takes the necessary steps within the time requirements of applicable law and regulations.

In addition to the above requirement, each Director, as an individual member or as permanent representative of a legal entity, shall hold a number of Rexel shares under the registered form (*sous la forme nominative*), during his or her term of office. This number of shares of Rexel correspond to an amount at least equal to the gross amount of the fixed portion on yearly theoretical basis of the activity-based compensation received by such Director. If a Director were not to hold a sufficient number of shares, he/she shall progressively acquire them over a period of four years by using the activity-based compensation received.

These share retention obligations do not apply to the Directors representing the employees or to the observers.

Board Committees

The Board of Directors may create Committees to assist it in carrying out its duties (see paragraph 3.1.2 "Committees of the Board of Directors" of this Universal Registration Document).

The internal regulations of the Board of Directors set the rules that apply to each Committee. It determines, in particular, those rules relating to their composition and operational procedures, as well as certain rules that are specific to each of the Committees.

Assessment of the organization and operation of the Board of Directors

The Board of Directors of Rexel undertakes a self-assessment of its performance on a periodic basis and at least once a year. The assessment of the performance of the Board of Directors is conducted by the Senior Independent Director. In the absence of a Senior Independent Director it is conducted by an independent Director appointed by the Board of Directors. It may take the form of anonymous questionnaires sent to each Director. Once a year, the results of such assessment are presented to and debated at a meeting of the Board of Directors. The presentation and deliberations take place under the conduct of the Senior Independent Director or in his/her absence, of an independent Director appointed by the Board of Directors. On this occasion, the various items of the mission and duties of the Board and of the Directors are reviewed and assessed. As the case may be, recommendations are made for the improved operation of the Board.

In addition, an assessment of the Board of Directors' performance is carried out at least once every three years, with the assistance of an external consultant. It may be carried out under the guidance of the Senior Independent Director, or, in his/her absence, by the independent Director appointed by the Board.

For 2022, the assessment of the composition, the organization and operation of the Board of Directors and of its Committees was carried out based on a question form sent to the Directors. The 2022 question form was updated and reviewed by the Nomination Committee on October 26, 2022.

The assessment shows that the Directors are very satisfied with the composition, the functioning and the missions carried out by the Board of Directors, as well as the works of the Board of Directors' committees. Directors believe that the Board of Directors has a strong value added. The question form highlights some areas for improvement. In particular, certain Directors recommend the recruitment of a director specialized either in the business to business sector or in corporate social responsibility. In particular, certain directors recommend the recruitment of a director specialized either in the business to business sector or with significant US experience. The Directors also suggest that ESG be dealt with by a dedicated committee. The directors would also like to see certain subjects explored in greater depth in particular talent management and succession plans, as well as monitoring of the implementation of the Powerup 2025 strategic plan.

3.1.1.4 The work of the Board of Directors during the 2022 financial year

CHAIRMAN	NUMBER OF MEMBERS	INDEPENDENCE RATE ⁽¹⁾	FEMALE DIRECTORS ⁽¹⁾	NUMBER OF MEETINGS HELD IN 2022	AVERAGE ATTENDANCE RATE
Ian Meakins	12	80%	50%	13	99%

(1) Excluding the Directors representing the employees.

During the financial year ended on December 31, 2022, the Board of Directors met on 13 occasions.

The Board of Directors deliberated on, *inter alia*:

- The review of the financial statements for the financial year ended December 31, 2021, and the related financial disclosure;
- The review of the 2021 Universal Registration Document;
- The compensation of the executive corporate officers;

- The yearly review of the related party agreements;
- The decision concerning the distribution;
- The preparation of Rexel's Ordinary and Extraordinary Shareholders' Meeting of April 21, 2022;
- The review of the quarterly disclosure on sales;
- The review of the work of the Committees of the Board of Directors;
- The Rexel Group's budget for the 2023 financial year as well as the strategic multi-year plan;

- The envisaged disposals and acquisitions of the Rexel Group; the review of strategic matters;
- The risk-mapping review;
- The evolution of the membership of the Board of Directors;
- The implementation of a free share plan;
- The succession plan of the CEO and of the members of the Executive Committee;
- The assessment of the Board of Directors;
- The adoption of the Power Up 25 strategic plan and the Capital Markets Day of June 16, 2022;
- The revision of the annual outlook ("Guidance");
- The social and environmental responsibility of the Group;
- The implementation of the share repurchase plan in connection with a liquidity agreement; and
- The implementation of share repurchases in the context of the share repurchase plan in view of the cancellation of shares and allocation of free shares.

The Board of Directors was further informed of the progress made on the main structuring projects conducted by the Rexel Group subsidiaries.

During the financial year ended December 31, 2022, all of the non-executive Directors met on two occasions without the presence of the Chief Executive Officer. During these meetings, the non-executive Directors exchanged, *inter alia*, on the performance of the Chief Executive Officer since his appointment on September 1, 2021 and the complementary skills to be added to the Board of Directors.

The meetings of the Board of Directors are organized both in person and remotely. The attendance rate at the meetings of the Board of Directors and of the Committees was as follows:

	BOARD OF DIRECTORS		AUDIT AND RISK COMMITTEE		NOMINATION COMMITTEE		COMPENSATION COMMITTEE	
	NUMBER OF MEETINGS	ATTENDANCE RATE	NUMBER OF MEETINGS	ATTENDANCE RATE	NUMBER OF MEETINGS	ATTENDANCE RATE	NUMBER OF MEETINGS	ATTENDANCE RATE
DIRECTORS								
Ian Meakins	13	100%	5	100%	6	100%	6	100%
François Henrot	13	100%	–	–	6	100%	6	100%
Marcus Alexanderson	13	100%	5	100%	–	–	6	100%
François Auque	13	100%	5	100%	–	–	–	–
Julien Bonnel	13	100%	–	–	–	–	6	100%
Brigitte Cantaloube	13	100%	5	100%	–	–	6	100%
Barbara Dalibard	12	92%	–	–	–	–	6	100%
Toni Killebrew	13	100%	–	–	6	100%	–	–
Elen Phillips	13	100%	5	100%	6	100%	–	–
Maria Richter	13	100%	5	100%	6	100%	–	–
Guillaume Texier	13	100%	–	–	–	–	–	–
Agnès Touraine	13	100%	–	–	6	100%	6	100%
Average rate		99%		100%		100%		100%

3.1.2 Committees of the Board of Directors

The Board of Directors may create Committees to assist it in carrying out its duties.

As at December 31, 2022, the three Committees of the Board of Directors were as follows:

- the Audit and Risk Committee;
- the Nomination Committee; and
- the Compensation Committee.

The Board of Directors is currently considering which committee will prepare the work of the Board of Directors regarding environmental and social responsibility (ESG).

The Committees are responsible for submitting their opinions, proposals or recommendations to the Board of Directors. Their powers are strictly advisory. They discharge their duties under the Board of Directors' responsibility.

In order to validly deliberate, at least half of the members must be in presence. A Committee member may not be represented by another member.

The Committee's recommendations or proposals are issued by a majority vote of the members. The Chairman does not have a casting vote in case of a tie.

After having informed the Chairman of the Board of Directors, and notified the Chief Executive Officer in cases (i) and (ii) below, and expressly subject to reporting thereon to the Board of Directors, each of the Committees may, in the exercise of its duties:

- (i) Have Rexel provide it with any document that it deems useful for the performance of its duties;

- (ii) Organize a meeting with the Chief Executive Officer or any other person that the Committee deems fit to meet with; and

- (iii) Be assisted in its meeting by any third party of its election (expert, counsel, lawyer or Statutory Auditor).

The Committees may also invite the Chief Executive Officer to attend their meetings.

Each of the Board of Directors' Committees may draw up internal regulations that shall be approved by the Board of Directors and which complement the provisions of its internal regulations.

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3.1.2.1 Audit and Risk Committee

CHAIRMAN	NUMBER OF MEMBERS	INDEPENDENCE RATE	NUMBER OF MEETINGS HELD IN 2022	AVERAGE ATTENDANCE RATE
François Auque	6	83%	5	100%

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Members of the Audit and Risk Committee

As at December 31, 2022, the Audit and Risk Committee was made up of the following members:

- François Auque (Chairman and Independent Director);
- Marcus Alexanderson (non-independent Director)
- Brigitte Cantaloube (Independent Director);
- Ian Meakins (Independent Director);
- Elen Phillips (Independent Director); and
- Maria Richter (Independent Director).

The members of the Audit and Risk Committee are appointed on the basis of specific skills in the financial or accounting fields. The relevant experience fields include the preparation, audit and

analysis of financial statements, as well as accounting issues and risk follow-up and management issues.

Each of the members of the Audit and Risk Committee has skills in the financial and/or accounting fields. In addition, they are informed of the Rexel Group's accounting, financial or operational specificities.

The independence criteria of the Directors are set out in paragraph 3.1.1.3 "Rules governing the membership and operation of the Board of Directors" of this Universal Registration Document. Within the Audit and Risk Committee, at December 31, 2022, 5 out of the 6 members of the Audit and Risks Committee were therefore considered as independent, *i.e.*, an independence rate of 83%.

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Operation of the Audit and Risk Committee

The main provisions of the internal regulations of the Audit and Risk Committee are set out below. Such provisions take into account the conclusions

of the working group on Audit Committee set up by the AMF.

Members

The Audit and Risk Committee is made up of a maximum of 7 members and includes independent Directors. At least one of the independent Directors must have expertise in financial and accounting matters.

The executive corporate officers cannot be members of this Committee.

The members of the Audit and Risk Committee are appointed for their expertise in accounting and finance matters.

Competence

The Audit and Risk Committee monitors the elaboration and the control of the financial and accounting information. It assists the Board of Directors in ascertaining the accuracy and fairness of the Company and consolidated financial statements of Rexel and the quality of the information provided. It plays a role during the preparation of the parent company and consolidated financial statements, which are drawn up annually, half-yearly and quarterly in accordance with applicable regulations. Its role also includes preparing any deliberations with respect to the financial statements of Rexel. During these various phases, it is to make recommendations and submit proposals to the Board of Directors in all areas listed below:

- Review and audit of the accounting and financial information:
 - Knowledge of the scope of consolidation, accounting methods and audit procedures;
 - Review of the drawing-up process of the financial information, and where applicable, determination of guidelines in order to guarantee their integrity;
 - Review of the half-yearly and annual financial statements, and in particular analysis of provisions, and of material risks and off-balance sheet commitments;
 - Knowledge of accounting positions taken in recognizing material transactions;
 - Submission of recommendations to the Board of Directors on proposed adoptions of material changes to accounting methods;
 - Review of the Group's financial position, review and issue recommendations to the Board of Directors on any borrowing or assumption of liabilities by the Company in an amount

exceeding the threshold which such transactions are subject to prior approval by the Board of Directors; and

- Review of the procedures for preparing information provided to shareholders and to the market and review of the Group press releases relating to accounting and financial information.
- Follow-up of the performance of their duties by the Statutory Auditors:
 - Monitoring of the work of the Statutory Auditors of the consolidated and company quarterly, half-yearly and annual financial statements;
 - Reporting to the Board of Directors:
 - on the outcome of the mission of certification of the financial statements;
 - on the manner in which this mission contributed to the integrity of the financial information; and
 - on the role carried out in this process, and immediate information on any difficulty encountered.
 - Follow-up of the controls carried out by the Audit Office Control Board (*Haut Conseil du commissariat aux comptes*).
- Control of the Statutory Auditors and monitoring of the independence of the Statutory Auditors:
 - Steering of the selection procedure applicable to the Statutory Auditors;
 - Submission of recommendations to the Board of Directors on the proposals to the general meeting of shareholders with respect to appointing, replacing and reappointing the Statutory Auditors;
 - Knowledge of the amount of fees paid to the Statutory Auditors and recommendation thereon to the Board of Directors;
 - Ascertaining that the Statutory Auditors comply with the independence criteria; and
 - Approval of the provision of services other than the certification of financial statements by the Statutory Auditors.
- Monitoring the efficiency of internal control, risk management and internal audit procedures:
 - Submission of recommendations on the mission and organization of the Group's internal audit department and its action plan;
 - Review of the main conclusions made by the internal audit department within its work, followed by a report to the Board of Directors;

- Review of the contribution of the internal audit department within the evaluation of the risk management process and of the internal control; and
- Review of the organization and of the implementation of the internal control guidelines within the Group and review of the process for identifying and monitoring risks.

Operations

The Audit and Risk Committee meets at least 4 times per year and whenever it deems it necessary. It also meets prior to those meetings of the Board of Directors at which matters falling within its scope are to be reviewed. The frequency and duration of Audit and Risk Committee meetings must allow for in-depth review and discussion of the matters falling within the Committee's scope.

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The work of the Audit and Risk Committee during the financial year ended on December 31, 2022

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The Audit and Risk Committee met on 5 occasions in the course of the 2022 financial year, in particular prior to the meetings where it was called to resolve on the financial statements and the revenue. The Audit and Risk Committee reported on its work to the Board of Directors.

The attendance rate at the meetings of the Audit and Risk Committee amounted to 100% for the 2022 financial year.

The following attended each of these meetings:

- The Group Chief Financial Officer,
- The Chief Financing, Cash Flow and Tax Officer,
- The Group Chief Financial Controller,
- The Group Chief Accounting Officer,
- The Group Chief Internal Audit and Risks Officer, and
- The Statutory Auditors.

Other members of the management of the Rexel Group attended some of these meetings when matters requiring their expertise were on the agenda.

In addition, the Audit and Risk Committee may ask to hear the Chief Executive Officer if it deems it necessary in view of the matters on the agenda.

In 2022, its work related to, in particular the review of:

- The financial statements for the financial year ended December 31, 2021, the summary half-year financial statements as at June 30, 2022 and the quarterly revenue (1st and 3rd quarters);
- The proper application of the accounting principles;
- The proper operation of Rexel's internal control bodies (see in particular Chapter 2 "Risk factors and internal control" of this Universal Registration Document);
- The tax situation of the Rexel Group;
- The financing and refinancing conditions of Rexel;
- The allocation of results.

The Statutory Auditors presented their findings in connection with the audit of the annual financial statements for the financial year ended December 31, 2021, the limited review of the summary half-year financial statements as at June 30, 2022 and of the procedures followed for the purpose of the summary of quarterly financial information as at March 31, 2022 and September 30, 2022. They were also heard by the members of the Committee at each meeting excluding the presence of the management of the Rexel Group.

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3.1.2.2 Nomination Committee

CHAIRWOMAN	NUMBER OF MEMBERS	INDEPENDENCE RATE	NUMBER OF MEETINGS HELD IN 2022	AVERAGE ATTENDANCE RATE
Agnès Touraine	6	100% ⁽¹⁾	6	100%

(1) Excluding the Director representing the employees.

Members of the Nomination Committee

As at December 31, 2022, the Nomination Committee was made up of the following members:

- Agnès Touraine (Chairwoman and Independent Director);
- François Henrot (Senior Independent Director);
- Toni Killebrew (Director representing employees);
- Ian Meakins (Independent Director);
- Elen Phillips (Independent Director); and

- Maria Richter (Independent Director).

The independence criteria of the Directors are detailed in the paragraph 3.1.1.3 “Rules governing the membership and operation of the Board of Directors” of this Universal Registration Document. At December 31, 2022, 5 out of 5 members of the Nomination Committee were considered as independent, *i.e.*, an independence rate of 100% (excluding the Director representing employees).

Operation of the Nomination Committee

The main stipulations of the internal regulations of the Nomination Committee are set out below.

Members

The Nomination Committee is made up of a maximum of 7 members and includes independent Directors. It is chaired by an independent Director. The executive corporate officers cannot be members of the Nomination Committee.

Powers

The Nomination Committee has the following responsibilities:

- Make proposals in relation to appointment, termination/dismissal and on the renewal of the offices of the Directors and of the Chairman of the Board of Directors, of the members and of the Chairman of the Committee, of the Chief Executive Officer and of the Deputy Chief Executive Officers. It also issues recommendations on the candidates considered, in terms of expertise, availability, appropriateness and complementarity with other Directors or of executive management;
- Be informed of any appointment, dismissal or termination of the functions of any Executive Committee member;
- Proposals in relation to the qualification as independent Directors;

- Verify compliance with the independence criteria and issue opinions thereon, as required, and advise the Chairman of the Board of Directors on the number of independent Directors;
- Be in a position at any time to formulate a proposal on a potential successor to the Chairman of the Board of Directors or to the Chief Executive Officer; and
- Issue a recommendation, on the Chief Executive Officer's proposal, on the Company's acceptance of and resignation from any office as a Director or any equivalent body and on the nomination and dismissal of permanent representatives of Rexel on such Board of Directors or equivalent bodies.

In connection with the aforementioned powers, the members of the Committee may invite the executive corporate officers to participate in the works. This allows them to express their views on the proposed appointments, except where their personal situation is concerned.

Operations

The Nomination Committee meets at least once per year and whenever it deems it necessary. It meets prior to those meetings of the Board of Directors at which matters falling within its scope are to be reviewed. The frequency and duration of Nomination Committee meetings must be such that they allow for in-depth review and discussion of the matters falling within the Committee's scope.

The work of the Nomination Committee during the financial year ended December 31, 2022

The Nomination Committee met on 6 occasions during the 2022 financial year.

The attendance rate at the meetings of the Nomination Committee for the 2022 financial year was 100% for the Nomination Committee.

It reported on its work to the Board of Directors.

In 2022, its work related to, in particular, the review of:

- The report of the Nomination Committee on the independence of the Directors;
- The diversity policy of the Board of Directors;
- The annual review of the independence and competence of the members of the Board;
- The Rexel policy on diversity and feminization of leading bodies;

- The yearly renewal of the Directors and the evolution of the membership of the Board of Directors and of Committees;
- The updating of the internal Board of Directors' assessment questionnaire;
- The review of succession plans with a view to ensuring the continuity of General Management and the Chairmanship of the Board;
- The review of succession plans for the Executive Committee; and
- The analysis of the findings of the questionnaire on the commitment of the Group's employees.
- The monitoring of regulatory updates.

The Chairman of the Audit and Risk Committee and the Chairwoman of the Compensation Committee were associated with the work of the Nomination Committee on the succession of the Chief Executive Officer.

3.1.2.3 Compensation Committee

CHAIRWOMAN	NUMBER OF MEMBERS	INDEPENDENCE RATE	NUMBER OF MEETINGS HELD IN 2022	AVERAGE ATTENDANCE RATE
Agnès Touraine	7	83% ⁽¹⁾	6	100%

(1) Excluding the Director representing the employees.

Members of the Compensation Committee

As at December 31, 2022, the Compensation Committee was made up of the following members:

- Agnès Touraine (Chairwoman and Independent Director);
- Marcus Alexanderson (non-Independent Director);
- Julien Bonnel (Director representing the employees);
- Brigitte Cantaloube (Independent Director);
- Barbara Dalibard⁽¹⁾ (Independent Director);

- François Henrot (Senior Independent Director); and
- Ian Meakins (Independent Director).

The independence criteria of the Directors are detailed in paragraph 3.1.1.3 "Rules governing the membership and operation of the Board of Directors" of this Universal Registration Document. At December 31, 2022, 5 members out of 6 of the Compensation Committee were considered as independent *i.e.*, an independence rate of 83% (excluding the Director representing the employees).

(1) Her appointment as Chair of the Compensation Committee will be should be approved by the Board of directors taking place after the Shareholders' Meeting of April 20, 2023.

Operation of the Compensation Committee

The main stipulations of the internal regulations of the Compensation Committee effective as at December 31, 2022, are set out below.

Members

The Compensation Committee is made up of a maximum of 7 members and includes independent Directors. It is chaired by an independent Director. The executive corporate officers cannot be members of this Committee.

Powers

The Compensation Committee has the following responsibilities:

- Make recommendations to the Board of Directors on the compensation of the Chairman of the Board of Directors and of the Chief Executive Officer and Deputy Chief Executive Officers, and on the rules for determining the variable components of such compensation as well as any additional items such as retirement schemes and benefits in kind;
- Make recommendations to the Board of Directors on the allocation of the Directors' compensation;
- Be informed of the proposed severance payments in connection with the termination of the employment contract of the Chief Executive

Officer or Deputy Chief Executive Officers, and provide its opinion in relation thereto to the Chairman of the Board of Directors;

- Express its views on the stock options and free shares allotment policy in respect of all categories of beneficiaries and particularly the Chief Executive Officer, the Deputy Chief Executive Officers and the members of the Company's Executive Committee; make a recommendation on the allotment periodicity and allotment terms and conditions; and
- Make recommendations on the compensation policy for members of the Executive Committee. On this occasion, the Committee may invite the executive corporate officers to participate in the meeting dedicated to the compensation of the members of the Executive Committee.

Operations

The Compensation Committee meets at least once each year and, in any case, each time that it deems necessary and prior to those Board of Directors' meetings at which matters falling within its scope of competence are to be reviewed. The frequency and duration of Compensation Committee meetings must be such that they allow for in-depth review and discussion of the matters falling within its scope of competence.

The work of the Compensation Committee during the financial year ended on December 31, 2022

The Compensation Committee met on 6 occasions in the course of 2022.

The attendance rate at the meetings was 97.6% for the Compensation Committee in 2022.

It reported on its work to the Board of Directors.

In 2022, its works related to, in particular:

- The variable compensation in respect of the financial year ended December 31, 2021 of the Chief Executive Officer;
- The compensation in respect of the financial year ended December 31, 2022 of the corporate officers;
- The compensation policy in respect of the new Chief Executive Officer;

- The Directors' compensation;
- The review of the compensation policy of the Executive Committee;
- The implementation of the free share allocation plans;
- The follow-up of the regulatory updates; and
- The analysis of the voting policies of investors and proxy advisors regarding compensation matters.

The developments in connection with the terms of compensation of the executive corporate officers are set out in paragraph 3.2 "Compensation of the corporate officers" of this Universal Registration Document.

The executive corporate officers may be invited to participate in the meetings by the members of the Committee in order to express their views on the

compensation of the members of the Executive Committee.

3.1.3 Executive Management

As of the date of this Universal Registration Document, Rexel's executive management is exercised by a Chief Executive Officer. This mode of executive management results from the decision of the Board of Directors to dissociate the functions of Chairman of the Board of Directors and of Chief Executive Officer (please see paragraph "Dissociation of the duties of Chairman of the Board of Directors and of Chief Executive Officer" in the introduction of paragraph 3.1 "Administration bodies and management" of this Universal Registration Document).

The Board of Directors has appointed Guillaume Texier as Chief Executive Officer with effect from

September 1, 2021, to replace Patrick Berard, who resigned on that date. Guillaume Texier was appointed Chief Executive Officer by the Board of Directors on March 25, 2021 for a term of four years, expiring at the end of the Shareholders' Meeting called in 2025 to resolve on the financial statements for the year ending August 31, 2025.

The decisions requiring the prior authorization of the Board of Directors are described in paragraph 3.1.1.3 "Rules governing the membership and operation of the Board of Directors" of this Universal Registration Document.

3.1.4 Executive Committee

Rexel's operational organization is structured around an Executive Committee.

The Executive Committee includes as at the date of this Universal Registration Document 13 members, including 5 in charge of key operating activities:

Guillaume Texier	Chief Executive Officer
Group duties	
Grégoire Bertrand	Europe Chief Financial Officer, UK-Ireland Cluster Director
Laurent Delabarre	Group Chief Financial Officer, China-India cluster Director
Guillaume Dubrule	Group Purchasing, Supply Chain and Supplier Relationship Director
Constance Grisoni	Group Strategy Director
Sabine Hama	Group Chief Human Resources and Communications Officer
Isabelle Hoepfner-Leger	General Secretary and Secretary of the Board of Directors
Nathalie Wright	Group Digital, IT and Sustainability Officer
Operational functions	
Brad Paulsen	Chief Executive Officer and Senior Vice-President of Rexel USA
Robert Pfarrwaller	Chief Executive Officer Austria, leading the Austria, Germany, Slovenia, Switzerland cluster
Pierre Benoît	Chief Executive Officer Belgium-Luxembourg, leading the Benelux, Nordics and Pacific cluster
Roger Little	Chief Executive Officer Canada
Thomas Moreau	Chief executive Officer of Rexel France, leading the France-Italy cluster Director

The Executive Committee meets on a regular basis to:

- define the Rexel's Group strategy;
- coordinate initiatives (particularly with respect to operations);
- monitor the Rexel Group's performance; and
- ensure the implementation of cross-divisional projects.

3.1.5 Non-discrimination and diversity policy within management bodies

Rexel is committed to work towards non-discrimination and diversity within the Board of Directors, the Executive Committee, positions of greater responsibility within its organization and more generally within the Group.

Its ambition relies on the search, management and retention of talents guaranteeing dynamic career development and personal fulfillment.

Its belief is that a mixed team contributes to sustainable performance.

Its transformation culture is based on an inclusive management style that supports the commitment of its teams, while respecting the differences of each individual.

Thus, in order to comply with the regulations and guidelines of the AFEP-MEDEF Code and the AMF in terms of the diversity of its members, particularly in terms of the representation of women and men, the Executive Management and Human Resources have set up action plans with monitoring indicators.

By 2025, the Rexel Group ambition is to reach a number of women representing 30% of the Group Executives. To this end, the Group's policy of non-discrimination and diversity within the Group's management bodies aims, in particular, to set annual objectives adapted to each of the countries in which the Group operates.

The number of women in the Group Executives population was 25% in 2022 compared to 19% in 2021 and 2020.

The Board of Directors has 50% of women in 2022. Two of its three committees will continue to be chaired by a woman: Agnès Touraine for the Compensation Committee and the Nomination Committee. The Executive Committee has been made up of 31% of women since the appointment of the new Group Human Resources and Communication Director.

In 2022, Rexel was ranked 60th compared to 68th in 2021 with an overall score of 66.49 (compared with 61.13 in 2021) in the ranking of the feminization of the management bodies of SBF120 companies.

For more information, Rexel's performance on gender equality is described in the extra-financial performance declaration (chapter 4, section 4.3.4.1 Gender equality).

Performance indicator charts in 2022:

- 25% of women in the 10% of positions of greatest responsibility, Group Executives (compared with 19% in 2021);
- 50% women on the Board of Directors;
- 31% women on the Executive Committee;
- 22.7% women in total personnel.

3.1.6 Statements concerning the Board of Directors

To Rexel's knowledge:

- there are no family ties between the Directors and the members of Rexel's Executive Management:
 - No Director or member of Rexel's Executive Management has been convicted of fraud within the last five years;
 - No Director or member of Rexel's Executive Management has been associated with any "bankruptcy", receivership or liquidation within the last five years;
 - No Director or member of Rexel's Executive Management has been the subject of any

official public incrimination or sanctions by statutory or regulatory authorities within the last five years; and

- No Director or member of Rexel's Executive Management has been disqualified by a court from:
 - acting as a member of an administrative, management or supervisory body of any issuer; or
 - participating in the management or conduct of the business of any issuer within the last five years.

3.1.7 Conflict of interests

Directors who have a conflict of interests must inform the Senior Independent Director. The Board of Directors has appointed François Henrot as Deputy Chairman of the Board of Directors and Senior Independent Director in charge of (*inter alia*) managing conflict of interest situations.

All potential conflicts of interests are submitted to a debate within the Board of Directors.

Directors who are in a situation of conflict of interests shall abstain from taking part in the discussions and in the vote of the relevant decisions.

As of the date of this Universal Registration Document and to Rexel's knowledge, there exists no situation that could give rise to a conflict between the private interests of Directors or of Rexel's executive management and Rexel's interests.

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3.1.8 Service agreements between Directors and Rexel or one of its subsidiaries

There are no service agreements between Directors or members of Rexel's executive management and

Rexel or any of its subsidiaries and providing for the award of any benefits.

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3.2 Compensation of Corporate Officers

The Board of Directors refers to the recommendations of the AFEP-MEDEF Code for determining the corporate officers' compensation

and benefits in kind. It also makes such decisions based on the recommendations of the Compensation Committee.

3.2.1 Compensation policy applicable to corporate officers for the financial year 2023 subject to shareholders' approval (Article L.22-10-8 of the French Commercial Code)

Pursuant to Article L.22-10-8 of the French Commercial Code, the following section describes

the compensation policy applicable to corporate officers for the financial year 2023.

3.2.1.1 General principles of the 2023 compensation policy

The compensation policy is set by the Board of Directors following the recommendation of the Compensation Committee. The Board of Directors may decide on an item or undertaking in favor of its Chairman or Chief Executive Officer. In that case, the latter may not take part in the deliberations or vote on the relevant item or undertaking.

The compensation policy covers non-executive corporate officers, *i.e.*, the Directors.

It also covers managing corporate officers, who are, in accordance with the governance structure in place:

- The Chairman of the Board of Directors (non-executive corporate officer); and
- The Chief Executive Officer (executive corporate officer).

The policy submitted to the Shareholders' Meeting describes all items of compensation. It was established in accordance with all of the AFEP-MEDEF recommendations.

The compensation policy for corporate officers thus aims to take into account:

- the company's best interest;
- market practices;
- the performance of its executives.

It allows to promote the Group's performance and competitiveness. Thus, the compensation and

benefit items of all kinds for corporate officers are analyzed in line with the Group's strategy.

The compensation policy takes into account the need to attract, motivate and retain high-performing and experienced managers. The business sector of the Group is, indeed, characterized by strong competitiveness. It is distinguished by major economic and financial challenges, as well as societal and environmental ones.

The compensation policy also takes into account the specific nature of the Group's activities, in line with the compensation and employment conditions of its employees⁽¹⁾. It conforms to market practices observed in companies in the same sector. It takes into account the expectations of shareholders and other stakeholders. These expectations relate in particular to social and environmental responsibility, transparency and performance.

The compensation items paid to corporate officers consists of a fixed and a variable component. The fixed component is used to retain and motivate executives. The variable component is based on financial and non-financial criteria. The financial criteria are based on the budget and on performance indicators analyzed by Rexel. The non-financial criteria include social, societal, environmental and sound governance criteria. The Board of Directors ensures that the variable compensation component is sufficiently significant

(1) In particular, the compensation structure, the assessment criteria or the evolution of compensation according to business lines, geographies or employee categories.

in relation to the fixed compensation. The compensation policy thus maintains consistency between the overall compensation of corporate officers and the Group's financial and non-financial performance.

The 2023 compensation policy is identical to the 2022 compensation policy for the Directors and the Chairman of the Board of Directors.

The 2023 compensation policy for the Chief Executive Officer is identical to the 2022 compensation policy for the Chief Executive Officer.

The compensation policies for the Chairman of the Board of Directors and the Chief Executive Officer are defined for the entirety of their terms of office and cannot be reviewed during the course thereof.

Furthermore, the Board of Directors analyzes and takes into account the votes of the last Shareholders' Meeting.

Below are the votes relating to the 2022 compensation policy and the votes relating to the compensation elements paid or granted for the 2021 financial year at the Shareholders' Meeting of April 21, 2022:

RESOLUTION	% VOTE ⁽¹⁾	FAVORABLE OPINION / UNFAVORABLE OPINION
#5	99.80%	Favorable opinion
<i>Approval of the compensation policy, attributable to the Chairman of the Board of Directors for the 2022 financial year, referred to in Article L.22-10-8 of the French Commercial Code</i>		
#6	98.66%	Favorable opinion
<i>Approval of the compensation policy attributable to Directors for the 2021 financial year, referred to in Article L.22-10-8 of the French Commercial Code</i>		
#7	95.00%	Favorable opinion
<i>Approval of the compensation policy attributable to the Chief Executive Officer for the 2022 financial year</i>		
#8	96.19%	Favorable opinion
<i>Approval of information referred to in Article L.22-10-9, I of the French Commercial Code for the financial year ended December 31, 2021</i>		
#9	99.79%	Favorable opinion
<i>Approval of the fixed, variable and exceptional items making up the total compensation and benefits of any kind paid or granted for the 2021 financial year to Mr. Ian Meakins, Chairman of the Board of Directors</i>		
#10	81.98%	Favorable opinion
<i>Approval of the fixed, variable and exceptional items making up the total compensation and benefits of any kind paid or granted for the 2021 financial year to Mr. Patrick Berard, Chief Executive Officer until September 1, 2021</i>		
#11	94.37%	Favorable opinion
<i>Approval of the fixed, variable and exceptional items making up the total compensation and benefits of any kind paid or granted to Guillaume Texier, Chief Executive Officer, for the 2021 financial year, as from September 1, 2021</i>		

(1) The target approval rates are consistent with the data published by the Group.

The Board of Directors determines the compensation policy applicable to the Directors, the Chairman of the Board of Directors and the Chief Executive Officer in order to preserve the

company's corporate interest. The compensation policy also contributes to its business strategy and sustainability.

Non-executive corporate officers (the Directors)

The compensation policy for Directors aims to attract members with a variety of profiles and skills. Their task consists in:

- participating in the work of the Committees;
- guarantee their independence;
- contribute to the proper operation of the Board.

Therefore, the levels of compensation defined in the compensation policy must make it possible to attract and retain Directors who, through their

contribution to the work of the Board and their involvement, are capable of:

- contributing to the development of the company's business strategy;
- overseeing its implementation; and
- ensuring its long-term sustainability.

These compensation levels remain reasonable, consistent with Rexel's market practices. The variable portion depends exclusively on the level of attendance of the Directors in the meetings of the specialized committees.

The executive corporate officers (the Chairman of the Board of Directors and the Chief Executive Officer)

The compensation policy of non-executive corporate officers, *i.e.*, the Chairman of the Board of Directors, aims at attracting and retaining executives who are able to develop an efficient working relationship with the members of the Board of Directors and to contribute to the strategic development of the Company.

The compensation policy of executive corporate officers, *i.e.*, the Chief Executive Officer, aims at attracting, retaining and motivating efficient executives. These executives will develop the Group's performance and competitiveness in the medium and long term, by aligning their interest with that of the shareholders, in order to preserve the company's best interest, while contributing to its continuity and its commercial strategy and to promote social and environmental responsibility. The compensation policy takes into account market practice. It relies on the executives' performance and of other stakeholders in the company. It is in line with the policy applicable to other managers of the Group.

In order to achieve these objectives efficiently, the Board of Directors determines on an exhaustive basis and measures the various items of the compensation of executive corporate officers. To this end, studies are carried out annually by independent consulting firm Willis Towers Watson. They are based on a panel of French and European companies in related sectors and of comparable size in terms of sales, headcount and market capitalization. They thus allow the Board of

Directors to assess the competitiveness of executives' compensation.

The Board of Directors intends to position the fixed annual compensation of executive corporate officers at the median of the reference market. It ensures that it proposes for the Chief Executive Officer a more dynamic short-term target variable compensation and long-term target variable compensation. Nonetheless, these compensation items are fully subject to demanding performance criteria. The Board of Directors examines the balance of the various components of compensation. It seeks a consistent trend in the compensation of the Chairman of the Board of Directors and of the Chief Executive Officer, compared to the average and median compensation of the company.

The compensation policy would apply to newly appointed corporate officers or those whose term of office is renewed.

Exceptional circumstances may lead the Board of Directors to derogate from the implementation of the compensation policy, in accordance with Article L22-10-8 of the French Commercial Code. This measure should be temporary, consistent with the corporate interest and necessary to guarantee the sustainability or viability of the Group. In such circumstances, the exceptional compensation policy would be defined by the Board of Directors, on the proposal of the Compensation Committee. It would take into account the interests of the Group

and the particular situation it is going through. The derogation from the compensation policy for corporate officers, decided by the Board of Directors would, in any case, be limited to the short-term and long-term variable compensation. The

amounts paid under the derogatory compensation policy may not exceed the maximum defined in the remuneration policy, as approved by the shareholders "ex-ante".

3.2.1.2 Compensation policy applicable to Directors for the financial year 2023

The Shareholders' Meeting of Rexel may allocate compensation pursuant to the provisions of articles L.225-45 and L.22-10-14 *et seq.* of the French Commercial Code. The provisions of this compensation policy would apply, under the same terms and conditions, to Directors newly appointed or whose term of office would be renewed during the 2023 financial year.

Directors are appointed for a maximum term of 4 years. The term of office of each of the Directors in office on December 31, 2022 is specified in paragraph 3.1.1.1 "Composition of the Board of Directors" of this Universal Registration Document. Each Director may be removed from office at any time by the Company's Ordinary Shareholders' Meeting under the conditions set forth in article L.225-18 of the French Commercial Code and article 14.2 of the Company's by-laws.

Global envelope

On May 22, 2014, Rexel's Shareholders' Meeting granted an aggregate envelope of €1,315,000 in

Directors' attendance fees. This envelope has not been modified since this date.

Rules of allocation of the compensation to be paid in respect of 2023

The Board of Directors decided to renew for 2023 the rules of allocation of compensation defined for 2022, within the limit of the unchanged envelope of €1,315,000, *i.e.*:

- Fixed portion: €40,000;⁽¹⁾
- Variable portion: €8,000 per Committee meeting, up to a maximum amount of €40,000 per member⁽²⁾;
- For the members serving as Chairman of a Committee:
 - an additional amount of €15,000 for the chairmanship of the Nomination Committee;
 - an additional €15,000 for the chairmanship of the Compensation Committee; and
 - an additional amount of €25,000 for the chairmanship of the Audit and Risk Committee;

- For the Deputy Chairman and Senior Independent Director of the Board of Directors: a fixed portion of €100,000, the variable portion remaining identical to that mentioned above. The Deputy Chairman and Senior Independent Director of the Board of Directors is not entitled to compensation in connection with the chairmanship of a Committee; and
- For members coming from a different continent to attend the Board of Directors meetings: a fixed travel allowance of €2,500 per stay.

It is restated that the Directors must comply with an obligation to hold shares of the Company over their term of office, *i.e.*, 4 years (of an amount equivalent to the theoretical fixed portion of the annual activity-based compensation). This share retention obligation does not apply to the Directors representing the employees.

(1) The Chairman and Deputy Chairman of the Board of Directors do not qualify for this fixed portion.

(2) The Chairman of the Board of Directors does not qualify for this variable portion.

Summary table of Directors' compensation policy for 2023:

STATUS	FIXED PORTION	COMMITTEE CHAIRMANSHIP	DEPUTY CHAIRMAN AND SENIOR INDEPENDENT DIRECTOR	VARIABLE PORTION ⁽¹⁾	TOTAL	MAXIMUM PERCENTAGE OF VARIABLE PORTION IN RESPECT OF THE WHOLE COMPENSATION
Director	40,000	–	–	40,000	80,000	50%
Director and Chairman of the Audit and Risk Committee	40,000	25,000	–	40,000	105,000	38%
Director and Chairman of Compensation / Nomination	40,000	15,000	–	40,000	95,000	42%
Deputy Chairman and senior independent Director	–	–	100,000	40,000	140,000	29%

(1) The variable portion is capped at €40,000.

This table allows to assess the importance of the variable portion as a proportion of total compensation, as well as the respective importance of the fixed and variable items making

up the total compensation and benefits of any kind that may be granted to Directors.

Directors are not eligible for the free share plan.

3.2.1.3 Compensation policy applicable to the Chairman of the Board of Directors for the financial year 2023

The term of office of the Chairman of the Board of Directors is specified in paragraph 3.1.1.1 "Composition of the Board of Directors" of this Universal Registration Document. The Chairman of

the Board of Directors may be dismissed at any time by the Board of Directors, under the conditions provided for in Article L.225-47 of the French Commercial Code.

Fixed compensation

The Chairman of the Board of Directors benefits from a fixed annual compensation, excluding any other compensation item. The fixed compensation therefore represents 100% of the total compensation of the Chairman of the Board of Directors.

This fixed annual portion is determined by the Board of Directors at the beginning and for the whole term of office of the Chairman of the Board of Directors. The amount of this annual compensation takes into account two categories of criteria:

- criteria specific to each person, such as experience, seniority, responsibilities; and
- criteria based on the sector's business activity and the general economic environment, based on the market studies carried out by independent consultancy firm Willis Towers Watson.

The Board of Directors aims to position the annual fixed compensation of the Chairman of the Board of Directors at the median of the reference market.

The amount of the fixed compensation allocated to the Chairman of the Board of Directors amounts to €300,000 for the 2023 financial year.

The compensation policy would apply under the same terms and conditions to the Chairman of the Board of Directors newly appointed or reappointed, it being specified that the fixed yearly compensation normally awarded to the Chairman of the Board of Directors amounts to €500,000, which was reduced to €300,000 for Ian Meakins, taking into account market practices and the duties he has been carried out since December 1, 2020.

Other compensation

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

3.2.1.4 Compensation policy applicable to the Chief Executive Officer for the financial year 2023

The compensation policy is applicable for the entire duration of the corporate office.

The term of office of the Chief Executive Officer is specified in paragraph 3.1.3 “Executive Management” of this Universal Registration Document. The Chief Executive Officer may be removed from office at any time by the Board of Directors under the conditions set forth in article L.225-55 of the French Commercial Code and article 19.2 of the Company’s by-laws.

In order to assess the respective importance of the fixed, variable and exceptional components making up the total compensation and benefits of any kind that may be granted to the Chief Executive Officer in respect of his term of office, please refer to section 3.2.1.6 “Summary tables of the compensation policy for the financial year 2023 – (*Say on Pay Ex-ante*)” of this Universal Registration Document.

Fixed compensation

The compensation policy provides for the allocation of a fixed annual compensation to the Chief Executive Officer.

This fixed annual compensation is determined by the Board of Directors at the beginning and for the whole term of office of the Chief Executive Officer. The compensation policy would apply under the same terms and conditions to a Chairman of the Board of Directors newly appointed.

The amount of the annual fixed compensation is determined according to criteria specific to each person, such as experience, seniority and responsibilities. It also takes into account criteria relating to the sector’s business activity and the general economic environment, based on studies carried out by independent consultancy firm Willis Towers Watson.

The Board of Directors intends to position the fixed annual compensation of the corporate officers at the median of the reference market. It also ensures

that it proposes for the Chief Executive Officer a more dynamic short-term target variable compensation and long-term target variable compensation, both of which are integrally subject to demanding performance criteria. The Board of Directors shall examine the balance of these items.

In accordance with the compensation policy adopted by the Board of Directors on February 15, 2023 and submitted to the Shareholders’ Meeting for approval, the fixed annual compensation of Guillaume Texier as Chief Executive Officer amounts to €800,000.

Guillaume Texier’s fixed compensation would represent 45% of his total annual target compensation (fixed compensation + target variable compensation).

The fixed compensation is set for the entire duration of Guillaume Texier’s term of office as Chief Executive Officer.

Short-term variable compensation

The Chief Executive Officer qualifies to receive variable annual compensation.

The annual target variable compensation is defined as a percentage of the fixed

compensation. It is also determined for the term of office. Its aim is to correlate the compensation of the Chief Executive Officer with the results of operations of the Rexel Group. The variable

compensation is calculated on the basis of the achievement of criteria relative to the performance of the Rexel Group and to the individual performance. In addition, variable compensation is limited to a cap expressed as a percentage of the target variable compensation.

The Board of Directors aims at setting the target short-term variable compensation above the market median and to making it fully subject to challenging performance criteria.

The compensation policy does not provide for a mechanism to request the return of all or part of the variable compensation. However, the variable compensation due for a financial year may only be paid after the approval of the Shareholders' Meeting approving the accounts for that financial year.

In accordance with the compensation policy adopted by the Board of Directors at its meeting of February 15, 2023 and submitted for approval to the Shareholders' Meeting of April 20, 2023, the target variable compensation is set at 120% of the annual fixed compensation.

The variable compensation would represent 55% of the total target compensation (fixed compensation + target variable compensation) per year.

In the event of outperformance, the variable compensation is capped at 162% of the fixed compensation. Quantitative targets are capped at a maximum result of 150% and qualitative targets are capped at a maximum result of 100%.

The variable compensation would only be subject to an effective payment if the demanding criteria defined by the Board of Directors are met.

The criteria used by the Board of Directors to assess the performance of variable compensation are, for the period from January 1 to December 31, 2023:

- On the one hand, financial criteria based on Rexel's results as well as the aggregates that the Group uses in the context of the analysis of its financial situation. The financial portion represents 70% of the annual variable target compensation. These criteria are:
 - gross margin in volume terms (40%);
 - adjusted EBITA in volume terms (40%); and
 - average operating working capital requirement as a percentage of sales (20%).

- On the other hand, non-financial criteria which represent 30% of the annual variable target compensation. These criteria are:

- ESG (25%);
- Strategy (25%);
- Digital (25%); and
- Talents (25%).

Non-financial criteria include several criteria linked to social and environmental responsibility, including in relation to Rexel's climate objectives.

These criteria are specified in 3.2.1.6 "Summary tables of the compensation policy for the financial year 2023 - (*Say on Pay Ex-ante*)" of this Universal Registration Document.

Demanding financial criteria are thus combined with non-financial criteria favoring the Group's development and competitiveness in a responsible and sustainable environment. This formula is part of the compensation policy, aligning the interests of managers with those of shareholders. It is in line with the company's best interest and its commitments in terms of Corporate Societal Responsibility. The combination of these criteria thus contributes to the company's business strategy and sustainability.

The Board of Directors determines on an annual basis the criteria and the expected level of achievement. The financial criteria are disclosed at the start of the financial year.

These quantified objectives and the performance actually achieved by criterion shall be communicated very precisely *ex-post* in the Universal Registration Document. Their *ex-post* communication is justified by the desire to safeguard the company's interests. It allows not communicating *ex-ante* indications on its strategy that may be exploited by its competitors. The non-financial criteria are also described in order to preserve the Rexel Group's interest in a competitive environment. Their rate of achievement is specified *ex-post*.

In accordance with the provisions of Article L.22-10-34 of the French Commercial Code, the payment of variable compensation items can only be made subject to the approval of the compensation items of the relevant person by a shareholders' meeting.

Long-term variable compensation

In order to involve the senior executives in the Group's development and performance and to align their interests with those of the shareholders, the Board of Directors may grant performance shares.

The Chief Executive Officer is eligible for the annual performance shares plan, which is the historical mechanism used to motivate and retain employees and top managers of the Group.

The shares allotted to the Chief Executive Officer are fully subject to performance criteria and conditions assessed over minimum periods of 3 years.

More generally, performance shares are granted to a significant number of employees (between 800 and 1,000 on average per year) and it is important that these key financial criteria measuring the Group's performance can also be used for these plans.

Performance criteria

In accordance with resolution no. 22 approved by the shareholders at the 2022 General Meeting, the performance criteria on the basis of which the shares will be allotted and the respective weightings are as follows:

- yearly average EBITA growth rate (40%);
- average free cash flow before interest and taxes/ EBITDA/L ratio (20%);
- the achievement of an ESG index consisting in internal multi-criteria relating to the implementation of the Corporate Social Responsibility policy (20%): carbon footprint reduction scopes 1 and 2, carbon footprint reduction scope 3, sustainability stakeholder engagement, gender diversity across the organization and for the management bodies, reduced frequency of working accidents, high level of adherence of employees to ethics and compliance values as captured by the employee satisfaction survey; and
- the relative Rexel share performance compared to the SBF 120 GR index (20%).

As previously indicated regarding the annual variable compensation, the nature of the financial criteria, their weight and their level of achievements targeted are clearly defined by the Board of

Directors for each criterion, including the ESG criterion, at the time of the allocation on the basis of the targets determined by its meeting.

The expected level of achievements targeted and the achieved performance are disclosed in a precise manner *ex-post* in the Universal Registration Document. Their *ex-post* disclosure is justified by the willingness to preserve the Rexel Group's interests. It allows not to disclose *ex-ante* any sensitive indication on its long-term strategy in a competitive environment. The implementation of demanding financial criteria makes it possible to ensure the compensation of executives, to retain them over the long-term in line with the Group's performance. It respects the corporate best interest while contributing to the company's commercial strategy and sustainability.

The performance criteria used for long-term compensation have included, since financial year 2022, an environmental, social and sound governance criterion, in accordance with the commitments made by the Group when it published its 2022 financial results.

The Board of Directors decided, on the recommendation of the Compensation Committee, to replace the financial criterion relating to sales and to retain an ESG index based on internal criteria, in order to implement practices that take into account the recommendations of the AFEP-MEDEF Code, which recommends the presence of an ESG criterion in variable compensation schemes. This decision is in line with the Group's ESG ambitions.

The non-financial criteria include several social and environmental responsibility criteria, including those related to Rexel's climate objectives.

Structure of the Plan

These shares are also allocated subject to presence criteria of 3 years.

As a result, the vesting period for the shares is 3 years, with no retention period.

The Chief Executive Officer has a retention obligation of at least 20% of the shares vested under these mechanisms until the end of his functions.

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Furthermore, a limit was introduced in 2015, aiming at ensuring a balance between the various components of the corporate officers' compensation. Thus, for a given financial year, the annual value of the performance shares allocated to the Chief Executive Officer, cannot exceed 100% of his annual fixed and variable target compensation (120% of the annual fixed compensation).

In accordance with the compensation policy, the cap of 100% is €1,760,000 based on annual fixed and variable compensation for 2023.

An additional limit also provides that the number of shares allocated to corporate officers cannot exceed 10% of the aggregate amount of free shares allocated to all of the beneficiaries⁽¹⁾.

The performance share allotment plans provide for the loss of unvested shares in the event of a departure from the Group (except in the event of retirement, death or disability).

Beneficiaries undertake to waive all hedging mechanisms for stock options and performance shares received from the Company, in accordance with the insider trading policy adopted by the Board of Directors and the AFEP-MEDEF Code.

The criteria, the choice of which must contribute to the achievement of the objectives of the compensation policy, are detailed in paragraph 3.2.1.6 "Summary tables of the compensation policy for the financial year 2023 - (*Say on Pay Ex-ante*)" of this Universal Registration Document.

The Board of Directors is committed to ensuring that the performance criteria adopted contribute to the stability of the Chief Executive Officer. They are to reflect the Group's performance objectives and strategy in the short, medium and long term. The Board has thus ensured that these performance criteria are demanding and correspond to the Group's key growth and profitability factors. This allows to maintain a balance between short and long-term performance and the promotion of the Group's development for all stakeholders.

Performance history

These demanding objectives have resulted in the latest plans delivered by moderate acquisition levels:

PLAN	PERFORMANCE
2019	100%
2018	40%
2017	74%
2016	45%
2015	18%

The expected level of achievement and the performance reached are disclosed *ex-post* in detail in this Universal Registration Document. The main financial criteria over three years are based on the objectives determined by the Board of Directors.

Retirement Plan

Medium-term collective savings scheme

The Board of Directors wished to put in place, as of 2016, a scheme allowing executives to progressively build up medium-term savings (Article 82 of the French General Tax Code).

This scheme provides for the payment of an annual contribution at the benefit of the executive. This annual contribution is calculated on the basis of the reference compensation effectively received during the financial year by the beneficiary and capped at 40 annual social security limits ("PASS").

For the calculation of the contribution for the 2023 financial year, the base of the reference

compensation used to determine the annual contribution will be composed of the following elements:

- Fixed compensation paid during the 2023 fiscal year; and
- Variable compensation paid in financial year 2023 (awarded in respect of financial year 2022) up to a maximum of 80% of the fixed annual compensation paid in 2022.

This reference compensation is thus inherently variable and correlated to the Group's performance. The variable compensation will have been voted on in advance by the 2023 Shareholders' Meeting.

(1) *i.e.*, a maximum of 0.14% of the share capital over a period of 26 months, based on the twenty-second resolution of the Shareholders' Meeting of April 21, 2022, which provides for a maximum ceiling of 1.4%.

The annual contribution is paid by Rexel in two forms:

- a medium-term life insurance-type investment vehicle and ;
- a cash portion to allow the beneficiary to pay the tax and social security contributions due on the entire contribution.

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
Medium-term collective savings scheme	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 = €43,992 in 2023), • plus 10% on the portion of compensation paid ranging between 20 and 40 PASS. <p>The variable compensation taken into consideration will be limited to 80% of the fixed annual compensation.</p>	The contribution is based on the effective fixed and variable compensation actually paid during the financial year (capped).

The amount of the annual contribution is subject to social security contributions and personal income tax.

Specific situation

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.

Exceptional compensation

The Board of Directors believes that the possibility of granting exceptional compensation to executive corporate officers should not be excluded. This principle is based on the best interests of the Group and its stakeholders. Exceptional compensation occurs in very specific circumstances, as provided for in the AFEP-MEDEF Code (article 25.3.4), in particular in the event of significant transactions for the Rexel Group due to:

- their size or nature;
- the changes implied in the organization or activities of the Rexel Group;

- the involvement they require or the difficulties they present; or
- transactions that do not fall within the scope of routine missions of the executive corporate officer.

The payment of such compensation items must be motivated and the reasons for their implementation must be explained. In any case, this exceptional compensation would be capped at 100% of the annual fixed compensation of the relevant executive corporate officer. They would only be considered if they contribute directly or indirectly to the objectives of the compensation policy.

In accordance with the provisions of Article L.22-10-34 of the French Commercial Code, the payment of exceptional compensation items can only be made subject to the approval of the compensation items of the relevant person by a Shareholders' Meeting.

It is reminded that Guillaume Texier has not received any exceptional compensation since the beginning of his term of office as Chief Executive Officer.

Recruitment allowances

Similarly, the Board of Directors intends to focus on the internal development of talents in succession plans. Nevertheless, it considers that a recruitment indemnity for an executive corporate officer may be envisaged. This indemnity would be justified by the best interest of the Group in order to attract a new talented top executive (article 26.4 of the AFEP-MEDEF Code). It would be proportional to the loss effectively suffered by the executive upon his/her change of duties. It would, in particular, take into account the annual variable compensation and long-term compensation. In any event this indemnity would be capped at two thirds of two years of global compensation of the previous duties. In accordance with the requirements of the

AFEP-MEDEF Code, total compensation includes the fixed and variable portions.

In any case, these compensation items would meet the requirements of the AFEP-MEDEF Code and comply, in particular, with the principles of measure and fair balance among the various interests in presence. These compensation items shall be properly disclosed and clearly justified.

In accordance with the provisions of Article L.22-10-34 of the French Commercial Code, the payment of a recruitment indemnity can only be made subject to the approval of the compensation items of the relevant person by a Shareholders' Meeting.

Activity-based compensation

Further to the decision of the Board of Directors of February 10, 2016, no intragroup activity compensation is paid. Furthermore, no activity

compensation shall be paid to an executive corporate officer who carries out the duties of Director of the Rexel Group.

Benefits in kind

Executive corporate officers may also be granted benefits in kind. These benefits result from the duties carried out within the Rexel Group. These may include:

- a healthcare/welfare collective coverage;
- a basic and a supplemental retirement scheme;
- a health checkup;
- tax advice;
- pension advice; and
- the availability of a company car.

The Chief Executive Officer may also be granted benefits in kind, subject to the following conditions:

OBJECTIVE AND LINK WITH THE STRATEGY	APPLICATION	MAXIMUM POTENTIAL VALUE
Company car To apply the policy applicable to the executives of Rexel	Eligibility of executive officers in respect of the general policy of Rexel relating to vehicles.	Value of the policy applicable to the executives of Rexel.
Healthcare insurance/death and disability To protect the executive corporate officers by applying the same coverage as to other employees	Eligibility of the executive officers to the coverage offered to employees.	Contribution to a collective insurance policy (the rules are identical for all employees).
Unemployment "GSC" coverage To protect executive corporate officers against unemployment	Subscription of unemployment coverage for executive officers.	Contributions applicable based on the GSC set of criteria.

Multi-year compensation

The Board of Directors does not provide for any multi-year compensation at the benefit of executive corporate officers.

Severance and/or non-compete indemnity

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.

In order to protect the interests of the shareholders and the competitiveness of the Group, the Board of Directors, after receiving a favorable opinion from the Compensation Committee, may provide for the payment of a severance indemnity and/or a non-compete compensatory allowance, within the limits of Article R.22-10-14, III of the French Commercial Code and the recommendations provided for in Article 25 of the AFEP-MEDEF Code in force.

Pursuant to the recommendations referred to in article 26.5 of the AFEP-MEDEF Code (which provides for a maximum amount of 24 months of reference compensation), 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). In the event that the executive is dismissed or his/her term of

office is not renewed due to an acquisition or change of control before he/she has received gross annual variable compensation for two financial years, the monthly reference compensation shall be defined as the sum of (i) the last gross annual fixed compensation received divided by 12, and (ii) the amount corresponding to any variable compensation (excluding any exceptional bonus) awarded to the executive until the date of termination of his/her duties, divided by the number of whole months elapsed between the date of taking office and the date of termination of his/her duties.

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. As an exception, severance payments may be paid if the non-renewal of the term of office of the Chief Executive Officer results from an acquisition or change of control of Rexel within the meaning of Article L.233-3 of the French Commercial Code for the benefit of any person acting alone or in concert, including as a result of a public tender offer under French regulations.

The severance indemnity is not applicable in the event of:

- resignation;
- termination for gross negligence (*faute grave*) or willful misconduct (*faute lourde*); or
- retirement leave or compulsory retirement leave.

The position adopted by the Board of Directors is more restrictive than the guidelines referred to in article 25.5.1 of the AFEP-MEDEF Code. These provide for the payment of indemnities in case of forced departure “independent of the form of such departure”.

In addition, in accordance with the provisions of Article R.22-10-14, III, of the French Commercial Code, the payment of a non-compete indemnity is excluded if the Chief Executive Officer exercises his retirement rights after the termination of his duties in the Company.

The payment of such indemnities is also subject to performance criteria to be assessed over 2 years, set forth below:

- The payment of 60% of the indemnity would be dependent on the level of EBITA of the Rexel Group. The level of EBITA is calculated on the basis of the audited consolidated financial statements of Rexel for the last two financial years ended prior to the date of termination of the corporate office. The payment would be due at 100% if the

level of EBITA reached on average 60% of the budgeted values for these two financial years on average; and

- The payment of 40% of the indemnity would be dependent on the level of ATWC (average trade working capital requirement) of the Rexel Group. The level of the ATWC is calculated on the basis of the audited consolidated financial statements of Rexel for the last two financial years preceding the date of termination of the corporate office. This payment would be due at 100% if the level of ATWC reached a maximum on average 125% of the budgeted performance for these two financial years.

With respect to the non-compete allowance⁽¹⁾, the Board of Directors reserves the right to waive the application of this clause in the event of the executive's departure⁽²⁾.

The Board of Directors may decide that an executive will not qualify for severance indemnities and/or non-compete compensatory allowance in respect of his/her corporate office. This decision would rely on specific circumstances, taking into account the profile, career, etc.

The Board of Directors has decided that Chief Executive Officer Guillaume Texier would qualify for severance indemnity. Guillaume Texier does not qualify for a non-compete indemnity.

3.2.1.5 Compensation governance

The Compensation Committee ensures the proper implementation of the principles described above in connection of its works and recommendations to the Board of Directors. It relies on these principles to define the policies and implement them when determining the amounts or valuation of the compensation or benefits.

It is reminded that when the Board of Directors decides on an item or undertaking in favor of its Chairman or Chief Executive Officer, the interested parties may not take part in the deliberations or vote on the relevant item or undertaking.

(1) For a limited period of 12 months.

(2) The Board of Directors can assess the interest for the Group to activate the non-compete clause or to waive it depending on the effective risk of competition when the executive leaves (in particular in the event that the executive could continue to carry out missions or duties with competitors).

3.2.1.6 Summary tables of the compensation policy for the financial year 2023 – (Say on Pay Ex-ante)

At its meeting of February 15, 2023, the Board of Directors decided on the following items concerning the compensation of corporate officers for 2023.

In accordance with the compensation policy that is determined for the duration of the term of office, the compensation of the Directors has been unchanged for the 2023 financial year and is composed of the following items:

■ Directors

DESCRIPTION	AMOUNT	
Fixed annual compensation	The annual gross fixed compensation of Directors was maintained at €40,000. This fixed compensation is determined for the whole term of office.	1
	For the Deputy Chairman and Senior Independent Director of the Board of Directors: a fixed portion of €100,000.	2
Variable annual compensation	The variable compensation is maintained at €8,000 per Committee meeting, up to a maximum amount of €40,000 per member.	
	For the Deputy Chairman and Senior Independent Director of the Board of Directors: the fixed portion remains identical, i.e., €40,000.	3
Deferred variable compensation	Directors do not benefit from any deferred variable compensation.	
Multi-annual variable compensation	Directors do not benefit from any multi-annual variable compensation.	4
Exceptional compensation	Directors do not benefit from any exceptional compensation.	
Benefits of any kind	Directors do not benefit from any benefit in kind.	5
Long-term compensation: performance share allocation	Directors do not benefit from any long-term compensation.	
Severance indemnity	Directors do not benefit from any severance indemnity.	
Non-compete indemnity	Directors do not benefit from any non-compete indemnity.	
Supplemental retirement scheme	Directors do not benefit from any supplemental retirement scheme.	6
Compensation as Committee Chairman	The Directors who chair the Audit and Risk Committee, the Nomination Committee and the Compensation Committee receive additional annual compensation of €25,000, €15,000 and €15,000 respectively. The Deputy Chairman and Senior Independent Director of the Board of Directors does not receive compensation in connection with the chairmanship of a Committee.	7
Travel Allowance	Directors coming from a different continent to attend the Board of Directors meetings are entitled to a fixed travel allowance of €2,500 per stay.	8

■ **Ian Meakins, Chairman of the Board of Directors**

DESCRIPTION	AMOUNT
Fixed annual compensation	Ian Meakins' gross annual fixed compensation amounts to €300,000, unchanged since January 1, 2021.
Variable annual compensation	Ian Meakins does not benefit from any variable annual compensation.
Deferred variable compensation	Ian Meakins does not benefit from any deferred variable compensation.
Multi-annual variable compensation	Ian Meakins does not benefit from any multi-annual variable compensation.
Exceptional compensation	Ian Meakins does not benefit from any exceptional compensation.
Benefits of any kind	Ian Meakins does not benefit from any benefit in kind.
Long-term compensation: performance share allocation	Ian Meakins does not benefit from any other long-term compensation.
Severance indemnity	Ian Meakins does not benefit from any severance indemnity.
Non-compete indemnity	Ian Meakins does not benefit from any non-compete indemnity.
Supplemental retirement scheme	Ian Meakins does not benefit from any supplemental retirement scheme.

■ **Guillaume Texier, Chief Executive Officer**

FIXED ANNUAL COMPENSATION	
DESCRIPTION	AMOUNT
Fixed annual compensation	The fixed annual compensation is set to €800,000.

VARIABLE ANNUAL COMPENSATION

Guillaume Texier's target annual variable compensation is set at 120% of his gross fixed annual compensation.

Variable compensation for 2022 is made up of 70% quantitative criteria and 30% qualitative criteria. The quantitative criteria may reach a maximum of 150% if the financial results exceed 100% of the quantitative criteria set. The individual portion of the variable compensation is capped at 100% achievement.

The maximum variable compensation may not exceed 162% of the fixed compensation.

The quantitative criteria are: volume-adjusted gross margin (40%), volume-adjusted EBITA (40%) and average operating working capital as a percentage of sales (20%).

The qualitative criteria are: digital (25%), ESG (25%), strategy (25%) and talents (25%).

DESCRIPTION	AMOUNT
The annual variable compensation is made up of two parts:	The target variable compensation is set at 120% of the gross fixed annual compensation for the duration of the mandate.
<ul style="list-style-type: none"> Quantitative Objectives: <ul style="list-style-type: none"> Target portion: 70% of annual variable target compensation $70\% \times 960,000 = €672,000$ Maximum share $70\% \times 150\% = 105\%$ of annual variable target compensation $\times 960,000 = €1,008,000$ Qualitative Objectives: <ul style="list-style-type: none"> Target portion: 30% of annual variable target compensation $30\% \times 960,000 = €288,000$ Maximum share $30\% \times 100\% = 30\%$ of annual variable target compensation $\times 960,000 = €288,000$ 	<ul style="list-style-type: none"> Target value: 120% of fixed compensation $120\% \times 800,000 = €960,000$ Maximum value: 162% of fixed compensation $(1,008,000 + 288,000) / 800,000 = 162\%$

Quantitative targets⁽¹⁾

FINANCIAL CRITERIA	WEIGHT	MINIMUM	TARGET	MAXIMUM
Adjusted margin in volume terms ⁽²⁾	40%	Payment of the first euro if the result reaches 95% target	100% payout if result reaches 100% target	Payout limited to 150% if result reaches 105% target
Adjusted EBITA in volume terms ⁽²⁾	40%	50% payment if the result reaches 95% target	100% payout if result reaches 100% target	Payout limited to 150% if result reaches 105% target
Average operating working capital requirement as a percentage of sales	20%	50% payment at the achievement of 95% of the objective	100% payout if result reaches 100% target	Payout limited to 150% if result reaches 105% target
Total⁽³⁾	100%	Calculation on a linear basis between the points.		

- (1) The criteria and the expected level of achievement are determined on an annual basis by the Board of Directors. The financial criteria are disclosed at the start of the financial year. The expected level of achievement and the performance reached are disclosed *ex-post* in this Universal Registration Document. This *ex-post* disclosure is justified by the desire to protect the Group's interests by not disclosing *ex-ante* indications on its strategy that could be exploited by its competitors.
- (2) The financial criteria for EBITA and Gross Margin are referred to as adjusted, as they are adjusted for the non-recurring effect of changes in copper prices. As a reminder, the non-recurring effect is the effect of changes in the price of copper on inventories. There is no adjustment to EBITA, nor to Gross Margin, for the so-called recurring effect of copper, *i.e.*, the impact of the variation in copper prices on sales.
- (3) As a reminder, and in line with previous years, in the event of outperformance, payments are capped at 150%. Demanding trigger thresholds will be communicated *ex-post*.

Qualitative Objectives⁽¹⁾

NON-FINANCIAL CRITERIA	WEIGHT	DESCRIPTION ⁽¹⁾
ESG	25%	<ul style="list-style-type: none"> Reduction of Rexel's operations energy consumption; Further engagement of suppliers in ESG collaboration programs; Accelerated growth of green and electrification sales.
Strategy	25%	<ul style="list-style-type: none"> Successful integration of recent acquisitions; Roll out of Power Up 2025; Strategic focus on selected vertical opportunities.
Digital	25%	<ul style="list-style-type: none"> Growth in digital sales; Further improvement of webshop user experience; Successful completion of logistics investment plan.
Talents	25%	<ul style="list-style-type: none"> Training strategy and programs in place for Rexel employees and top talents; Top managers succession planning progress.
Total	100%	

- (1) Non-financial criteria are communicated at the beginning of the financial year, based on precise, concrete and measurable objectives. The expected level of achievement and the performance achieved are communicated *ex-post* in the Universal Registration Document. This *ex-post* communication is justified by the desire to protect the Group's interests by not communicating *ex-ante* indications of its strategy that could be exploited by its competitors. As a reminder, and in line with previous years, in the event of outperformance, payments are capped at 100%.

Assuming that all of the objectives detailed above are achieved, the maximum fixed and variable annual compensation from January 1 to December 31, 2023 or, in application of the applicable compensation policy, would be as follows:



2023 FIXED COMPENSATION IN €	TARGET 2023 VARIABLE COMPENSATION AS A PERCENTAGE OF FIXED COMPENSATION	VARIABLE COMPENSATION 2023 TARGET IN €	FIXED AND VARIABLE COMPENSATION 2023 TARGET IN €	FINANCIAL PART OF TARGET VARIABLE COMPENSATION IN % AND IN €	INDIVIDUAL PORTION OF TARGET VARIABLE COMPENSATION IN % AND IN €	MAXIMUM ACHIEVEMENT OF THE FINANCIAL PORTION	MAXIMUM ACHIEVEMENT OF THE INDIVIDUAL PORTION	MAXIMUM ACHIEVEMENT OF VARIABLE COMPENSATION 2023 AS A % OF TARGET AND IN €	MAXIMUM ACHIEVEMENT OF VARIABLE COMPENSATION 2023 AS A % OF FIXED COMPENSATION AND IN €
				70%	30%	150%	100%	135%	162%
800,000	120%	960,000	1,760,000	672,000	288,000	1,008,000	288,000	1,296,000	1,296,000

EXCEPTIONAL COMPENSATION

The compensation policy provides for the possibility of paying exceptional compensation under the restrictive conditions described in section "Exceptional compensation" of paragraph 3.2.1.4 "Compensation policy applicable to the Chief Executive Officer for the 2023 financial year" of this Universal Registration Document.

RECRUITMENT INDEMNITY

The compensation policy provides for the possibility of paying a recruitment indemnity proportional to the loss actually incurred by the executive when changing duties, and in particular on the annual variable portion and long-term compensation.

BENEFITS OF ANY KIND

Guillaume Texier receives benefits in kind consisting of a company car *inter alia* (in accordance with the policy applicable to Rexel's managers).

LONG-TERM VARIABLE COMPENSATION

The Board of Directors considers that share allocation mechanisms, that also benefit to other keys functions in the company, are particularly adapted to the duties of executive corporate officer. They reflect the level of responsibility of these duties and their capacity to contribute directly to the long-term performance of the company in line with the interests of the shareholders.

The shares allotted to Guillaume Texier are fully subject to performance criteria assessed over periods of at least three years.

These shares are also allotted subject to a presence criterion of three years. As a result, the vesting period is 3 years, with no further retention period.

Furthermore, the allotment is limited by two specific caps in value and in number of shares:

- the annual value of the performance shares granted to the Chief Executive Officer in respect of a financial year may not exceed 100% of his annual fixed and variable target compensation for that financial year (as defined in section "Long-term variable compensation" of paragraph 3.2.1.6 "Summary tables of the compensation policy for the financial year 2023 – (Say on Pay Ex-ante)" of this Universal Registration Document); and
- the number of shares allotted to the corporate officers cannot exceed 10% of the total performance shares allotted to all of the beneficiaries.

The Chief Executive Officer has a lock-up obligation in respect of 20% of the shares vested in connection with these schemes until the termination of his/her duties.

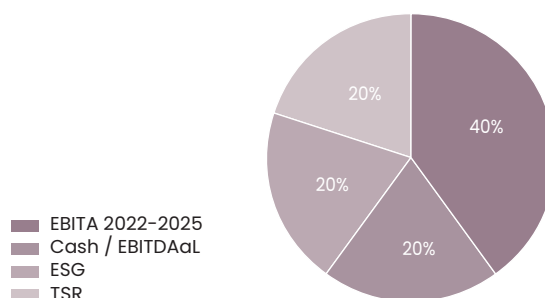
DESCRIPTION	AMOUNT
Allotments of shares fully subject to demanding performance criteria assessed over a period of 3 years (corresponding to the vesting period) and condition of presence, without additional retention period.	Maximum number of shares that may be allocated: 10% of the total amount allocated to all beneficiaries (within the overall limit of the percentage of share capital authorized by the Shareholders' Meeting of April 21, 2022) ⁽¹⁾ .
	Maximum value of the shares at grant: 100% of the annual target fixed and variable compensation of Guillaume Texier.

(1) i.e., a maximum of 0.14% of the share capital over a period of 26 months, for a maximum limit of 1.4% over the same period.

Performance criteria

CRITERIA	WEIGHT	TRIGGERING THRESHOLD	TARGET	MAXIMUM	COMMENTS
Average growth of EBITA 2022-2025	40%	50% of shares vest if the average performance reaches 85%	100% of shares vest if the target is reached	115% of shares vest if the average performance reaches at least 125% of target	Calculation on a linear basis between the points
Average between years 2023, 2024 and 2025 of the free cash flow before interest and taxes/EBITDAaL ratio	20%	50% of shares vest if the average performance reaches 90%	100% of shares vest if the target is reached	115% of shares vest if the average performance reaches at least 120% of target	Calculation on a linear basis between the points
ESG index - 6 criteria to capture the ESG roadmap roll out	20%	50% of shares vest if the average performance reaches 85%	100% of shares vest if the target is reached	115% of shares vest if the average performance reaches at least 125% of target	Calculation on a linear basis between the points
Relative performance of the Rexel share compared to the SBF 120 GR ⁽¹⁾ index	20%	Vesting equal to 50% if the performance of the Rexel share is equal to the performance of the SBF 120 GR index	Vesting equal to 100% if the performance of the Rexel share outperforms the SBF 120 GR index by 5%	Vesting equal to 115% if the performance of the Rexel share outperforms the SBF 120 GR index by 10%	
	100%	The performance level of each criterion is combined with the weight of each criterion in order to obtain a weighted global level of performance. In any case, said global level is limited to 100% of the initial allotment			

(1) The relative performance criterion of the Rexel share compared to the SBF 120 GR index has replaced the previously determined TSR criterion based on a panel of selected companies. This change is due to the difficulty to establish and update a representative panel of companies comparable to Rexel (in particular from a geographical, strategic challenges, digital transformation in product and services sales point of view). The SBF 120 GR index, which Rexel is part of, better integrates some of these criteria. The weighting of this criterion, the triggering threshold, the target and maximum vesting have been determined based on a comparable structure to that of the TSR criterion previously used, in line with market practices.



SEVERANCE AND/OR NON-COMPETITION CLAUSE

Guillaume Texier may be entitled to a severance payment upon termination of his duties as Chief Executive Officer, in accordance with the terms of the compensation policy.

The Board of Directors considered that Guillaume Texier would not be eligible for a non-compete indemnity in respect of his corporate office.

SUPPLEMENTAL RETIREMENT SCHEME

Guillaume Texier benefits from the collective medium-term savings scheme (Article 82 of the French General Tax Code). The amount of the annual contribution is calculated on the basis of a reference compensation approved by the Shareholders' Meeting.

This reference compensation is made up of two items:

- the fixed compensation effectively paid during the 2022 financial year under consideration; and
- the variable compensation effectively paid during the financial year in question, up to a maximum of 80% of the fixed salary effectively paid during the previous financial year.

The amount of the annual contribution is then determined by applying a progressive scale linked to the annual social security limit.

3.2.2 Compensation of corporate officers for the 2022 financial year (Articles L.22-10-9, I and L.22-10-34, II of the French Commercial Code)

The information in this section is required by article L.22-10-9, I of the French Commercial Code. They concern the compensation paid or allocated to the corporate officers for financial year 2022. They are submitted to the vote of the shareholders in accordance with Article L.22-10-34, II of the French Commercial Code.

Compensation and other benefits paid in 2022 or granted in respect of 2022 are in accordance with the compensation policy approved by the Company's Shareholders' Meeting in 2022.

Moreover, the performance measurement of the financial criteria is based on the Group's results as publicly disclosed and audited. The measurement of the performance of non-financial criteria is the result of a rigorous assessment by the Board of Directors. The details thereof are described within certain limits imposed by the protection of information deemed confidential in a competitive environment. In all cases, performance levels are determined in accordance with the Group's performance. They are in line with the Company's best interest, on the basis of factual and objective criteria.

3.2.2.1 Compensation and other benefits paid or allocated to Directors

Allocation rules and amount of compensation paid during the year 2022 or allocated in respect of financial year 2022

In the scope of the envelope authorized by the Shareholders' Meeting and upon the recommendation of the Nomination and Compensation Committees, the Board of Directors has decided to allocate the compensation for financial year 2022 as follows:

- Fixed portion: €40,000⁽¹⁾;
- Variable portion: €8,000 per Committee meeting, up to a maximum amount of €40,000 per member⁽²⁾;
- For the members serving as Chairman of a Committee: an additional amount of €15,000 for the chairmanship of the Nomination Committee and an additional €15,000 for the chairmanship of the Compensation Committee and an amount of €25,000 for the chairmanship of the Audit and Risk Committee;

- For the Deputy Chairman and Senior Independent Director of the Board of Directors: a fixed portion of €100,000, the variable portion remaining identical to that mentioned above. The Deputy Chairman and Senior Independent Director of the Board of Directors is not entitled to compensation in connection with the chairmanship of a Committee; and
- For members coming from a different continent to attend the Board of Directors meetings: a fixed travel allowance of €2,500 per stay.

On the recommendation of the Compensation Committee, the Board of Directors' meeting of February 15, 2023 set the compensation of the Directors and former observer as follows:

	YEAR ENDED DECEMBER 31									
	2022					2021				
	FIXED PORTION	VARIABLE PORTION	RELATIVE VARIABLE/ FIXED PROPORTION	TRAVEL ALLOWANCE	TOTAL	FIXED PORTION	VARIABLE PORTION	RELATIVE VARIABLE/ FIXED PROPORTION	TRAVEL ALLOWANCE	TOTAL
DIRECTORS										
Ian Meakins	–	–	–	–	–	–	–	–	–	–
François Henrot ⁽¹⁾	100,000	40,000	40%	–	140,000	100,000	40,000	40%	–	140,000
François Auque	65,000	40,000	62%	2,500	107,500	65,000	40,000	62%	–	105,000
Marcus Alexanderson	40,000	40,000	100%	2,500	82,500	40,000	40,000	100%	–	80,000
Julien Bonnel ⁽²⁾	40,000	40,000	100%	2,500	82,500	40,000	40,000	100%	–	80,000
Brigitte Cantaloube	40,000	40,000	100%	2,500	82,500	40,000	40,000	100%	–	80,000
Barbara Dalibard	40,000	40,000	100%	2,500	82,500	3,600	N/A	–	–	3,600
Elen Phillips	40,000	40,000	100%	5,000	85,000	40,000	40,000	100%	–	80,000
Toni Killebrew	40,000	40,000	100%	5,000	85,000	40,000	40,000	–	2,500	82,500
Maria Richter	40,000	40,000	100%	5,000	85,000	40,000	40,000	100%	2,500	82,500
Guillaume Texier ⁽⁵⁾	–	–	–	–	–	–	–	–	–	–
Agnès Touraine ⁽⁶⁾	70,000	40,000	57%	2,500	112,500	56,200	40,000	71%	–	96,200
Herna Verhagen	–	–	–	–	–	50 250	40 000	80%	–	90 250
Total					945,000					920,050

(1) Including the compensation as Deputy Chairman of the Board of Directors.

(2) The entire compensation allocated to Julien Bonnel as Director representing the employees is paid to the designated trade union. Julien Bonnel also received a compensation as employee of Rexel France SAS.

(1) The Chairman and Deputy Chairman of the Board of Directors do not qualify for this fixed portion.

(2) The Chairman of the Board of Directors does not qualify for this variable portion.

■ Summary table of compensation due to Directors and to the Observer for the last three financial years (in euros)

	YEAR ENDED DECEMBER 31		
	2022	2021	2020
DIRECTORS			
Ian Meakins	–	–	–
François Henrot ⁽¹⁾	140,000	140,000	130,000
François Auque	107,500	105,000	98,500
Marcus Alexanderson	82,500	80,000	76,000
Julien Bonnel ⁽²⁾	82,500	80,000	76,000
Brigitte Cantaloube	82,500	80,000	71,400
Barbara Dalibard	82,500	3,600	–
Elen Phillips	85,000	80,000	78,500
Toni Killebrew	85,000	82,500	4,700
Maria Richter	85,000	82,500	78,500
Guillaume Texier	–	–	–
Agnès Touraine	112,500	96,200	89,500
Herna Verhagen	–	90,250	89,500
Total	945,000	920,050	792,600

(1) Including the compensation as Deputy Chairman of the Board of Directors.

(2) The entire compensation allocated to Julien Bonnel as Director representing the employees is paid to the designated trade union. Julien Bonnel also received a compensation as employee of Rexel France SAS.

Payment of Directors' compensation would be suspended in the event of non-compliance with the parity rules.

The compensation policy does not provide for a mechanism to request the return of all or part of the variable compensation of Directors.

3.2.2.2 Compensation and other benefits paid or allocated to Ian Meakins, Chairman of the Board of Directors

Compensation and options/shares allotted during the last two financial years

(in €)	2022	2021
IAN MEAKINS		
Compensation allocated in respect of the financial year	300,000	300,000
Valuation of the options allocated during the financial year	N/A	N/A
Valuation of the performance shares allocated during the year	N/A	N/A
Total	300,000	300,000

Gross compensation over the last two financial years summary table

(in €)	2022		2021	
	COMPENSATION ALLOCATED IN RESPECT OF THE FINANCIAL YEAR	COMPENSATION PAID DURING THE FINANCIAL YEAR	COMPENSATION ALLOCATED IN RESPECT OF THE FINANCIAL YEAR	COMPENSATION PAID DURING THE FINANCIAL YEAR
IAN MEAKINS				
Fixed compensation	300,000	300,000	300,000	300,000
Variable compensation	N/A	N/A	N/A	N/A
Activity compensation	N/A	N/A	N/A	N/A
Benefits in kind	N/A	N/A	N/A	N/A
Total	300,000	300,000	300,000	300,000

Fixed compensation

In view of market practices and the new non-executive functions assumed by Ian Meakins since December 1, 2020, the gross annual fixed

compensation of Ian Meakins has been reduced to €300,000 as of January 1, 2021.

Annual variable compensation

Ian Meakins does not benefit from any annual variable compensation.

Other compensation items

Ian Meakins does not benefit from any other compensation items.

■ Employment agreement/supplemental retirement plan/severance indemnities/non-compete clause

	EMPLOYMENT AGREEMENT	SUPPLEMENTAL RETIREMENT PLAN	SEVERANCE INDEMNITIES	NON-COMPETE CLAUSE
Ian Meakins	No	No	No	No

3.2.2.3 Compensation and other benefits paid or allocated to Guillaume Texier, Chief Executive Officer

Compensation and options/shares allotted during the last two financial years

(in €)	2022	2021
GUILLAUME TEXIER		
Compensation allocated in respect of the financial year	2,048,528	701,985
Valuation of the options allocated during the financial year	N/A	N/A
Valuation of the performance shares allocated during the year ⁽¹⁾	1,725,000	565,250
Recruitment allowance	N/A	800,000
Retirement plan (art. 82)	150,697	N/A
Total	3,924,225	2,067,235

(1) Valuation based on the IFRS 2 fair value recorded for the consolidated financial statements (€16.15 for 2021 and €17.25 for 2022).

Gross compensation over the last two financial years summary table

(in €)	2022		2021	
	COMPENSATION ALLOCATED IN RESPECT OF THE FINANCIAL YEAR	COMPENSATION PAID DURING THE FINANCIAL YEAR	COMPENSATION ALLOCATED IN RESPECT OF THE FINANCIAL YEAR	COMPENSATION PAID DURING THE FINANCIAL YEAR
GUILLAUME TEXIER				
Fixed compensation	800,000	800,000	266,667 ⁽¹⁾	266,667 ⁽¹⁾
Variable compensation	1,219,190	427,745	427,745 ⁽²⁾	N/A
Activity compensation	N/A	N/A	N/A	N/A
Benefits in kind	29,338	29,338	7,573	7,573
Recruitment allowance	N/A	800,000	800,000	N/A
Retirement plan (art. 82)	150,697	150,697	N/A	N/A
Total	2,199,225	2,207,780	1,501,985	274,240

(1) After *prorata* adjustment of €800,000 corresponding to the fixed annual compensation for the period from January 1, 2021 to December 31, 2021, in accordance with the compensation policy applicable to the Chief Executive Officer for financial year 2021, from the appointment of Guillaume Texier as Chief Executive Officer.

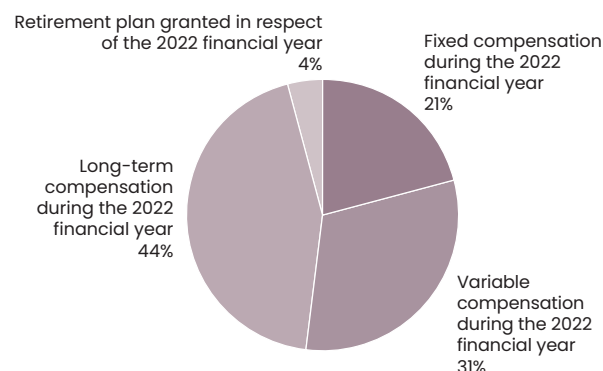
(2) Payment approved by the Shareholders' Meeting of April 21, 2022.

Compensation structure

The main compensation of the Chief Executive Officer is made of :

- a fixed compensation paid during the 2022 financial year;
- an annual variable compensation for the 2022 financial year;
- a long-term compensation granted in respect of the 2022 financial year; and
- a retirement plan (art. 82) granted in respect of the 2022 financial year.

The allotment of these fixed, annual target-based compensation and performance shares is presented below. According to the graph below, 79% of the compensation of the Chief Executive Officer is subject to performance criteria (mainly financial).



For the visibility of the graph above, the amount of the benefit in kind (company car and officer/manager GSC insurance) included into the fixed compensation is equal to €29,338 for the financial year ended December 31, 2022.

Fixed compensation

The annual gross fixed compensation of Guillaume Texier has been determined at €800,000.

Annual variable compensation

2022 – Reminders and background information

The annual variable target-based compensation of Guillaume Texier has been determined at 120% of the annual fixed compensation.

The annual variable target-based compensation has been assessed based on:

- Quantitative targets of 70%; and
- Qualitative targets of 30%.

The quantitative targets set for 2022 were volume-adjusted gross margin (40%), volume-adjusted EBITA (40%) and average operating working capital (20%).

These targets were capped at a maximum of 150%, if they exceed 100% of the targets.

The qualitative targets set for 2022 were sustainable development (25%), strategic roadmap (25%), digital transformation (25%), and Talent management (25%).

These targets were capped at a maximum of 100%, of achievement.

Therefore, the maximum variable compensation represented 162% of the fixed compensation.

Performance assessment for 2022

On February 15, 2023, the Board of Directors assessed the performance of the Chief Executive Officer and determined an overall performance of 127% of the target variable compensation, *i.e.* a gross amount of €1,219,190 to be paid in consideration of the 2022 financial year. Thus, the variable compensation set by the Board of Directors for the Chief Executive Officer represents 152.40% of his fixed compensation.

In accordance with the provisions of Article L.22-10-34 of the French Commercial Code, the payment of the 2022 variable compensation will be subject to the approval of the Combined Shareholders' Meeting of April 20, 2023.

The achievement levels for the 2022 criteria referred to above are as follows:

2022 FIXED COMPENSATION IN €	2022 TARGET VARIABLE COMPENSATION IN PERCENTAGE OF THE FIXED COMPENSATION	2022 TARGET VARIABLE COMPENSATION IN €	QUANTITATIVE PART OF THE TARGET VARIABLE COMPENSATION (%)	QUALITATIVE PART OF THE TARGET VARIABLE COMPENSATION (%)	2022 RESULT QUANTITATIVE PART	2022 RESULT QUALITATIVE PART	ACHIEVEMENT OF THE 2022 QUANTITATIVE PART	ACHIEVEMENT OF THE 2022 QUALITATIVE PART	TOTAL ACHIEVEMENT AS A PERCENTAGE OF THE TARGET VARIABLE COMPENSATION	AMOUNT IN € TO BE PAID IN RESPECT OF 2022 VARIABLE COMPENSATION
A	B	(A x B) = C	D	E	F	G	(D x F) = H	(E x G) = I	(H + I) = J	(C x J)
800,000	120%	960,000	70%	30%	142.32%	91.25%	99.62%	27.38%	127.0%	1,219,190

Performance analysis

The Board of Directors assessed the performance for the financial year 2022 on the basis of the objectives described below.

Details concerning the 2022 quantitative targets:

2021 CRITERIA	WEIGHT	2022 OBJECTIVES	MINIMUM	TARGET	MAXIMUM	ACHIEVED 2022		
						LEVEL OF PERFORMANCE IN % OF OBJECTIVES	PAYMENT LEVEL BEFORE WEIGHTING	LEVEL OF PERFORMANCE IN % OF OBJECTIVES
Adjusted gross margin in volume	40%	4,212.9	Payment of the 1 st euro if the result has reached 95% of the objective	100% payment if result reaches 100% of target	Payment capped at 150% if result reaches 105% of target	110.86%	150.00%	60.00%
Adjusted EBITA by volume	40%	1,025.6	Payment at 50% if the result has reached 95% of the objective	100% payment if result reaches 100% of target	Payment capped at 150% if result reaches 105% of target	117.76%	150.00%	60.00%
Average operating working capital	20%	14.49%	Payment at 50% if the result has reached 95% of the objective	100% payment if result reaches 100% of target	Payment capped at 150% if result reaches 105% of target	103.00%	111.59%	22.35%
100%		Linear calculation between points					142.32%	

Details regarding 2022 qualitative targets:

NON-FINANCIAL CRITERIA	WEIGHTING	DESCRIPTION	PERFORMANCE	WEIGHTED PERFORMANCE
Sustainable development	25%	<ul style="list-style-type: none"> Scope 1&2 roadmap accelerated (from -35% to -60% in 2030) and validated net zero SBTi More than 70% of Rexel's suppliers have signed a specific ESG charter Internal mobilization around ESG: climate school launched, more than 80% of employees considering Rexel as an environmentally friendly company More than 15% of sales in green and electrification products, growing at more than 20% 	95%	23.75%
Strategic roadmap	25%	New strategic plan "Power Up 2025" developed, implemented, and presented to the financial markets in June 2022	100%	25%
Digital transformation	25%	<ul style="list-style-type: none"> Increase of digital sales by >25% (total digital sales now >25% of total sales) 20 specific data tools deployed over 2022 	80%	20.00%
Talent management	25%	<ul style="list-style-type: none"> Excellent engagement results (+6%) Renewed executive committee in place Talend development and succession planning strategy presented to the board and rolled out 	90%	22.5%
Total	100%			91.25%

All of the data reviewed by the Board of Directors reflect the successful achievement of the objectives and ambitions set by the Board of Directors have been successfully achieved, as reflected in the performance of the Chief Executive Officer for the financial year 2022.

Recruitment Allowance

In accordance with the compensation policy adopted by the Board of Directors at its meeting of March 25, 2021 and approved by the Shareholders' Meeting of April 22, 2021, Guillaume Texier was paid a recruitment allowance of €800,000, which is less than 50% to the estimated losses of long-term variable compensation (corresponding to the benefit of bonus share plans for the last three years) suffered by Guillaume Texier as a result of the termination of his duties within the Saint-Gobain Group. This payment was made after the

approval of Guillaume Texier's compensation by the Shareholders' Meeting of April 21, 2022. It is in the best interest of the Group insofar as it enables the Group to attract profiles with the skills and experience required to perform the duties of Chief Executive Officer of Rexel. It is specified that this payment does not exceed the ceiling of two thirds of two years of total compensation of the previous position.

This allowance was paid after the approval of the Shareholders' Meeting of April 21, 2022.

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Refund clause

The compensation policy does not provide for a mechanism to request the return of all or part of the Chief Executive Officer's variable compensation.

3

Other compensation items for the period under review

The various benefits in kind were as follows:

- health coverage/providence; health check-up;
- GSC insurance (€19,594 for 2022);

- basic and supplementary pension scheme;
- tax and pension assistance; and
- provision of a company car (€9,744 for 2022).

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Long-term compensation: stock options and performance shares

Share subscription or purchase options

No stock options have been granted to Guillaume Texier by Rexel or by any company of the Rexel Group for the financial year ended December 31, 2022.

No stock options were exercised for the year ended December 31, 2022.

Rexel's insider trading policy includes a commitment for corporate officers not to use options to hedge

their risk on options, shares resulting from the exercise of options or on performance shares.

Allocation of performance shares

In accordance with the 2022 compensation policy, Guillaume Texier is eligible for the annual performance share plans, a historical mechanism for motivating and retaining Group employees and managers. For 2022, the Chief Executive Officer benefited of a grant of 100,000 shares.

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The number of performance shares granted during the financial year ending December 31, 2022 to Guillaume Texier by Rexel and by any company of the Rexel Group is detailed below:

AWARDED	DATE OF GRANT	NAME OF THE PLAN	NUMBER OF SHARES	VALUATION OF SHARES GRANTED ⁽¹⁾	DATE OF VESTING	DATE OF TRANSFERABILITY
Guillaume Texier	April 21, 2022	2022 Plan 3+0	100,000	€17.25	April 21, 2025	April 22, 2025

(1) Valuation based on the IFRS 2 fair value used for the consolidated financial statements (17.25 euros in 2022).

The number of shares granted and their value at grant are below the limits set by the Board of Directors. In particular, in accordance with the compensation policy, the 100% limit is equal to €1,760,000 based on the fixed and variable annual compensation for 2022.

The performance criteria used and the method applied to determine their impact on the future vesting of the performance shares granted during the financial year ended December 31, 2022 are detailed in section 3.7.2.6 "Allocation of free shares" of this Universal Registration Document.

History of the performance shares granted, vested or transferable during the financial year ended December 31, 2022 for Guillaume Texier

DATE OF GRANT OF THE PLAN	APRIL 21, 2022	OCTOBER 20, 2021
Number of shares granted	100,000	35,000
Date of acquisition	April 21, 2025	October 20, 2024
Performance rate	N/A	N/A
Number of vested shares	N/A	N/A
Date of transferability	April 22, 2025	October 21, 2024
Number of shares forfeited as of December 31, 2022	0	0

Pension Plan – Group Medium Term Savings Plan

The Board of Directors wished to introduce, as from 2016, a scheme enabling executives to build up a progressive medium-term savings plan (Article 82 of the French General Tax Code). This scheme provides for the payment of an annual contribution to the executive.

Guillaume Texier has benefited from this scheme in his capacity as Chief Executive Officer since January 1, 2022.

The annual contribution is calculated on the basis of the reference compensation, which consists of the fixed and variable compensation effectively paid during the financial year in question.

It should be noted that the amount of variable compensation is capped at 80% of the fixed

compensation effectively paid for the previous financial year.

For the 2022 financial year, the amount of the annual contribution paid amounts to €150,697.

The reference compensation effectively paid for financial year 2022 used as a basis for calculation is composed of the following elements:

- Fixed compensation paid in 2022: €800,000;
- Variable compensation paid in 2022, capped at 80% of the fixed annual reference compensation: €213,334.

For the record, the variable compensation paid in 2022 was approved by the shareholders at the Shareholders' Meeting of April 21, 2022.

Severance pay and/or non-compete indemnity

The compensation policy for executive corporate officers defined by the Board of Directors provides for the payment of severance pay and/or compensation for non-compete under certain conditions.

In order to protect the interests of shareholders and the competitiveness of the Group, the Board of Directors, after receiving the favorable opinion of the Compensation Committee, may provide for the payment of a severance payment and/or a non-compete indemnity, within the limits provided for in article R.22-10-14, III of the French Commercial Code and the guidelines provided for in article 24 of the AFEP-MEDEF Code in force.

In accordance with the guidelines of article 25.5 of the AFEP-MEDEF Code, severance payments and/or non-compete indemnities would be capped at 18 months of the reference monthly compensation of the relevant corporate officer (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 payments received, excluding any exceptional bonus, divided by 12. In the event that the corporate officer is removed from office or his/her term of office is not renewed due to an acquisition or change of control before he/she has received gross annual variable compensation for two financial years, the monthly reference compensation will be defined as the sum of (i) the last gross annual fixed compensation received divided by 12, and (ii) the amount corresponding to any variable compensation (excluding any exceptional bonus) awarded to the corporate officer until the date of termination of his/her duties, divided by the number of whole months elapsed between the date of taking office and the date of termination of his duties).

Severance payments may only be paid in the event of dismissal, other than for gross negligence or gross misconduct, from 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 such indemnities.

By exception, severance payments may apply if the non-renewal of the term of office of the Chief Executive Officer results from an acquisition or change of control of Rexel within the meaning of Article L.233-3 of the French Commercial Code for the benefit of any person acting alone or in concert, including as a result of a public bid under French regulations.

Severance pay is not payable in the event of resignation, dismissal for serious or gross misconduct, retirement or non-renewal of a corporate officer's term of office. The position adopted by the Board of Directors is more restrictive than the guidelines set out in article 25.5.1 of the AFEP-MEDEF Code, which provide for the payment of severance pay in the event of forced departure, "regardless of the form of the departure".

In addition, in accordance with the provisions of article R.22-10-14, III of the French Commercial Code, the payment of a non-compete indemnity is excluded if the Chief Executive Officer exercises his/her right to retire after the termination of his/her duties in the Company.

The payment of these indemnities is also subject to performance conditions assessed over two years, as described below:

- The payment of 60% of the indemnity would depend on the EBITA level of the Rexel Group. This payment would be due up to 100% if the EBITA level, calculated on the basis of Rexel's audited consolidated financial statements for the last two financial years preceding the date of termination of the corporate mandate reached at least on average 60% of the budgeted values for these two years.
- The payment of 40% of the indemnity would depend on the level of the average operating working capital of the Rexel Group. This payment would be due up to 100% if the level of average operating working capital, calculated on the basis of the audited consolidated financial statements of Rexel for the last two financial years preceding the date of termination of the corporate office, reached on average 125% of the budgeted performance for these two financial years.

The Board of Directors reserves the right to waive the non-compete indemnity⁽¹⁾ upon the departure of the corporate officer.

The Board of Directors may decide that a corporate officer will not be eligible for severance pay and/or non-compete indemnity in respect of his/her

corporate office, taking into account particular situations (profile, career, etc.).

Accordingly, the Board of Directors considered that the Chief Executive Officer, Guillaume Texier, is not eligible for a non-compete indemnity in connection with the termination of his duties as Chief Executive Officer, considering his career and profile.

■ Employment contract / supplementary pension plan / termination benefits / non-compete clause

	WORK CONTRACT	SUPPLEMENTARY PENSION PLAN	INDEMNITY RELATED TO THE TERMINATION OF EMPLOYMENT	INDEMNITY RELATED TO A NON-COMPETE CLAUSE
Guillaume Texier	No	No	Yes No payment for financial year 2022	No

3.2.2.4 Compensation and other benefits paid or allocated to Patrick Berard, Chief Executive Officer until September 1, 2021

Gross compensation over the last two financial years summary table

During the financial year ended December 31, 2022, Patrick Berard received the variable portion of his compensation due for the financial year ended December 31, 2021.

	2022		2021	
	COMPENSATION ALLOCATED IN RESPECT OF THE FINANCIAL YEAR	COMPENSATION PAID DURING THE FINANCIAL YEAR	COMPENSATION ALLOCATED IN RESPECT OF THE FINANCIAL YEAR	COMPENSATION PAID DURING THE FINANCIAL YEAR
<i>(in €)</i>				
PATRICK BERARD				
Fixed compensation	-	-	466,667 ⁽¹⁾	466,667 ⁽¹⁾
Variable compensation	-	1,485,402 ⁽³⁾	825,522 ⁽²⁾	-
Activity compensation	-	-	N/A	N/A
Benefits in kind	-	-	4,901	4,901
Total	-	1,485,402	1,297,090	471,568

(1) After *prorata* adjustment of €700,000 corresponding to the fixed annual compensation for the period from January 1, 2021 to December 31, 2021, in accordance with the compensation policy applicable to the Chief Executive Officer for financial year 2021, until the end of Patrick Berard's term of office as Chief Executive Officer.

(2) Payment submitted to the prior approval of the Shareholders' Meeting of April 21, 2022.

(3) Payments approved by the Shareholders' Meeting of April 22, 2021 and the Shareholders' Meeting of April 21, 2022. This amount includes the variable compensation due in respect of the financial year ended December 31, 2021 and the variable compensation due in respect of the financial year ended December 31, 2020 which was not paid during the financial year ended December 31, 2021 but during the financial year ended December 31, 2022.

(1) For a limited period of 12 months.

3.2.2.5 Summary tables concerning compensation paid or allocated to the corporate officers

Summary table of compensation, options and shares allocated to each corporate officer

A summary of all of the compensation items due or allocated to the managing corporate officers by the companies of the Rexel Group in respect of the

financial years ended December 31, 2022 and December 31, 2021 is shown in the table below:

	FINANCIAL YEAR ENDED DECEMBER 31,	
	2022	2021
IAN MEAKINS		
Compensation allocated in respect of the financial year ⁽¹⁾	€300,000	€300,000
Valuation of the options allocated during the financial year	N/A	N/A
Valuation of the performance shares allocated during the year ⁽²⁾	N/A	N/A
Total	€300,000	€300,000
GUILLAUME TEXIER⁽³⁾		
Compensation awarded for the year ⁽¹⁾	€2,048,528	€701,985
Valuation of options granted during the year	N/A	N/A
Valuation of performance shares allocated during the year ⁽²⁾	€1,725,000	€565,250
Recruitment indemnity	N/A	€800,000
Retirement plan (art. 82)	€150,697	N/A
Total	€3,924,255	€2,067,235
PATRICK BERARD⁽⁴⁾		
Compensation paid in respect of the financial year ⁽¹⁾	-	€1,297,090
Valuation of the options allocated during the financial year	-	€0
Valuation of the performance shares allocated during the year ⁽²⁾	-	N/A
Total	-	€1,297,090

(1) See paragraph 3.2.2 "Compensation of corporate officers for the financial year 2022 (articles L.22-10-9, I and L.22-10-34, II of the French Commercial Code)" of this Universal Registration Document.

(2) Valuation based on the IFRS 2 fair value determined for the consolidated financial statements (€17.25 for 2022 and €16.15 for 2021).

(3) Chief Executive Officer from September 1, 2021.

(4) Chief Executive Officer until August 31, 2021.

Summary table of the compensation of each corporate officer

	FINANCIAL YEAR ENDED DECEMBER 31,			
	2022		2021	
	ALLOCATED IN RESPECT OF THE FINANCIAL YEAR	PAID DURING THE FINANCIAL YEAR	ALLOCATED IN RESPECT OF THE FINANCIAL YEAR	PAID DURING THE FINANCIAL YEAR
IAN MEAKINS				
Fixed compensation	€300,000	€300,000	€300,000	€300,000
Variable annual compensation	–	–	–	–
Exceptional compensation	–	–	–	–
Activity compensation	–	–	–	–
Benefits in kind	–	–	–	–
Total	€300,000	€300,000	€300,000	€300,000
GUILLAUME TEXIER				
Fixed compensation	€800,000	€800,000	€266,667	€266,667
Annual variable compensation	€1,219,190	€427,745	€427,745 ⁽¹⁾	–
Exceptional compensation	–	€800,000 ⁽²⁾	€800,000 ⁽²⁾	–
Activity compensation	–	–	–	–
Retirement plan	€150,697	€150,697	–	–
Benefits in kind	€29,338	€29,338	€7,573	€7,573
Total	€2,199,255	€2,207,780	€1,501,985	€274,240
PATRICK BERARD				
Fixed compensation	–	–	€466,667	€466,667
Variable annual compensation	–	€1,485,402 ⁽³⁾	€825,522 ⁽¹⁾	–
Exceptional compensation	–	–	–	–
Activity compensation	–	–	–	–
Benefits in kind	–	–	€4,901	€4,901
Total	–	€1,485,402	€1,297,090	€471,568

(1) Variable compensation due in respect of the financial year ended December 31, 2021 and paid during the financial year ended December 31, 2022 after prior approval of the Shareholders' Meeting of April 21, 2022.

(2) Start-up allowance granted in respect of the financial year ended December 31, 2021 and paid during the financial year ending December 31, 2022 after prior approval by the Shareholders' Meeting of April 21, 2022.

(3) This amount includes the variable compensation due in respect of the financial year ended December 31, 2021 and the variable compensation due in respect of the financial year ended December 31, 2020 which was not paid during the financial year ended December 31, 2021 but during the financial year ended December 31, 2022.

3.2.2.6 Compensation ratio (article L.22-10-9 of the French Commercial Code)

Pursuant to the provisions of Article L.22-10-9 of the French Commercial Code, this report deals with information relating to compensation ratios and changes in compensation compared with the Company's performance.

Compensation ratios

It should be noted at the outset that "Rexel SA" does not have any employees, which makes it impossible to apply the provisions of the law. Consequently, in application of the guidelines in

force, the scope of consolidation is composed of the two entities "Rexel France SAS" and "Rexel Développement SAS".

This scope represents more than 80% of the employees present on French territory. It is in line with provisions of article 26.2 of the AFEP-MEDEF Code. The sample is considered to be representative of the Group's entire population. Indeed, based on the information available through the Group's social reporting tool ("Enablon"), the Group's median and average salaries would be

close to the median and average salaries of the sample selected. This constant is consistent with the Group's geographic positioning. In fact, more than 80% of the workforce are concentrated in the following countries: United States, France, United Kingdom, Canada, Germany, Australia, Sweden, Switzerland and Austria. In these countries observed wages are consistent with or even higher than those observed in France.

The scope of consolidation includes only employees:

- with French open-ended employment contracts;

- present over two full financial years;
- for all financial years under consideration.

In addition, the various ratios have been calculated on the basis of the compensation effectively paid for the corresponding financial year. This compensation takes into account bonuses paid as well as performance shares delivered during the relevant financial year. The pension elements have not been taken into consideration.

Finally, the Group will be attentive to legislative changes and recommendations of the AFEF-MEDEF for the determination of the information concerned.

	FINANCIAL YEAR				
	2022	2020	2019	2018	2017
IAN MEAKINS⁽¹⁾					
<i>Compensation paid during financial years</i>					
Ratio average compensation	6	7	10	12	11
Ratio median compensation	7	8	13	15	14
GUILLAUME TEXIER⁽²⁾					
<i>Compensation paid during financial years</i>					
Ratio average compensation	23	18			
Ratio median compensation	30	22			
PATRICK BERARD⁽³⁾					
<i>Compensation paid during financial years</i>					
Ratio average compensation		45	44	44	39
Ratio median compensation		56	54	54	49

(1) Ian Meakins was appointed to the position of Chairman of the Board on July 1, 2016.

(2) Guillaume Texier serves as Chief Executive Officer as of September 1, 2021, replacing Patrick Berard.

(3) Patrick Bérard has served as Chief Executive Officer until September 1, 2021, when he was succeeded by Guillaume Texier.

Additional comments:

- Changes in the compensation ratio for the Chairman of the Board of Directors

For the record, Ian Meakins' compensation has been reduced to €300,000 as of 2021, in view of his new duties. This reduction in compensation explains the decrease in the ratio.

The average compensation paid to an employee based on the methodology used increased during the 2022 financial year.

- Evolution of the compensation ratio for the Chief Executive Officer

Guillaume Texier assumed his duties as Chief Executive Officer of the Group on September 1,

2021. This explains the absence of information for previous years. The absence of variable compensation paid in 2021 explains the increase in the ratio for the year 2022.

Lastly, Guillaume Texier did not receive any free shares in respect of financial year 2022. The first delivery of shares would take place in 2024.

Annual changes in compensation and performance

The Executive Compensation Order also provides for "the presentation of annual changes in compensation, the company's performance, the average compensation over at least the five most recent financial years, presented together and in a manner that allows for comparison".

The following information presents the evolution of the Group's performance:

	2022	2021	2020	2019	2018
Revenue	27.31%	16.70%	-8.35%	2.82%	0.47%
EBITA	39.55%	79.46%	-20.74%	7.10%	6.48%

The following information presents the evolution of the compensation of the Chief Executive Officer, the President of the Board and the employees. Given the appointment of Guillaume Texier as Chief Executive Officer on September 1, 2021, the period from 2018 to 2020 reflects the evolution of the

remuneration during the term of Patrick Bérard as Chief Executive Officer, the year 2021 reflects the evolution of the remuneration during the terms of Patrick Bérard (until September 1, 2021) and Guillaume Texier (from September 1, 2021), and the year 2022 reflects the term of Guillaume Texier.

	2022	2021	2020	2019	2018
Evolution of the compensation (%) of the Chief Executive Officer	-11%	+13%	-13%	-12%	+70%
Evolution of the compensation (%) of the President of the Board	0.00%	-33.33%	0.00%	0.00%	0.00%
Evolution of the average compensation (%) of the employees	11.17%	4.51%	5.77%	-4.80%	0.74%

3.2.3 Fixed, variable and exceptional items making up total compensation and benefits of any kind paid during financial year 2022 or allocated in respect of financial year 2022 and subject to shareholders' approval (Article L.22-10-34, II of the French Commercial Code)

The fixed, variable and exceptional items making up the total compensation and benefits of any kind paid during financial year 2022 or allocated for financial year 2022 to the Chairman of the Board of

Directors and the Chief Executive Officer, subject to shareholder approval in accordance with Article L.22-10-34, II of the French Commercial Code, are presented below.

Fixed, variable and exceptional items making up the total compensation and benefits of any kind paid during financial year 2022 or awarded in respect of financial year 2022 to Ian Meakins, Chairman of the Board of Directors, submitted for approval by the shareholders at the Shareholders' Meeting (9th resolution):

Ian Meakins (Non-executive Chairman of the Board of Directors) for the financial year ended December 31, 2022

COMPENSATION ITEMS PAID OR ALLOCATED SUBMITTED TO THE VOTE	AMOUNT OR ACCOUNTING VALUATION		PRESENTATION
	AMOUNT ALLOCATED IN RESPECT OF FINANCIAL YEAR 2022	AMOUNT PAID DURING FINANCIAL YEAR 2022	
Fixed annual compensation	€300,000	€300,000	<p>The amount of fixed compensation awarded to the Chairman of the Board of Directors amounted to €500,000 until December 31, 2020, in application of the compensation policy applicable during the financial year.</p> <p>The Board of Directors has decided, in full agreement with Ian Meakins, to reduce the gross annual fixed compensation of the Chairman of the Board of Directors to €300,000 as of January 1, 2021.</p> <p>This compensation had been determined by the Board of Directors taking into account market practices and the new non-executive duties assumed by Ian Meakins since December 1, 2020.</p> <p>See paragraph 3.2.2.5 "Summary tables relating to compensation paid or allocated to the corporate officers" of this Universal Registration Document.</p>
Variable annual compensation	Not applicable		Ian Meakins does not benefit from any variable annual compensation.
Deferred variable compensation	Not applicable		Ian Meakins does not benefit from any deferred variable compensation.
Multi-annual variable compensation	Not applicable		Ian Meakins does not benefit from any multi-annual variable compensation.
Exceptional compensation	Not applicable		Ian Meakins does not benefit from any exceptional compensation.
Benefits of any kind	Not applicable		Ian Meakins does not benefit from any benefit in kind.
Valuation of the long-term compensation: allocation of performance shares	Not applicable		Ian Meakins does not benefit from any long-term compensation item.
Severance indemnities	Not applicable		Ian Meakins does not benefit from any severance indemnity.
Non-compete indemnity	Not applicable		Ian Meakins does not benefit from any non-compete indemnity.
Supplemental retirement plan	Not applicable		Ian Meakins does not benefit from any supplemental retirement plan.

Fixed, variable and exceptional items making up the total compensation and benefits of all kinds paid during financial year 2022 or allocated in respect of financial year ended December 31, 2022, to Guillaume Texier as Chief Executive Officer, submitted to the shareholders' approval at the Shareholders' Meeting (10th resolution):

Guillaume Texier (Chief Executive Officer) for the financial year ended December 31, 2022

COMPENSATION ITEMS PAID OR ALLOCATED SUBMITTED TO THE VOTE	AMOUNT OR ACCOUNTING VALUATION		PRESENTATION
	AMOUNT ALLOCATED IN RESPECT OF FINANCIAL YEAR 2022	AMOUNT PAID DURING FINANCIAL YEAR 2022	
Fixed annual compensation	€800,000	€800,000	See paragraph 3.2.2.5 "Summary tables relating to compensation paid or allocated to the corporate officers" of this Universal Registration Document.
Variable annual compensation for the 2022 financial year	€1,219,190	€427,745	<p>The gross variable annual compensation in respect of the financial year ended on December 31, 2022 determined by the Board of Directors of February 10, 2023, amounts to €1,219,190.</p> <p>The variable compensation was based for 70% on quantitative criteria and for 30% on qualitative criteria. Quantitative performance stood at 142.35% and qualitative performance stood at 91.25%.</p> <p>This amount thus corresponds to 127% of the target variable compensation (the target variable compensation was determined at 120% of the fixed annual compensation), i.e. 152.40% of the fixed compensation for the relevant period.</p> <p>For details on the calculation of the variable compensation for 2022, please see paragraph 3.2.2.3 "Compensation and other benefits paid or allocated to Guillaume Texier, Chief Executive Officer", of this Universal Registration Document.</p> <p>In accordance with the provisions of Article L22-10-34 of the French Commercial Code, the payment of the 2022 variable compensation is subject to the approval of the Shareholders' Meeting of April 20, 2023.</p> <p>The variable annual compensation allocated in respect of financial year 2021 (€427,745) was approved by the Shareholders' Meeting of April 21, 2022.</p>
Pluriannual variable compensation	Not applicable		Guillaume Texier does not benefit from any pluri-annual variable compensation.
Exceptional compensation	Not applicable		Guillaume Texier does not benefit from any exceptional compensation in respect of his corporate office.
Valuation of benefits in kind	€29,338		<p>Guillaume Texier received benefits in kind including the provision of a company car (9,744 euros) as well as the GSC benefit (19,594 euros).</p> <p>See paragraph 3.2.2.3 "Compensation and other benefits paid or allocated to Guillaume Texier, Chief Executive Officer" of this Universal Registration Document.</p>

Guillaume Texier (Chief Executive Officer) for the financial year ended December 31, 2022

COMPENSATION ITEMS PAID OR ALLOCATED SUBMITTED TO THE VOTE	AMOUNT OR ACCOUNTING VALUATION		PRESENTATION
	AMOUNT ALLOCATED IN RESPECT OF FINANCIAL YEAR 2022	AMOUNT PAID DURING FINANCIAL YEAR 2022	
Valuation of long-term compensation: grant of performance shares	€1,725,000 <i>(valuation based on the IFRS 2 fair value used for the consolidated financial statements, i.e. €17.25 for 2022)</i>		<p>Pursuant to the authorization granted by Rexel's Shareholders' Meeting of April 21, 2022, the Board of Directors decided on April 21, 2022 to grant Rexel performance shares.</p> <p>In this context, 100,000 shares, fully subject to performance conditions, were granted to Guillaume Texier in 2022.</p> <p>This number of shares is the maximum number that may be vested in the event of outperformance of the performance criteria and corresponds to a maximum vesting percentage of 100%, i.e., €1,760,000 on the basis of the fixed and variable annual compensation for 2022.</p> <p>The specific allocation limits for corporate officers have been complied with:</p> <ul style="list-style-type: none"> the annual value of the performance shares granted is less than 100% of the annual fixed and variable compensation target for that financial year (i.e., €1,760,000); and the number of shares granted to Guillaume Texier is less than 10% of the total number of shares granted to all beneficiaries. <p>The vesting of the shares granted to Guillaume Texier is fully subject to the presence and performance criteria assessed over a three-year period as described in the applicable compensation policy.</p>
Recruitment allowance	-	€800,000	In accordance with the compensation policy adopted by the Board of Directors at its meeting of March 25, 2021 and approved by the Shareholders' Meeting of April 22, 2021, Guillaume Texier was paid a recruitment allowance of €800,000 further to the approval of the Shareholders' Meeting of April 21, 2022.
Severance indemnity	Not applicable		Guillaume Texier would be eligible for a severance indemnity in respect of his corporate office capped at a sum not exceeding 18 months of the monthly reference compensation.
Non-compete indemnity	Not applicable		Guillaume Texier is not entitled to any non-compete indemnity in respect of his office.
Supplemental retirement plan	€150,697		<p>In accordance with the compensation policy adopted by the Board of Directors at its meeting of February 10, 2022 and approved by the General Meeting of April 21, 2022, Guillaume Texier was paid an annual bonus linked to the supplementary pension plan (art. 82) for an amount of 150,697 euros.</p> <p>See paragraph 3.2.2.3 "Compensation and other benefits paid or allocated to Guillaume Texier, Chief Executive Officer" of this Universal Registration Document.</p>

3.3 Ordinary agreements and related-party transactions

3.3.1 Ordinary agreements

Rexel has set up an internal control procedure with respect to ordinary course agreements and regulated agreements.

This procedure has been established in accordance with applicable regulations as resulting from the law No. 2019-486 to favor the growth and the transformation of enterprises of May 22, 2019 (known as *Loi PACTE*). It also relies on marketplace recommendations, in particular the recommendation from the French *Autorité des marchés financiers* No. 2012-05 of July 2, 2012, as amended on October 5, 2018.

In a joint-stock company with a Board of Directors, agreements referred to under article L.225-38 of the French Commercial Code, are referred to as “related-party agreements”. They are subject to a specific procedure and must be submitted to the prior approval of the Board of Directors and covered by a special report from the auditors with a view to submit them to the approval of the Shareholders’ Meeting.

The following are excluded from this control procedure:

- Agreements relating to ordinary course transactions and entered into under normal conditions; and

- Intragroup transactions between two companies, one of which company holding directly or indirectly 100% of the share capital of the other company.

The internal procedure thus describes:

1. the relevant parties and the criteria to be considered to qualify an ordinary course transaction and a transaction entered into under normal conditions;
2. the procedure to identify the agreements. It relies on an assessment conducted by the General Secretary and the Legal Department of Rexel with the support of the relevant teams. It also includes a review of ordinary course transactions entered into under normal conditions at least once per year; and
3. the specific procedures to be applied depending on whether the agreement is:
 - an ordinary course transaction entered into normal conditions, submitted to an annual review of the Board of Directors; or
 - a regulated agreement, submitted to the prior approval of the Board of Directors and the approval of the Shareholders’ Meeting as well as an annual review.

3.3.2 Main related-party transactions

The material agreements entered into between Rexel and related parties concern:

- the members of Rexel’s executive management,
- Rexel’s Directors,
- the shareholders of Rexel, and
- the subsidiaries of Rexel.

They are referred to in Articles L.225-38 *et seq.* of the French Commercial Code, and that were in force at December 31, 2022. They relate to the compensation of corporate officers of Rexel as well

as the relations within the Rexel Group. These agreements are described below.

The main transactions with related companies are also described in detail in note 21 of the consolidated financial statements of the Company for the year ended December 31, 2022 which are set out in section 5.2 “Consolidated Financial Statements” of this Universal Registration Document.

The main agreements entered into within the Rexel Group include the following:

- A tax integration agreement entered into on May 9 and May 24, 2012, April 28, 2014, April 20,

2015, February 8 and February 14, 2017, April 16, 2019 and March 16, 2022 between Rexel and each of the companies included in the tax integration perimeter of the Rexel Group constituted on January 1, 2005 under the conditions and forms

required under Article 223 A *et seq.* of the French general tax Code.

These agreements are current agreements entered into under ordinary terms by Rexel. They are not subject to the procedure referred to in Articles L.225-38 *et seq.* of the French Commercial Code.

3.3.3 Agreements between the executives or shareholders of Rexel and Rexel's subsidiaries

There is no agreement between:

- the Chief Executive Officer; or
- one of the Directors of Rexel; or
- one of its shareholders holding more than 10% of the share capital of Rexel; and, on the other hand, companies controlled by Rexel within the meaning of Article L.233-3 of the French Commercial Code.

3.3.4 Special reports of the Statutory Auditors in relation to the related party agreements

3.3.4.1 Special report of the Statutory Auditors in relation to the related party agreements for 2022

This is a free translation into English of the Statutory Auditors' report on related party agreements and commitments issued in French and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

Rexel S.A.

13, boulevard du Fort de Vaux - CS60002 - 75017 Paris

Statutory Auditors' Report on regulated agreements

Shareholders' meeting for the approval of the financial statements for the year ended December 31, 2022

To the Shareholders' meeting of the Company Rexel S.A.,

In our capacity as Statutory Auditors of your Company, we hereby report to you on regulated agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms, conditions and the reasons underlying the company's interest of agreements that have been disclosed to us or that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements. In accordance with article R.225-31 of the French Commercial Code (*Code de*

commerce), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable it is also our responsibility to provide shareholders with the information required by article R.225-31 of the French Commercial Code (*Code de commerce*) in relation to the implementation during the year of agreements already approved by the Shareholders' meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements.

AGREEMENTS TO BE SUBMITTED FOR THE APPROVAL OF THE SHAREHOLDERS' MEETING**Agreements authorized during the financial year**

We hereby inform you that we have not been advised of any agreement authorized during the financial year to be submitted to the approval of

the Shareholders' meeting pursuant to article L.225-38 of the French Commercial Code.

AGREEMENTS ALREADY APPROVED BY THE SHAREHOLDERS' MEETING

We inform you that we have not been advised of any agreements which were already approved by

the Shareholders' meetings in prior years, and which remained current during the financial year.

Paris-La Défense and Neuilly-sur-Seine, February 17, 2023

The Statutory Auditors

French original signed by

KPMG S.A.
Éric Jacquet

PricewaterhouseCoopers Audit
Amélie Wattel Pierre Clavié

3.3.4.2 Special reports of the Statutory Auditors in relation to the related party agreements for 2021 and 2020

The special reports of the Statutory Auditors of Rexel in relation to the related party agreements for the financial year ended December 31, 2021, and December 31, 2020, are set out respectively in the Registration Document filed with the *Autorité des*

marchés financiers on March 10, 2022, under number D.22-0083 and in the Universal Registration Document filed with the *Autorité des marchés financiers* on March 11, 2021 under number D.21-0111.

3.4 Insider trading policy

Following the transformation of Rexel into a *société anonyme* with a Board of Directors, Rexel adopted on May 22, 2014, its Insider trading policy (the "Policy"), initially adopted in 2007, in order to comply with the general rules of the French financial markets authority ("AMF"). This Policy was then updated on February 10, 2017 and on February 12, 2020. Its purpose is to specify the applicable regulations in respect of security transactions and to impose compliance with the rules concerning market abuse, in particular insider trading.

This Charter is available on the website of Rexel (www.rexel.com/en).

Pursuant to the guidelines of the AMF relating to the "Market Abuse" regulation,⁽¹⁾ the Policy has been completed by an internal procedure of characterization and management of privileged information (the "Procedure"). The Procedure creates an *ad hoc* internal Committee in charge of determining whether the information submitted to it should be characterized as inside information. It also implements an internal processing procedure for inside information.

3.5 Implementation of the AFEP-MEDEF corporate governance Code for listed companies – Paragraph 28.1

Rexel refers to the corporate governance principles of listed companies set out in the corporate governance Code (the AFEP-MEDEF Code). This Code is established by the *Association française des entreprises privées* (AFEP) and the *Mouvement des entreprises de France* (MEDEF).

It is available on the website of MEDEF (www.medef.com/en) or at the registered office of Rexel.

Rexel believes that it complies with the corporate governance principles as defined in the AFEP-MEDEF Code. Indeed, the principles that it sets forth are compatible with the organization, size and means of the Rexel Group, with the following exceptions:

AFEP-MEDEF GUIDELINES

Allocation of compensation to corporate officers (guideline 22.1)

The terms of allocation of such compensation must take into account effective participation of the Directors in the Board and the committees, and thus include a prevailing variable part.

REXEL GROUP PRACTICE AND EXPLANATIONS

The Board of Directors considers that each Director is also member of one or two committees with the exception of Guillaume Texier, due to his capacity as Chief Executive Officer. Also, the Directors, many of whom reside abroad, make themselves largely available to attend the various meetings of the Board of Directors and of the Committees. Thus, in 2022:

- the Board of Directors has met on 13 occasions,
- the Audit and Risk Committee on 5 occasions,
- the Nomination Committee met on 6 occasions, and
- the Compensation Committee met on 6 occasions.

The Board of Directors has consequently estimated not necessary to modify the variable part of the compensation that already takes into account of the effective attendance of the Directors to the committees.

(1) European Regulation No. 2014/596 of April 16, 2014.

3.6 Deeds of incorporation and by-laws

The main provisions described below are drawn from the by-laws of Rexel as updated on June 25, 2020.

3.6.1 Corporate purpose (article 3 of the by-laws)

Rexel's main purpose is to engage in the following business activities, directly or indirectly, in France and abroad:

- To acquire, hold, manage and, if applicable, sell or assign shares, any other tradable securities and any other equity interests in any French or foreign company or group, whether publicly traded or privately held;
- To provide services to such companies or groups by detaching personnel or otherwise, in particular to provide all advice and assistance in their respective organization, investments and financing, and to coordinate their policies in the areas of development, product range, procurement and distribution;
- To acquire, hold, manage and, where appropriate, the assignment or other transfer of any industrial or intellectual property right, of any process as well as the taking or licensing of such rights, directly or indirectly related to the objects described above; and
- More generally, to carry out any transactions, in particular industrial, business, financial, stock market, civil, real property and other property transactions that are directly or indirectly related to the purposes of Rexel described above or to purposes that are similar or connected or likely to facilitate such purposes, in particular by way of lending or borrowing or granting guarantees and security interests covering its obligations or those of affiliated companies.

3.6.2 Management and administration bodies (articles 14 to 23 of the by-laws)

3.6.2.1 Board of Directors (articles 14 to 18 of the by-laws)

Membership (article 14 of the by-laws)

1. The Board of Directors is made up of a minimum of five members and a maximum of fifteen members, subject to the exceptions provided for by law in the event of a merger.

During the Company's lifetime, Directors are renewed or reappointed by the Ordinary Shareholders' Meeting.

2. They are appointed for a maximum term of four years.

The term of office of a Director expires at the end of the Ordinary Shareholders' Meeting convened to approve the financial statements for the previous financial year and held during the year in which the term of office of such Director is due to expire.

The Board of Directors is renewed in quarters, rounded up to the nearest whole number every year so that it is fully renewed every four years. The order of early termination of the terms of office is determined by unanimous decision of the Directors present or represented or, if unanimity cannot be reached, by random draw. The mandate of the persons so designated lapse on the date set by the unanimous decision of the Board of Directors or on the date set by the Chairman of the Board of Directors before the draw. The renewal of Directors is then carried out in the order of the length of service.

Directors are always eligible for renewal.

They may be dismissed at any time by the Ordinary Shareholders' Meeting.

No individual over the age of 70 years of age may be appointed as a Director if the appointment would result in more than one third of the number of directors who have passed that age.

3. Where, at the close of a financial year, the portion of share capital held – under Article L.225-102 of the French Commercial Code – by the employees of Rexel and of its affiliated companies within the meaning of Article L.225-180 of such Code, is above 3%, a Director representing the employee shareholders is appointed by the Shareholders' Meeting in accordance with the terms and conditions of the laws and regulations in force and of the by-laws, to the extent the Board of Directors does not already include an employee shareholder and Director, or elected employee Director.

The candidates for appointment as employee shareholder Director are appointed as follows:

- a) Where the voting right attached to the shares held by the employees or by the mutual funds of which they are members is exercised by the members of the Supervisory Board of such mutual funds, the candidates are appointed by such Board from among its members; and
- b) Where the voting right attached to the shares held by the employees (or by the mutual funds of which they are a member) is directly exercised by such employees, the candidates are appointed at the time of the consultation provided under Article L.225-106 of the French Commercial Code, either by the employee shareholders in a special meeting called for this specific purpose, or pursuant to a written consultation. Only those candidacies presented by a group of shareholders representing at least 5% of the shares held by the employees who exercise their voting right in their personal capacity are admissible.

4. The Directors may be individuals or legal entities. Any legal entities must, at the time of their appointment, appoint a Permanent Representative who is subject to the same conditions and obligations and who incurs the same liability as if he/she were a Director in his/her own name, without prejudice to the joint and several liability of the legal entity he/she represents. This office of Permanent Representative is concurrent with the term of office of the legal entity that he/she

represents. It must be renewed each time the term of office of the legal entity comes up for renewal.

Should the legal entity dismiss its representative, it must notify Rexel thereof without delay, by registered mail, and of the identity of its new Permanent Representative. The same shall also apply in the event of the death, resignation or disability of the Permanent Representative.

5. Should one or more seats on the Board of Directors become vacant between two Shareholders' Meetings, as a result of the death or resignation of members, the Board of Directors may co-opt one or more persons to serve as interim members.

Any co-option of Directors by the Board of Directors is subject to ratification by the shareholders at the next Ordinary Shareholders' Meeting.

The resolutions adopted and actions carried out shall be valid notwithstanding the absence of ratification.

If the number of Directors falls below three, the remaining Directors shall immediately convene an Ordinary Shareholders' Meeting to complete the number of the Board of Directors.

A Director who is appointed to replace another Director shall remain in office only for the remainder of his predecessor's term.

6. No person may be appointed as Director unless he/she complies with the rules on combining offices, conflicts of interests and disqualification or prohibitions as provided by law.

The number of Directors who are linked to Rexel by an employment agreement may not exceed one third of the Directors in office.

7.1 In accordance with Articles L.225-27-1 and L.22-10-7 of the French Commercial Code, the Board of Directors includes one or two Directors representing the employees of the Group, to be appointed as follows.

When the number of Directors, calculated in accordance with the law, is below or equal to eight, the Board of Directors shall include a Director representing the employees appointed by the trade union having obtained the large number of votes in the first round of the elections referred to in Articles L.2122-1 and L.2122-4 of the French Labor Code within the Company and its subsidiaries, either direct or indirect, the registered office of which is established on the French territory.

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When the number of Directors exceeds eight, and subject to this criterion still being satisfied upon the date of his/her appointment, a second Director representing the employees shall be appointed by the European Works Council. This appointment shall take place within a term of six months as from the crossing of the threshold of eight Directors.

In case of vacancy, for any reason whatsoever, of the office of a Director representing the employees, the vacant office shall be filled in accordance with the provisions of Article L.225-34 of the French Commercial Code.

7.2 The term of office of the employee Directors shall be of four years.

The duties of the Director appointed pursuant to Articles L.225-27-1 and L.22-10-7 of the French Commercial Code shall expire at the end of the Ordinary Shareholders' Meeting called to approve the financial statements of the previous financial year, held in the year during which his or her term of office expires.

In addition, their term of office shall *cease ipso jure* when these employee representatives no longer meet the eligibility criteria provided for in Article L.225-28 of the French Commercial Code, or in case of termination of their employment agreement in accordance with Article L.225-32 of such Code.

The decrease to eight or less than eight of the number of Directors appointed by the General Shareholders' Meeting does not affect the term of office of all of the employee representatives within the Board of Directors, which shall expire upon the end of its normal term.

7.3 The provisions of article 15 of these by-laws do not apply to the Directors representing the employees who are not obliged to hold a minimum number of Rexel shares.

7.4 In the event that the obligation of appointment of one or several Directors representing the employees pursuant to Articles L.225-27-1 and L.22-10-7 of the French Commercial Code becomes void, the corporate office of the Director(s) representing the employees within the board Directors would cease upon the end of its term.

Shares held by Directors (article 15 of the by-laws)

For their whole term of office, the Directors must hold at least one thousand (1,000) Rexel shares. If, at the date of his/her appointment, a Director does not hold the required number of shares, or if, during the course of his/her term of office, he/she ceases

to hold such number of shares, he/she shall be deemed to have resigned from his/her duties unless he/she takes the necessary steps within the time requirements of applicable law and regulations.

Chairman of the Board of Directors – Deputy Chairman of the Board of Directors – Officers of the Board of Directors (article 16 of the by-laws)

1. The Board of Directors elects from among its members who are individuals a Chairman and, as the case may be, a Deputy Chairman who shall serve in this capacity for the duration of their term of office as Directors, unless the Board of Directors decides to appoint a new Chairman and, as the case may be, a new Deputy Chairman.

2. The Chairman of the Board of Directors may not be more than 68 years of age; his/her term of office automatically lapse on December 31 of the year of his/her 68th birthday. It is proposed to the

Shareholders' Meeting to be held on April 20, 2023 to increase this limit to 72.

The Chairman of the Board of Directors represents the Board of Directors. The Chairman calls meetings of the Board of Directors and organizes and conducts the work of the Board of Directors and reports on such works to the Shareholders' Meeting. The Chairman sees to the proper operation of Rexel's bodies and, in particular, makes sure that the Directors are able to discharge their duties.

Subject to complying with the provisions of the laws and regulations, the Chairman is always eligible for reappointment.

3. In the absence of the Chairman, the Deputy Chairman serves as Chairman and enjoys the same prerogatives as the Chairman.

The Deputy Chairman may also perform the functions of Senior Independent Director. The Senior Independent Director's functions are defined in the Rules of Procedure of the Board of Directors.

As an exception to the foregoing, the appointment of a Deputy Chairman is mandatory where the functions of Chairman of the Board of Directors and of Chief Executive Officer are exercised by the same person; in such case, the Deputy Chairman shall also perform the functions of Senior Independent Director.

Subject to complying with the provisions of the laws and regulations, the Deputy Chairman is always eligible for reappointment.

4. The Board of Directors also appoints a secretary who is not required to be a Director and who serves as an officer of the Board, alongside the Chairman and the Deputy Chairman. In the secretary's absence, the Board of Directors appoints one of its members or a third party to discharge the secretary's duties.

5. The Board of Directors is chaired by the Chairman or, in the Chairman's absence, by the Deputy Chairman or, in the Deputy Chairman's absence, by a Director chosen by the Board at the beginning of the meeting.

Deliberations of the Board of Directors (article 17 of the by-laws)

1. The Board of Directors meets whenever the best interests of the Company so require, and at least once every quarter, at meetings convened by its Chairman or Deputy Chairman.

The Board of Directors may be held physically, by videoconference or any other forms of telecommunication, or by written consultation under the terms provided for by applicable law and in accordance with the following provisions.

2. Meetings held physically, by videoconference or any other forms of telecommunication.

Unless agreed to in writing by all members of the Board of Directors, meeting notices must be given in writing, including by fax or e-mail, at least three (3) days before the date of the meeting, together with the agenda of the meeting and all documents that have been prepared for submission to the Board of Directors. However, when all members of the Board of Directors are present or represented at a meeting (including if they are participating or represented during a telephone or videoconference), the meeting may be held without prior notice and without observing such three (3) day notice period.

Meetings are held at the registered office or at any other place specified in the notice of meeting.

However, if the Board of Directors has not met in more than two months, a group of Directors representing at least one third of the Directors in office may request the Chairman to call a meeting of the Board of Directors on a given agenda. In all other cases, the agenda is determined by the Chairman and must be mentioned in the meeting notice.

The Board of Directors is duly convened only if a quorum consisting of at least half of its members is in attendance.

Decisions are approved by a majority of votes of the members present or represented; each member of the Board of Directors has one vote and may not represent more than one fellow member.

In accordance with the applicable regulations, the Board of Directors shall draw up the Rules of Procedure defining the methods of participating and voting at Board meetings held by videoconference or any other forms of telecommunication.

If allowed by the Rules of Procedure of the Board of Directors, Directors who participate in Board meetings by videoconference or any other forms of telecommunication shall be deemed present for the purpose of calculating the quorum and majority, in accordance with the Rules of Procedure.

In the event of a tie, the Chairman of the meeting has a casting vote, if and only if the Board of Directors comprises an even number of Directors in office and only at meetings chaired by the Chairman of the Board of Directors.

3. Written consultations.

The Board of Directors may also, at the Chairman's discretion, convene by written consultation on decisions such as provided for by the law. In the event of a written consultation, the Chairman sends to each Director, alternatively (i) by registered mail with acknowledgement of receipt, or (ii) by e-mail with acknowledgement of receipt, the wording on the proposed decisions as well as any document useful to their information.

Directors shall have a 5-day period (ending at 11.59 PM, Paris time, on the last day of this delay) from the sending date of the draft decisions, to send their vote in writing. This vote shall be addressed alternatively (i) through registered mail with acknowledgement of receipt, or (ii) e-mail with acknowledgement of receipt, to the attention of the Chairman of the Board of Directors at the registered office of the Company.

The Board of Directors is duly convened with written consultations only if a quorum consisting of at

least half of its members has replied within the previously mentioned delay.

Decisions are taken by a majority of votes of the members who replied, each member corresponding to one vote.

In the event of a tie, the Chairman has a casting vote, if (and only if) an even number of Directors in office voted in accordance with the provisions.

4. An attendance register is kept and signed by the Directors who attend the Board meeting; such register must show the name of any Directors who attended the meeting by videoconference or other forms of telecommunication, or who voted by correspondence.

5. The deliberations of the Board of Directors (including by written consultation) are recorded in minutes, which are drawn up in accordance with applicable law and signed by the Chairman of the meeting and at least one Director or, if the Chairman is unavailable, by at least two Directors, subject to the laws applicable to decisions taken by written consultation.

Copies or excerpts of these minutes are certified by the Chairman of the Board of Directors, the Chief Executive Officer, the Deputy Chief Executive Officers, the Director temporarily acting as Chairman or an authorized representative.

Powers of the Board of Directors (article 18 of the by-laws)

1. The Board of Directors defines Rexel's business orientations and sees to their implementation. Subject to the powers expressly assigned to the Shareholders' Meetings and within the scope of the corporate purpose, it handles matters relating to the proper operation of Rexel and settles Rexel's affairs through its deliberations.

In its relations with third parties, Rexel is bound even by the *ultra vires* acts of the Board of Directors, unless it is able to prove that the third party knew that the act was *ultra vires* or could not be unaware of it in the circumstances, provided always that the mere publication of the by-laws shall not suffice to establish such proof.

The Board of Directors conducts the controls and verifications it deems fit.

Each Director receives all information required for the performance of his/her functions and may obtain copies of any and all documents he/she deems useful from the Chairman.

2. The Board of Directors grants the Chief Executive Officer the prior authorization to grant sureties, endorsements and other guarantees, to sell real property, to dispose of equity interests, in whole or in part, and to grant security interests.

3. The Rules of Procedure of the Board of Directors define the decisions requiring the prior authorization of the Board of Directors.

4. The Board of Directors may entrust one or more of its members or third parties who need not be shareholders with special mandates for one or more specific purposes.

5. The Board of Directors may, from among its members, appoint one or more special committees which operate under its responsibility, and determines their membership and responsibilities.

The rules of operation of such Committees are determined by the Rules of Procedure of the Board of Directors and, as the case may be, detailed in the rules of procedure drawn up by each Committee and approved by the Board of Directors.

Observers (*censeurs*) (article 21 of the by-laws)

The Board of Directors may appoint up to three observers (*censeurs*). The observers are called to attend and participate in Board meetings in an advisory capacity. They may be members of the committees created by the Board of Directors.

They need not be chosen from among the shareholders and may receive compensation determined by the Board of Directors.

The observers are appointed for a maximum term of four years. The observers may always be renewed in office. The duties of the observers may be terminated at any time.

3.6.2.2 Executive Management (article 19 of the by-laws)

1. Rexel's executive management is performed, under his/her responsibility, by the Chairman of the Board of Directors, or by another private person, who need not be a Director, appointed by the Board of Directors and bearing the title of Chief Executive Officer.

decisions limiting the Chief Executive Officer's powers are ineffective vis-à-vis third parties.

The Board of Directors elects one of the aforementioned two forms of executive management by majority decision as described in article 17 §2 of the by-laws. The shareholders and third parties are informed of such election in accordance with the rules provided by law.

To perform his/her functions, the Chief Executive Officer must be less than 70 years of age. If the Chief Executive Officer reaches the age of 70 while in office, such functions automatically lapse and the Board of Directors appoints a new Chief Executive Officer. The Chief Executive Officer however remains in office until the date of the meeting of the Board of Directors held to appoint his/her successor. Subject to the aforementioned age limit, the Chief Executive Officer is always eligible for reappointment.

This form of executive management remains valid until another decision is made, in accordance with the same rules.

The Chief Executive Officer may be dismissed at any time by the Board of Directors.

The change in Rexel's executive management method does not entail any changes to the by-laws.

In the event of temporary unavailability of the Chief Executive Officer, the Board of Directors may appoint a Director to perform the functions of Chief Executive Officer.

2. Where the Company's executive management is performed by the Chairman, the provisions of the legislation and regulations and of the by-laws in relation to the Chief Executive Officer apply to the Chairman, who then bears the title of Chairman and Chief Executive Officer.

3. The Chief Executive Officer is vested with the broadest powers to act in the name of Rexel, in all circumstances. The Chief Executive Officer exercises such powers within the scope of the corporate purpose and subject to the powers which the law expressly assigns to the Shareholders' Meetings and the Board of Directors. He/she represents the Company in its relationships with third parties.

Where the Board of Directors elects to dissociate the functions of Chairman of the Board of Directors from the Company's executive management, the Board appoints the Chief Executive Officer and determines the Chief Executive Officer's term of office and scope of powers, in accordance with the law and the by-laws. The Board of Directors'

The Chief Executive Officer may request the Chairman to call a meeting of the Board of Directors on a given agenda.

If the Chief Executive Officer is not also a Director, he/she may attend Board meetings in an advisory capacity.

4. On a proposal from the Chief Executive Officer, the Board of Directors may appoint up to a maximum of five private persons to assist the Chief Executive Officer and bearing the title of Deputy Chief Executive Officer; the Board of Directors determines the scope and term of their powers, it being understood that, vis-à-vis third parties, the Deputy Chief Executive Officers have the same powers as the Chief Executive Officer.

The Deputy Chief Executive Officer(s) may be dismissed at any time by the Board of Directors, on a proposal from the Chief Executive Officer.

In the event of unavailability or termination of the functions of the Chief Executive Officer, unless the Board of Directors decides otherwise, the Deputy Chief Executive Officer(s) retain their functions and powers until a new Chief Executive Officer is appointed.

5. The Chief Executive Officer and, as the case may be, the Deputy Chief Executive Officer(s), may be authorized to grant delegations of powers, subject to the limitations provided by the laws and regulations in force.

3.6.2.3 Compensation of the Directors, Chairman, Chief Executive Officer, Deputy Chief Executive Officer and Officers of the Board of Directors (article 20 of the by-laws)

1. The Ordinary Shareholders' Meeting may allocate a fixed annual amount to the Directors as compensation for their activities; such amount is included in the operating expenses of the Company and remains in effect until the Shareholders' Meeting decides otherwise. The Board of Directors allocates the compensation between Directors as it deems fit. For companies in which shares can be traded on a regulated market, the allocation is determined under the terms provided for by law.

The Board of Directors allocates this compensation among the Directors as it deems fit.

2. The compensation of the Chairman of the Board of Directors, of the Chief Executive Officer and of the Deputy Chief Executive Officers is determined by the Board of Directors. Such compensation may be fixed or proportional, or both fixed and proportional.

3. The Board of Directors may allot exceptional compensation for special missions or duties assigned to Directors; any such compensation is recorded as operating expenses and is subject to approval by the Ordinary Shareholders' Meeting in accordance with the procedure set forth in Articles L225-38 to L225-42 of the French Commercial Code.

4. The Board of Directors may authorize the reimbursement of travel and other expenses incurred by its members in the best interest of Rexel.

No compensation other than that provided herein, whether permanent or temporary, may be allocated to the Directors, unless they are linked to Rexel by an employment agreement under the conditions authorized by law.

3.6.2.4 Agreements entered into by Rexel with its shareholders or managers (article 22 of the by-laws)

Any agreement entered into between the Company and its shareholders or any one of them, or between the Company and its managers or any

one of them, in each case whether directly or through an intermediary, is subject to the applicable procedure as defined by law.

3.6.2.5 Liability (article 23 of the by-laws)

The Directors and the Chief Executive Officer are individually or, as the case may be, jointly and severally liable towards Rexel and third parties for any breach of the provisions of the laws and regulations

applying to public companies (*sociétés anonymes*) or of the provisions of the by-laws, and for their personal negligence in the performance of their duties, in accordance with the provisions of the law.

3.6.3 Rights and obligations attached to the shares (articles 8, 9, 11, 12 and 13 of the by-laws)

Payment of shares (article 8 of the by-laws)

Shares subscribed for in cash are issued and paid-up under the terms and conditions provided for by law.

Form of the shares (article 9 of the by-laws)

The Rexel shares may be in registered or bearer form, at the shareholder's discretion, not withstanding certain legal or regulatory provisions that may in certain cases require that the shares be in registered form.

The Rexel shares are registered on a securities account under the terms and conditions provided for by law.

Sale and transfer of shares (article 11.1 of the by-laws)

The shares are freely negotiable unless otherwise provided by law or regulation. They are transferred

from one account to another in accordance with the terms and conditions provided for by law.

Rights and obligations attached to the shares (article 12 of the by-laws)

1. Each share grants rights to a share of ownership in the corporate assets and in the distribution of profits, which is proportional to the percentage of the share capital that it represents.

Each share also gives its holder the right to vote and to be represented at Shareholders' Meetings under the terms and conditions provided for by law and by the by-laws.

2. Shareholders are responsible for the company's liabilities only up to the amount of their contributions.

The rights and obligations attached to the shares remain attached thereto irrespective of the transferee.

Owners of shares are automatically bound by the by-laws and by any decisions of the Shareholders' Meetings.

3. Whenever more than one share is required to exercise a particular right, in the event of a share exchange, consolidation or allotment, or as a result of an increase or reduction in share capital, or in the event of a merger or other transaction involving the share capital, shareholders who own only one share or who do not own the minimum number of shares required may at their own initiative consolidate their shares for the purpose of exercising said right, or buy or sell the requisite number of shares.

Indivisibility of the shares – Legal ownership (*nue-propriété*) – Beneficial ownership (*usufruit*) (article 13 of the by-laws)

The shares are indivisible with regard to Rexel.

The co-owners of split shares must be represented vis-à-vis Rexel by only one of the co-owners or by a single representative. If no agreement can be reached concerning the appointment of a representative, such representative shall be appointed by order of the President of the

commercial court acting at the request of the first owner to take the initiative to refer the matter to such court.

Voting rights attached to shares belong to the beneficial owner (*usufruitier*) at ordinary meetings and to the legal owner (*nu-propriétaire*) at extraordinary meetings.

3.6.4 Changes to shareholders' rights

Insofar as the by-laws contain no specific provisions covering changes to shareholders' rights

attached to shares, such changes are subject to the provisions of the law.

3.6.5 Shareholders' Meetings (articles 25 to 33 of the by-laws)

3.6.5.1 Shareholders' Meetings (article 25 of the by-laws)

Shareholders' decisions are made at Shareholders' Meetings, which are either ordinary, extraordinary or special meetings depending on the type of decision on which the shareholders are requested to vote.

Any duly convened Shareholders' Meeting represents all the shareholders.

Decisions made in Shareholders' Meetings are binding upon all shareholders, including those who are absent, incapacitated or dissenting.

3.6.5.2 Notices of Meetings (article 26 of the by-laws)

Shareholders' Meetings are called by the Board of Directors or by any person authorized by the law for such purpose, within the time periods and in accordance with the conditions set forth by law.

Shareholders' Meetings are held at the company's registered office or at any other location indicated in the meeting notice.

3.6.5.3 Agenda (article 27 of the by-laws)

1. The agenda of Shareholders' Meetings is set by the party that convened the meeting.
2. Shareholders, at a Shareholders' Meeting, may not deliberate on a matter that is not referred to in

the agenda, which cannot be amended upon serving a second notice. They may, however, under any circumstances, dismiss one or more Directors and appoint their replacements.

3.6.5.4 Access to Shareholders' Meetings (article 28 of the by-laws)

1. The right to participate in Shareholders' Meetings is subject to the registration or recording of the shares within the conditions and deadlines set out by the regulations in force.
2. A shareholder may be represented by another shareholder, by his or her spouse or by his or her civil solidarity pact (PACS) partner.

Furthermore, a shareholder may be represented by any other legal entity of individual of his/her choice:

- (i) Where the Rexel shares are admitted to trading on a regulated market;
- (ii) Where the Rexel shares are admitted to trading on a multilateral trading facility that complies with the legal and regulatory

provisions aiming at protecting investors against insider trading, price manipulation and the dissemination of false information in accordance with the conditions laid down in the General Regulation of the *Autorité des marchés financiers*, appearing on a list drawn up by the AMF in accordance with the terms of its General Regulation.

The proxy form, as well as the withdrawal of the proxy form, if applicable, must be in writing and notified to Rexel, in accordance with the provisions laid down by law.

3. Any shareholder may vote by mail, by sending a ballot to Rexel under the conditions provided for by law.

This form may be on the same document as the proxy form; in this case, the single document must contain the statements and information provided for by the regulations. In order for mail ballots to be counted, Rexel must receive the ballots three (3) days before the date of the meeting. The electronic signature may take the form of a procedure compliant with the first sentence of the second subparagraph of article 1367 of the French Civil Code.

If the Board of Directors so decides when it convenes the meeting, shareholders may also

participate and vote in the meeting by electronic or another form of telecommunication that enables them to be identified under the conditions provided for by law.

4. Shareholders who participate in a meeting by videoconference or other forms of telecommunication that enable them to be identified under the conditions provided for by law are deemed to be present for purposes of calculating the quorum and majority.

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3.6.5.5 Attendance sheet – Officers of the meeting – Minutes of meetings (article 29 of the by-laws)

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1. An attendance sheet containing the information required by law is kept for each meeting.

This attendance sheet, which is duly initialed by shareholders present and by any proxies, and to which any proxy forms and postal ballots are attached, is certified as true and accurate by the officers of the meeting.

2. Shareholders' Meetings are chaired by the Chairman of the Board of Directors or, in his/her absence, by the Deputy Chairman of the Board of Directors, or by a Director specially authorized for this purpose.

If the Shareholders' Meeting is convened by the Statutory Auditor or Auditors, by a representative of the court or by the receivers, the meeting is chaired by one of them.

In any event, in the absence of the person who is authorized or appointed to chair the meeting, the shareholders shall elect a chairman of the meeting.

Ballots are counted by the two shareholders in attendance who hold the largest number of shares, either personally or by proxy, and who agree to perform this task.

The officers of the meeting appoint a secretary who is not required to be a shareholder.

The duties of the officers of the meeting are to verify, certify and sign the attendance sheet; to ascertain that the deliberations are duly carried out; to settle any incidents arising at the meeting; to count the votes cast and to ascertain that they are valid; and to draw up the minutes of the meeting and to sign them.

3. Minutes of the meetings are drawn up and copies or excerpts thereof are delivered and certified in accordance with the law.

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3.6.5.6 Quorum – Voting – Number of votes (article 30 of the by-laws)

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1. The quorum for Ordinary and Extraordinary Shareholders' Meetings is calculated on the basis of the total number of shares comprising the share capital, less any shares disqualified from voting pursuant to the provisions of the law.

In the case of votes submitted by mail, only those ballots received by Rexel prior to the meeting within the time period and under the conditions set forth by law will count towards the quorum.

2. At Ordinary and Extraordinary Shareholders' Meetings, each shareholder shall have as many votes as shares he owns or represents, in his own

name or by proxy, with no limitations of any kind. Pursuant to the option provided for in Article L.22-10-46 of the French Commercial Code, shares fully paid up that have been held in a registered form for 2 years at the name of the same shareholder do not benefit from double voting rights.

3. Voting takes place and the votes are cast, as decided by the officers of the meeting, by a show of hands, by electronic means or by any form of telecommunication that enables the shareholders to be identified in accordance with the applicable regulations.

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3.6.5.7 Ordinary Shareholders' Meetings (article 31 of the by-laws)

1. Ordinary Shareholder's Meetings are held to make all decisions that do not amend the by-laws.

Ordinary Shareholders' Meetings are held at least once each year, within the times specified by the applicable laws and regulations, to resolve on the financial statements and, if applicable, on the

consolidated financial statements for the past financial year.

2. While voting in accordance with the quorum and majority requirements applicable to ordinary meetings, the Ordinary Shareholders' Meeting exercises the powers assigned thereto by law.

3.6.5.8 Extraordinary Shareholders' Meetings (article 32 of the by-laws)

1. Only the Extraordinary Shareholders' Meeting is authorized to amend any provision of the by-laws. However, it may not increase the obligations of shareholders, subject to transactions resulting from an exchange or consolidation of shares duly approved and carried out.

2. While voting in accordance with the applicable quorum and majority requirements, the Extraordinary Shareholders' Meeting exercises the powers assigned thereto by law.

3.6.5.9 Shareholders' right to information (article 33 of the by-laws)

The shareholders have a right to receive the documents they need to take an informed decision on the management and operation of Rexel and to vote accordingly.

The type of such documents and the conditions under which they are sent or made available to shareholders are determined by law.

3.6.6 Provisions likely to have an impact on the occurrence of a change of control of Rexel

To Rexel's knowledge, there exists no provision in the by-laws that would result in delaying, deferring or preventing a change of control of Rexel.

As indicated in paragraph 3.7.5 "Agreements potentially leading to a change of control" of this Universal Registration Document, to the best knowledge of Rexel, there are no agreements entered into among shareholders. Furthermore,

provisions of the senior credit agreement and of the bonds likely to have an impact in case of change of control of Rexel are described in note 19.3.3 of the Notes to the consolidated financial statements of the Company for the financial year ended December 31, 2022, set out in paragraph 5.2.1 "Consolidated Financial Statements as of December 31, 2022" of this Universal Registration Document.

3.6.7 Identification of shareholders and ownership threshold disclosures (articles 10 and 11 of the by-laws)

3.6.7.1 Identification of shareholders (article 10 of the by-laws)

Rexel stays informed about the composition of its shareholding base in accordance with applicable laws.

In this respect, Rexel may avail itself of all legal provisions, for identification of the holders of securities conferring immediate or future voting rights at Rexel's Shareholders' Meetings.

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3.6.7.2 Ownership threshold disclosures (article 11.2 of the by-laws)

In addition to the legal obligation to notify Rexel whenever the ownership thresholds provided by law are crossed, any individual or legal entity, acting alone or in concert, coming into possession, directly or indirectly within the meaning of the law (and in particular, of Article L.233-9 of the French Commercial Code), of a number of shares representing 2.5% of the share capital or voting rights, is required to disclose to Rexel the total number of shares and voting rights it owns by sending a notice by registered mail with acknowledgement of receipt to the registered office or, for shareholders who are not French residents, by any equivalent means, within 5 trading days from the date it has crossed one of these thresholds, stating the total number of securities held giving future access to the share capital and the number of voting rights attached thereto. This declaration of crossing of threshold shall also state whether the shares or voting rights attached thereto are held on behalf of or in concert with other individual or legal entities and shall also indicate the date on which the threshold was crossed. Such disclosure must be made for any additional multiple of 2.5% of the share capital or voting rights without any limitation, including when it exceeds 5%.

Failure to duly make such disclosure under the conditions specified above shall result in the disqualification for voting purposes of the shares that should have been disclosed under the conditions provided for by law, if so requested by one or more shareholders separately or together owning at least 2.5% of the share capital or voting rights and duly recorded in the minutes of the Shareholders' Meeting.

Any shareholder whose ownership interest and/or voting rights in Rexel falls below one of the aforesaid thresholds, for any reason whatsoever, is also required to disclose this fact to Rexel, under the same conditions and within the same periods of time specified above.

In calculating the aforesaid thresholds, the denominator must take into account the total number of shares making up the share capital and to which voting rights are attached, including shares that are disqualified for voting purposes, as published by Rexel as required by law (Rexel must publish the total number of shares with voting rights and the number of such shares that have been disqualified for voting purposes).

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3.6.8 Special provisions governing changes to share capital (article 7 of the by-laws)

Rexel's share capital may be increased or reduced in all ways and by all manners authorized by law.

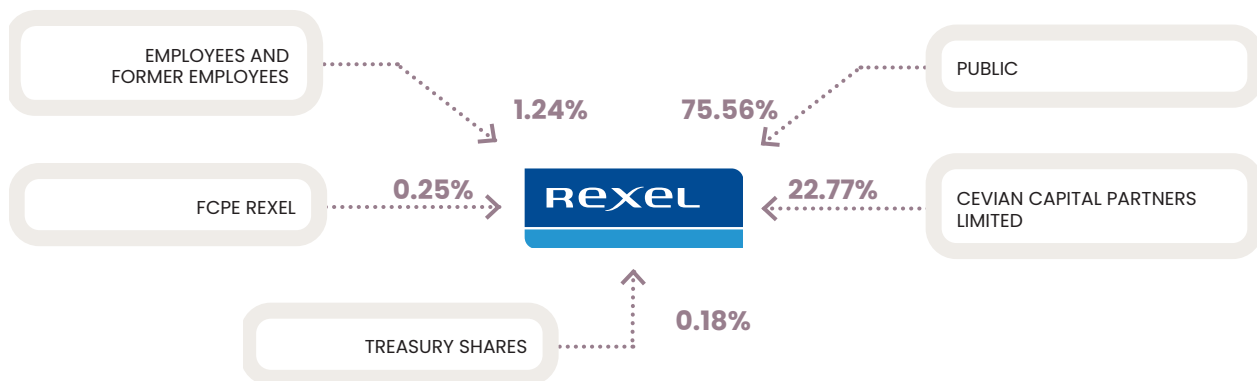
The extraordinary Shareholders' Meeting may also decide to divide the shares or to group them together.

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3.7 Shareholders

3.7.1 Principal shareholders

The chart below shows the simplified shareholding structure of Rexel as of December 31, 2022:



3.7.2 Share capital and voting rights

3.7.2.1 Breakdown of shares and voting rights by shareholder

The table below shows the breakdown of the shareholding and of the voting rights of Rexel as of December 31, 2022, 2021, and 2020. Each Rexel share gives right to one vote.

	2022				2021				2020			
	NUMBER OF SHARES	NUMBER OF VOTING RIGHTS	% OF CAPITAL AND THEORE- TICAL % OF VOTING RIGHTS ⁽¹⁾	% OF EXERCISABLE VOTING RIGHTS ⁽²⁾	NUMBER OF SHARES	NUMBER OF VOTING RIGHTS	% OF CAPITAL AND THEORE- TICAL % OF VOTING RIGHTS ⁽¹⁾	% OF EXERCISABLE VOTING RIGHTS ⁽²⁾	NUMBER OF SHARES	NUMBER OF VOTING RIGHTS	% OF CAPITAL AND THEORE- TICAL % OF VOTING RIGHTS ⁽¹⁾	% OF EXERCISABLE VOTING RIGHTS ⁽²⁾
Cevian Capital Partners Limited ⁽³⁾	69,091,653	69,091,653	22.77%	22.81%	61,202,309	61,202,309	20.02%	20.06%	61,202,309	61,202,309	20.10%	20.18%
First Eagle Investment Management LLC ⁽⁴⁾	-	-	-	-	-	-	-	-	23,023,337	23,023,337	7.56%	7.59%
Employees and former employees	3,768,211	3,768,211	1.24%	1.24%	3,018,755	3,018,755	0.99%	0.99%	4,400,044	4,400,044	1.45%	1.45%
FCPE Rexel	748,845	748,845	0.25%	0.25%	852,268	852,268	0.28%	0.28%	1,100,718	1,100,718	0.36%	0.36%
Public	229,249,149	229,249,149	75.56%	75.70%	240,029,694	240,029,694	78.51%	78.67%	213,550,216	213,550,216	70.15%	70.41%
Treasury shares	555,407	555,407	0.18%	0.00%	613,465	613,465	0.20%	0.00%	1,148,482	1,148,482	0.38%	0.00%
TOTAL	303,413,265	303,413,265	100%	100%	305,716,491	305,716,491	100%	100%	304,425,106	304,425,106	100%	100%

(1) Percentages of voting rights calculated based on all of the shares entitling to voting rights, including shares disqualified for voting purposes.

(2) Percentages calculated by excluding treasury shares held by Rexel that are disqualified for voting purposes.

(3) Based on the declarations of crossing of threshold dated July 1, 2016, September 14, 2017, November 21, 2018, March 10, 2020 and 27 June 2022.

(4) Based on the declarations of crossing of threshold dated September 11, 2015 and February 11, 2016.

Also, Rexel has received the shareholding threshold disclosures set forth in paragraph 3.7.2.2 “Shareholding threshold disclosures” of this Universal Registration Document.

3.7.2.2 Shareholding threshold disclosures

During the financial year ended December 31, 2022 and as of the date of this Universal Registration Document, Rexel received the following thresholds crossing disclosures:

COMPANY	DATE OF THE DECLARATION	LEGAL AND BY-LAW THRESHOLDS	TYPE OF CROSSING	% OF CAPITAL AND VOTING RIGHTS AFTER CROSSING	NUMBER OF SHARES HELD AFTER CROSSING
Amundi	January 24, 2022	2.5%	Down	2.49%	7,628,503
Dimensional Fund Advisors LP	June 13, 2022	2.5%	Down	2.489%	7,638,278
Cevian Capital Partners Limited	June 27, 2022	22.5%	Up	22.51%	69,091,653
Norges Bank	July 29, 2022	5%	Up	5.14%	15,763,605
Norges Bank	August 1, 2022	5%	Down	4.89%	15,008,168
Norges Bank	August 9, 2022	5%	Up	5.003%	15,355,135
Dimensional Fund Advisors LP	August 17, 2022	2.5%	Up	2.503%	7,682,657
Norges Bank	August 29, 2022	5%	Down	4.99%	15,326,145
Norges Bank	February 6, 2023	5%	Up	5.09%	15,456,572
Norges Bank	February 14, 2023	5%	Down	4.98%	15,104,547
Norges Bank	February 14, 2023	5%	Up	5.12%	15,531,124
Norges Bank	February 15, 2023	5%	Down	4.95%	15,014,718
Norges Bank	February 20, 2023	5%	Up	5.02%	15,232,518
Norges Bank	February 22, 2023	5%	Down	4.98%	15,110,452
Norges Bank	March 1, 2023	5%	Up	5.11%	15,490,221

To Rexel's knowledge and based on the declarations of crossing of thresholds that it has received, no shareholder other than those referred

to above holds, as of December 31, 2022, more than 5% of the share capital and/or voting rights of Rexel.

3.7.2.3 Interests held by managers in the share capital of Rexel

Rexel interests held by Directors and the Chief Executive Officer

As of December 31, 2022, the Directors and corporate officers held the following ownership interests in Rexel's share capital:

	NUMBER OF SHARES	% OF THE SHARE CAPITAL AND VOTING RIGHTS
DIRECTORS		
Ian Meakins (Chairman)	115,250	0.04%
François Henrot	7,133	NS
Marcus Alexanderson	5,000	NS
François Auque	3,000	NS
Julien Bonnel (Director representing the employees) ⁽¹⁾	6,354	NS
Brigitte Cantaloube	1,000	NS
Barbara Dalibard	2,400	NS
Toni Killebrew (Director representing the employees) ⁽¹⁾	-	-
Elen Phillips	5,000	NS
Maria Richter	6,500	NS
Guillaume Texier	10,000	NS
Agnès Touraine	1,112	NS

(1) In accordance with Article 14 of the by-laws, the directors representing the employees do not have to hold a minimum number of shares of the Company.

Transactions on Rexel securities carried out by the Directors, the Chairman and the Chief Executive Officer

During the financial year ended December 31, 2022, the following transactions disclosures were made:

	DATE OF THE TRANSACTION	NATURE OF THE TRANSACTION	NUMBER OF SHARES	PRICE BY SHARE	TOTAL AMOUNT
CHIEF EXECUTIVE OFFICER					
Guillaume Texier	February 17, 2022	Purchase	10,000	€20,9928	€209,928

3.7.2.4 Employees shareholding

In accordance with the authorizations granted by the Shareholders' Meetings, Rexel implemented, in 2012, 2013 and 2016 employee shareholding plans carried out through share capital increases reserved for members of the PEG or the PEGI, through Share Incentive Plan ("SIP") in the United Kingdom or through free shares allocation plans,

subject to a presence condition (subject to certain exceptions).

As of December 31, 2022, the number of shares held by employees in the context of the employee shareholding plans, directly or through employee investment funds (FCPE), was 1,100,098 shares, i.e. 0.36% of the share capital and voting rights of Rexel.

3.7.2.5 Subscription or purchase options for Rexel shares

The last subscription or purchase options plan ended on November 30, 2016.

3.7.2.6 Allotment of free shares

Free shares granted in the financial year ended December 31, 2019

Free shares allotment plans set up on May 23, 2019

The Extraordinary Shareholders' Meeting held on May 24, 2018 authorized the Board of Directors to allot free shares. The Board of Directors of May 23, 2019 decided to allot 2,082,522 free shares of Rexel in connection with 3 plans.

On May 23, 2019, in the context of the authorization granted to the Board of Directors to carry out the allotment of free shares it was decided that the Chief Executive Officer, who will be the beneficiary of an allotment of free shares shall retain 20% of such shares in the registered form. This obligation applies until the end of his term of office.

The table below summarizes the free share allocations carried out during the financial year ended December 31, 2019:

PLAN	REXEL 2019 PERFORMANCE SHARES 3+0	REXEL 2019 PERFORMANCE AND RESTRICTED SHARES 3+0	REXEL 2019 RESTRICTED SHARES 3+0
Shareholders' Meeting	May 24, 2018		
Board of Directors	May 23, 2019		
Number of beneficiaries	79	693	267
Initial number of Performance shares allocated	1,016,875	585,647	–
Initial number of Restricted shares allocated ⁽¹⁾	–	346,500	133,500
Corporate officer			
• Patrick Berard	100,000 ⁽²⁾	–	–
Top ten employees ⁽²⁾	330,100		
Final vesting date	May 23, 2022		
Date of transferability of shares	May 24, 2022		
Number of valid Performance shares at December 31, 2021	921,858	539,737	–
Number of valid Restricted shares at December 31, 2021	–	316,602	127,387
Number of free shares cancelled or expired ⁽³⁾	37,196	18,991	4,797
Number of free shares irrevocably vested at December 31, 2022	884,662	837,348	122,590
Number of valid Performance shares at December 31, 2022	–	–	–
Number of valid Restricted shares at December 31, 2022	–	–	–

(1) As the conditions applied to restricted shares are different from those for performance shares, the allocation of the allotment is made by type of shares.

(2) Given the number of shares allocated to employees, the first ten allocations were retained.

(3) Condition of presence not met or performance condition not met.

At December 31, 2022, there was no remaining share allotted and not delivered

During the year ended December 31, 2022, the Chief Executive Officer has decided on May 24, 2022 the delivery of 1,844,600 ordinary shares of the Company, vested as of May 23, 2022, under the

“Rexel 2019 3+0 Plan” granted on May 23, 2019. During the financial year ended December 31, 2022, the beneficiaries definitely acquired the shares under the “Rexel 2019 3+0 Plan”. This plan provides for a condition of presence during 3 years and the following performance criteria:

ACHIEVEMENT OF PERFORMANCE ON SHARE PLANS GRANTED IN 2017	WEIGHTING	OBJECTIVE	TRIGGER POINT	TARGET	MAXIMUM	PERCENTAGE OF PERFORMANCE ACHIEVEMENT BEFORE WEIGHTING	PERCENTAGE OF PERFORMANCE SHARES VESTED AFTER WEIGHTING
Average EBITA growth by value between 2018-2021	30%	+7.4%	50% vesting if target achievement is 75%	Vesting equal to 100% if the target is reached	Vesting equal to 150% if target achievement reaches 125%	150%	45%
Average organic sales growth 2018-2021	30%	+2.5%	50% vesting if target achievement is 75%	Vesting equal to 100% if the target is reached	Vesting equal to 150% if target achievement reaches 125%	150%	45%
Average between the years 2019, 2020 and 2021 of the free cash flow before interest and taxes/ EBITDA ratio	20%	67.7%	50% vesting if 90% of the target is achieved	Vesting equal to 100% if the target is reached	Acquisition equal to 150% if achievement is greater than or equal to 120%	132%	26.2%
Relative performance of the Rexel share compared to the SBF 120 GR index	20%	70 th percentile	Acquisition equal to 50% if the performance of the Rexel share is equal to the performance of the SBF 120 GR index	Vesting equal to 100% if the performance of the Rexel share exceeds the performance of the SBF 120 GR index by 5%	Acquisition equal to 150% if the performance of the Rexel share exceeds the performance of the SBF 120 GR index by 10%	150%	30%
Total						100%	

During the financial year ended December 31, 2022, the shares definitively vested by the corporate officers are as follows:

BENEFICIARIES	NUMBER OF SHARES PERMANENTLY VESTED
Patrick Berard	106,274

Free shares granted in the financial year ended December 31, 2020

Free share allocation plans set up on September 28, 2020

The Extraordinary Shareholders' Meeting held on June 25, 2020 authorized the Board of Directors to allot free shares.

The Board of Directors of September 28, 2020 decided to allot 1,566,140 free shares of Rexel in connection with three plans.

The table below summarizes the free share allocations carried out during the financial year ended December 31, 2020:

PLAN	REXEL 2020 PERFORMANCE SHARES 3+0	REXEL 2020 PERFORMANCE AND RESTRICTED SHARES 3+0	REXEL 2020 RESTRICTED SHARES 3+0
Shareholders' Meeting	June 25, 2020		
Board of Directors	September 28, 2020		
Number of beneficiaries	142	551	328
Initial number of Performance shares allocated	890,920	323,620	–
Initial number of Restricted shares allocated ⁽¹⁾	–	220,400	131,200
Corporate officer			
• Patrick Berard	100,000	–	–
Top ten employees ⁽²⁾	337,240	–	–
Final vesting date	September 28, 2023		
Date of transferability of shares	September 29, 2023		
Number of valid Performance shares at December 31, 2021	882,093	316,701	0
Number of valid Restricted shares at December 31, 2021	0	212,487	127,410
Number of free shares cancelled or expired prior to adjustment ⁽³⁾	36,126	30,967	5,754
Number of free shares irrevocably vested at December 31, 2022	–	–	–
Number of valid Performance shares at December 31, 2022	845,967	299,297	–
Number of valid Restricted shares at December 31, 2022	–	198,924	121,656

(1) As the conditions applied to restricted shares are different from those applied to performance shares, the allocation of the grant is made by type of share.

(2) Given the number of shares allocated to employees, the first ten allocations were retained.

(3) Condition of presence not met or performance condition not met.

Free shares allocated and not yet delivered at December 31, 2022, may result in the creation of 1,465,844 new shares. This creation would result in a dilution of 0.48%.

The valuation of the shares corresponds to the value recorded in connection with the

On September 28, 2020, in the context of the authorization granted to the Board of Directors to carry out the allotment of free shares it was decided that the Chief Executive Officer, who will be the beneficiary of an allotment of free shares shall retain 20% of such shares in the registered form. This obligation applies until the end of his term of office.

implementation of IFRS 2, prior to the impact of the spreading of the expense over the vesting period.⁽¹⁾

During the financial year ended on December 31, 2022, no share was permanently vested.

For information purposes, the performance of the September 28, 2020 plans will be known during the financial year ending December 31, 2023 (i.e.,

(1) See note 7 of the Notes to the consolidated financial statements of the Rexel Group for the year ended December 31, 2022 set forth in section 5.2.1 "Consolidated Financial Statements as of December 31, 2022" of this Universal Registration Document.

subsequent to the publication of this Universal Registration Document) taking into account the assessment period of the relative performance of the Rexel share compared to the SBF 120 GR index.

As a reminder, in connection with the Rexel 3+0 Restricted Shares plan, the shares allotted are not subject to the performance criteria above, but only to a three-year presence criterion.

Free shares granted in the financial year ended December 31, 2021

Plan of April 22, 2021

Rexel's Extraordinary Shareholders' Meeting of June 25, 2020 authorized the Board of Directors to carry out an allocation of free shares.

The Board of Directors of April 22, 2021 decided to allot 1,877,025 free shares of Rexel in connection with two plans.

On April 22, 2021, in the context of the authorization granted to the Board of Directors to carry out the allotment of free shares it was decided that the Chief Executive Officer, who will be the beneficiary of an allotment of free shares shall retain 20% of such shares in the registered form. This obligation applies until the end of his term of office.

The table below summarizes the free share allocations carried out during the financial year ended December 31, 2021:

PLAN	REXEL 2021 PERFORMANCE SHARES 3+0	REXEL 2021 RESTRICTED SHARES 3+0
Shareholders' Meeting	June 25, 2020	
Board of Directors	April 22, 2021	
Number of beneficiaries	215	938
Initial number of Performance shares allocated	1,409,625	–
Initial number of Restricted shares allocated ⁽¹⁾	–	467,400
Corporate officers		
• Patrick Berard	0	–
Top ten employees ⁽²⁾	332,400	–
Final vesting date	April 22, 2024	
Date of transferability of shares	April 23, 2024	
Number of performance shares in force at December 31, 2021	1,413,367	–
Number of restricted shares in force at December 31, 2021	–	467,841
Number of free shares cancelled or expired ⁽³⁾	54,557	27,311
Number of free shares irrevocably vested at December 31, 2022	–	–
Number of valid Performance shares at December 31, 2022	1,358,810	–
Number of valid Restricted shares at December 31, 2022	–	440,530

(1) As the conditions applied to restricted shares are different from those applied to performance shares, the allocation of the grant is made by type of share.

(2) Given the number of shares allocated to employees, the first ten allocations were retained.

(3) Condition of presence not met or performance condition not met.

The shares allocated and not yet delivered on December 31, 2022 could give rise to the creation of

1,799,340 new shares and thus lead to a dilution of 0.59%.

The valuation of the shares corresponds to the value recorded in connection with the implementation of IFRS 2, prior to the impact of the spreading of the expense over the vesting period.⁽¹⁾

During the financial year ended December 31, 2022, no shares vested definitely.

For information purposes, the performance of the plans from April 22 to September 20, 2020 will be known during the financial year ending on December 31, 2024 (after the publication of this Universal Registration Document) taking into account the assessment period of the relative performance of the Rexel share compared to the SBF 120 GR index.

As a reminder, under the Rexel 3+0 Restricted Share Plan, the shares granted are not subject to the

above performance conditions but only to a three-year presence condition.

Plan of October 20, 2021

Rexel's Extraordinary Shareholders' Meeting of June 25, 2020 authorized the Board of Directors to carry out an allocation of free shares.

The Board of Directors of October 20, 2021 decided to allot 53,450 free shares of Rexel in connection with two plans.

On October 20, 2021, in the context of the authorization granted to the Board of Directors to carry out the allotment of free shares, it was decided that the Chief Executive Officer, who will be the beneficiary of an allotment of free shares, shall retain 20% of such shares in the registered form. This obligation applies until the end of his term of office.

The table below summarizes the free share allocations carried out during the financial year ended December 31, 2021:

PLAN	REXEL 2021 PERFORMANCE SHARES 3+0	REXEL 2021 RESTRICTED SHARES 3+0
Shareholders' Meeting	June 25, 2020	
Board of Directors	October 20, 2021	
Number of beneficiaries	4	21
Initial number of Performance shares allocated	43,400	–
Initial number of Restricted shares allocated ⁽¹⁾	–	10,050
Corporate officers		
• Guillaume Texier	35,000	–
Top ten employees ⁽²⁾	13,800	–
Final vesting date	October 20, 2024	
Date of transferability of shares	October 21, 2024	
Number of performance shares in force at December 31, 2021	43,400	–
Number of restricted shares in force at December 31, 2021	–	10,050
Number of free shares cancelled or expired ⁽³⁾	–	900
Number of free shares irrevocably vested at December 31, 2022	–	–
Number of valid Performance shares at December 31, 2022	43,400	–
Number of valid Restricted shares at December 31, 2022	–	9,150

(1) As the conditions applied to restricted shares are different from those applied to performance shares, the allocation of the grant is made by type of share.

(2) Given the number of shares allocated to employees, the first ten allocations were retained.

(3) Condition of presence not met or performance condition not met.

The shares allocated and not yet delivered on December 31, 2022 could give rise to the creation of

52,550 new shares and thus lead to a dilution of 0.02%.

(1) See note 7 of the Notes to the consolidated financial statements of the Rexel Group for the year ended December 31, 2022 set forth in section 5.2.1 "Consolidated Financial Statements as of December 31, 2022" of this Universal Registration Document.

The valuation of the shares corresponds to the value recorded in connection with the implementation of IFRS 2, prior to the impact of the spreading of the expense over the vesting period.⁽¹⁾

During the financial year ended December 31, 2022, no shares vested definitely.

For information purposes, the performance of the plans of October 20, 2021 will be known during the

financial year ending on December 31, 2024 (after the publication of this Universal Registration Document) taking into account the assessment period of the relative performance of the Rexel share compared to the SBF 120 GR index.

As a reminder, under the Rexel 3+0 Attendance Share Plan, the shares granted are not subject to the above performance conditions but only to a three-year presence condition.

Free shares granted in the financial year ended December 31, 2022

Free shares allotment plans set up on April 21, 2022

The Extraordinary Shareholders' Meeting held on April 21, 2022 authorized the Board of Directors to allot free shares.

The Board of Directors of April 21, 2022 decided to allot 1,931,440 free shares of Rexel.

The table below summarizes the free share allocations carried out during the financial year ended December 31, 2022:

PLAN	REXEL 2022 PERFORMANCE SHARES 3+0	REXEL 2022 PREFERENCE SHARES 3+0
Shareholders' Meeting	April 21, 2022	
Board of Directors	April 21, 2022	
Number of beneficiaries	401	681
Initial number of Performance shares allocated	1,588,140	–
Initial number of Restricted shares allocated ⁽¹⁾	–	343,300
Corporate officer	–	
• Guillaume Texier	100,000	–
Top ten employees ⁽²⁾	350,810	–
Final vesting date	April 22, 2025	
Date of transferability of shares	April 23, 2025	
Number of free shares cancelled or expired ⁽³⁾	26,870	5,530
Number of free shares irrevocably vested at December 31, 2021	–	–
Number of valid Performance shares at December 31, 2021	1,561,360	–
Number of valid attendance shares at December 31, 2021	–	337,770

(1) As the conditions applied to restricted shares are different from those for performance shares, the allocation of the allotment is made by type of shares.

(2) Given the number of shares allocated to employees, the first ten allocations were retained.

(3) Condition of presence not met or performance condition not met.

(1) See note 7 of the Notes to the consolidated financial statements of the Rexel Group for the year ended December 31, 2022 set forth in section 5.2.1 "Consolidated Financial Statements as of December 31, 2022" of this Universal Registration Document.

Shares allocated and not yet delivered at December 31, 2022 may give rise to the creation of 1,899,130 new shares. This creation would entail a dilution of 0.63%.

The valuation of the shares corresponds to the value retained in the context of the implementation of IFRS 2, before the effect of the spreading of the expense over the acquisition period⁽¹⁾.

During the financial year ended December 31, 2022, the Board of Directors granted the following shares to the corporate officers and to the top ten employees of the Rexel Group:

BENEFICIARIES	PLAN NAME	NUMBER OF SHARES	VALUE OF ALLOCATED SHARES ⁽¹⁾	VESTING DATE	TRANSFERABILITY DATE	CONDITIONS ⁽²⁾
CORPORATE OFFICERS						
Guillaume Texier	REXEL 3+0 Performance Shares	100,000	€1,725 000,00	April 21, 2022	April 22, 2025	-2
FIRST TEN EMPLOYEES						
Employee #1	REXEL 3+0 Performance Shares	75,000	€1,293,750.00	April 21, 2022	April 22, 2025	-2
Employee #2	REXEL 3+0 Performance Shares	40,000	€690,000.00	April 21, 2022	April 22, 2025	-2
Employee #3	REXEL 3+0 Performance Shares	35,000	€603,750.00	April 21, 2022	April 22, 2025	-2
Employee #4	REXEL 3+0 Performance Shares	35,000	€603,750.00	April 21, 2022	April 22, 2025	-2
Employee #5	REXEL 3+0 Performance Shares	34,000	€586,500.00	April 21, 2022	April 22, 2025	-2
Employee #6	REXEL 3+0 Performance Shares	30,000	€517,500.00	April 21, 2022	April 22, 2025	-2
Employee #7	REXEL 3+0 Performance Shares	27,000	€465,750.00	April 21, 2022	April 22, 2025	-2
Employee #8	REXEL 3+0 Performance Shares	27,000	€465,750.00	April 21, 2022	April 22, 2025	-2
Employee #9	REXEL 3+0 Performance Shares	24,430	€421,417.50	April 21, 2022	April 22, 2025	-2
Employee #10	REXEL 3+0 Performance Shares	23,380	€403,305.00	April 21, 2022	April 22, 2025	-2

(1) The valuation of the shares granted is based on the fair value of the instruments on the date of grant, i.e. €17.25.

(2) See table presenting the performance criteria used for the 2022 plan below.

(1) See note 7 to the consolidated financial statements of the Rexel Group for the year ended December 31, 2022 set forth in paragraph 5.2.1 "Consolidated financial statements as of December 31, 2022" of this Universal Registration Document.

The table below summarizes the performance criteria adopted and the method used in order to determine their impact on the future vesting of the performance shares of the Rexel 3+0 Performance Shares:

CRITERIA	WEIGHT	TRIGGER	TARGET	MAXIMUM	COMMENTS
Average EBITA growth 2021-2024	40%	50% of shares vest if the average performance reaches 85% of target	100% of shares vest if the target is reached	115% of shares vest if the average performance reaches or exceeds 125% of target	Calculation on a linear basis between the points
Average between the years 2022, 2023 and 2024 of the ratio of free cash before interest and taxes / EBITDAaL	20%	50% of shares vest if the average performance reaches 90% of target	100% of shares vest if the target is reached	115% of shares vest if the average performance reaches or exceeds 120% of target	Calculation on a linear basis between the points
ESG index – 6 criteria to capture the deployment of the ESG roadmap	20%	50% of shares vest if the average performance reaches 85% of target	100% of shares vest if the target is reached	115% of shares vest if the average performance reaches or exceeds 125% of target	Calculation on a linear basis between the points
Relative performance of the Rexel share compared to the SB 120 GR index ⁽¹⁾	20%	50% of shares vest if Rexel's share performance exceeds the performance of the SBF 120 GR index	100% of shares vest if Rexel's share performance exceeds the performance of the SBF 120 GR index by 5%	115% of shares vest if Rexel's share performance exceeds the performance of the SBF 120 GR index by 10%	Calculation on a linear basis between the points
	100%	The performance level of each criterion is combined with the weight of each criterion in order to obtain a weighted global level of performance. In any case, said global level is limited to 100% of the initial grant.			

(1) The performance of this criterion is assessed at the end of a 3-year period (2022-2025).

During the financial year ended December 31, 2022, no shares vested.

For information purposes, the performance of the plans of April 21, 2022 will be known during the financial year ending on December 31, 2025 (after the publication of this Universal Registration Document) taking into account the assessment period of the relative performance of the Rexel share compared to the SBF 120 GR index.

Free shares allotment subject to performance conditions include ESG criteria. The ESG criteria of the free shares allotment plans set up under the authorization granted by the Shareholders' Meeting of April 21, 2022 include (i) reaching a threshold of

74,900 tons of CO₂ on Scope 1 & 2 (which would represent, at the end of 2024 and at constant scope, a 36% decrease in value compared to 2016, which is the reference year) and (ii) reaching a threshold of 28,100 tons of CO₂ on Scope 3 (which would represent, at the end of 2024 and at constant scope, a 27% decrease in value compared to 2016). These two thresholds should enable Rexel to achieve the objectives validated by the SBTi of a 60% reduction in value for Scope 1&2 and a 45% reduction in value for Scope 3 by 2030.

As a reminder, under the Rexel 3+0 Attendance Share Plan, the shares granted are not subject to the above performance conditions but only to a three-year presence condition.

3.7.2.7 Aggregate dilution

The number of shares freely allocated by Rexel which have not yet been delivered may result in the creation of 5,216,864 new shares. This would

represent 1.72% of the share capital and voting rights of Rexel at December 31, 2022.

3.7.3 Shareholders' voting rights

Each share of Rexel entitles the holder to one vote. Consequently, as of the date of this Universal Registration Document, the Rexel's shareholders hold the same number of voting rights as the number of shares they own. Shares fully paid up

that have been held in a registered form for 2 years at the name of the same shareholder do not benefit from double voting rights. This provision applies Article L.22-10-46 of the French Commercial Code.

3.7.4 Control structure

The creation of Committees of the Board of Directors, the appointment of independent Directors and at the Committees of the Board of Directors, the performance of reviews of the operation and work of the Board of Directors and of its Committees, in accordance with the rules described in section 3.1 "Administration Bodies and

Management" of this Universal Registration Document, enable Rexel, *inter alia*, to avoid being controlled in an "abusive manner" within the meaning of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017.

3.7.5 Agreements potentially leading to a change of control

Rexel is not aware of any other agreements between its shareholders.

3.8 Share capital

3.8.1 Share capital subscribed and authorized but non-issued

As at December 31, 2022, Rexel's share capital amounted to €1,517,066,325 divided into 303,413,265 shares with a par value of 5 euros each. They were fully paid-up and subscribed, and were of the same class. As at December 31, 2021, its share capital amounted to €1,528,582,455 divided into 305,716,491 shares with a par value of €5 each.

The Combined Shareholders' Meetings held April 22, 2021 and April 21, 2022 granted various

authorizations to the Board of Directors, which used such powers and authorizations as described below. In addition, at its meeting held on February 15, 2023, the Board of Directors decided to submit to the approval of the Shareholders' Meeting of April 20, 2023 certain projects of delegations and authorizations under the terms described below.

CURRENT AUTHORIZATIONS					PROPOSED AUTHORIZATION TO THE SHAREHOLDERS' MEETING TO BE HELD ON APRIL 20, 2023		
TYPE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (NO. OF RESOLUTION)	TERM (DATE OF EXPIRY)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NO.	TERM	MAXIMUM AMOUNT
AUTHORIZATIONS SUBJECT TO RENEWAL BY THE SHAREHOLDERS' MEETING OF APRIL 20, 2023							
Rexel's repurchase of its own shares							
Share repurchase	April 21, 2022 (resolution 18)	18 months (October 20, 2023)	10% of the capital at the date of completion Total maximum amount: €250,000,000 Maximum redemption price: €30	Use under the liquidity contract entered into with Natixis and Oddo for market-making purposes: • Acquisition of 9,840,063 shares at an average price of €17.88; and • Sale of 9,750,152 shares at an average price of €17.97 Use in the context of two contracts concluded with Natixis on July 29, 2022 (as amended on August 25, 2022) and September 23, 2022. The repurchases of Rexel shares were made in view of the allotment of free shares to employees (520,099 attributed shares) and cancellation of shares (3,479,758 cancelled shares). • Acquisition of 3,999,857 shares at an average price of €16,22 Orders executed by Oddo BHF in the context of a partnership entered into with Natixis	14	18 months	10% of the capital on the date of completion Total maximum amount: €250,000,000 Maximum repurchase price: €30
Decrease in the share capital by cancelling shares							
Decrease in the share capital by cancelling shares	April 21, 2022 (resolution 19)	18 months (October 20, 2023)	10% of the capital at the date of cancellation by periods of 24 months	Cancellation of 3,479,758 shares acquired under the buyback program	15	18 months	10% of the capital at the date of cancellation by periods of 24 months

CURRENT AUTHORIZATIONS					PROPOSED AUTHORIZATION TO THE SHAREHOLDERS' MEETING TO BE HELD ON APRIL 20, 2023		
TYPE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (NO. OF RESOLUTION)	TERM (DATE OF EXPIRY)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NO.	TERM	MAXIMUM AMOUNT
Increase in share capital							
Issue with preferential subscription rights	April 22, 2021 (resolution 16)	26 months (June 21, 2023)	Capital securities: €720,000,000 (144,000,000 shares)	N/A	16	26 months	Capital securities: €720,000,000 (or 144,000,000 shares)
			This maximum is common to the 17 th to 22 nd resolutions of the Shareholders' Meeting of April 22, 2021				This maximum would be common to the 16 th to 22 nd resolutions of the General Meeting of April 20, 2023
			Debt securities: €1,000,000,000				Debt securities : €1,000,000,000
			This maximum is common to the 17 th to 22 nd resolutions of the Shareholders' Meeting of April 22, 2021				This maximum would be common to the 16 th to 22 nd resolutions of the General Meeting of 20 April 2023
Issuance by way of a public offering other than those referred to in article L.411-2, 1° of the French Monetary and Financial Code, with cancellation of preferential subscription rights	April 22, 2021 (resolution 17)	26 months (June 21, 2023)	Capital securities: €140,000,000 (28,000,000 shares)	N/A	17	26 months	Capital securities: €140,000,000 (i.e. 28,000,000 shares)
			This maximum is common to the 17 th and 18 th resolutions of the Shareholders' Meeting of April 22, 2021				This maximum would be common to the 17 th and 18 th resolutions of the General Meeting of April 20, 2023
			This maximum is to be deducted from the maximum provided for in the 16 th resolution of the Shareholders' Meeting of April 22, 2021				This maximum is to be deducted from the maximum provided for in the 16 ^e resolution of the General Meeting of April 20, 2023.
			Debt securities: €1,000,000,000				Debt securities: €1,000,000,000
			This maximum is to be deducted from the maximum provided for in the 16 th resolution of the Shareholders' Meeting of April 22, 2021				This maximum is to be deducted from the maximum provided for in the 16 th resolution of the General Meeting of April 20, 2023.
			The issue price is set in accordance with the legal provisions applicable on the date of issue (as of today, the weighted average of the quoted prices of the Company's shares during the last three trading sessions preceding the start of the public offering, possibly reduced by a 10% discount)				The issue price would be set in accordance with the legal provisions applicable on the date of issue (as of today, the weighted average of the prices quoted for the Company's shares over the last three trading sessions preceding the start of the public offering, possibly reduced by a 10% discount)

CURRENT AUTHORIZATIONS					PROPOSED AUTHORIZATION TO THE SHAREHOLDERS' MEETING TO BE HELD ON APRIL 20, 2023		
TYPE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (NO. OF RESOLUTION)	TERM (DATE OF EXPIRY)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NO.	TERM	MAXIMUM AMOUNT
Issuance by way of an offer as referred to in article L.411-2, 1° of the French Monetary and Financial Code, with cancellation of the preferential subscription right	April 22, 2021 (resolution 18)	26 months (June 21, 2023)	Capital securities: €140,000,000 (28,000,000 shares) This maximum is to be deducted from the maximum provided for in the 16 th and 17 th resolutions of the Shareholders' Meeting of April 22, 2021 Debt securities: €1,000,000,000 This maximum is to be deducted from the maximum provided for in the 16 th resolution of the Shareholders' Meeting of April 22, 2021 The issue price is set in accordance with the legal provisions applicable on the date of issue (as of today, the weighted average of the quoted prices of the Company's shares during the last three trading sessions preceding the start of the public offering, possibly reduced by a 10% discount)	N/A	18	26 months	Capital securities: €140,000,000 (i.e. 28,000,000 shares) This maximum would be common to the 17 th and 18 th resolutions of the Shareholders' Meeting of April 20, 2023 This maximum is to be deducted from the maximum provided for in the 16 th resolution of the Shareholders' Meeting of April 20, 2023 Debt securities : €1,000,000,000 This maximum is to be deducted from the maximum provided for in the 16 th resolution of the Shareholders' Meeting of April 20, 2023. The issue price would be set in accordance with the legal provisions applicable on the date of issue (as of today, the weighted average of the prices quoted for the Company's shares over the last three trading sessions preceding the start of the public offering, possibly reduced by a 10% discount)
Authorization to increase the amount of the initial issue, with or without pre-emptive subscription rights	April 22, 2021 (resolution 19)	26 months (June 21, 2023)	15% of the initial issue This maximum is to be deducted from the maximum applicable to the initial issue and from the maximum provided for in the 16 th resolution of the Shareholders' Meeting of April 22, 2021	N/A	19	26 months	15% of the initial issue This maximum would be deducted from the maximum applicable to the initial issue and from the maximum provided for in the 16 th resolution of the Shareholders' Meeting of April 20, 2023
Issuance of up to 10% of the share capital in consideration for contributions in kind	April 22, 2021 (resolution 20)	26 months (June 21, 2023)	10% of the capital on the date of the Board of Directors' decision to issue This maximum is to be deducted from the maximum provided for in the 16 th and 17 th resolutions of the Shareholders' Meeting of April 22, 2021	N/A	20	26 months	10% of the capital on the date of the Board of Directors' decision to issue This maximum would be deducted from the maximum provided for in the 16 th and 17 th resolutions of the Shareholders' Meeting of April 20, 2023

CURRENT AUTHORIZATIONS					PROPOSED AUTHORIZATION TO THE SHAREHOLDERS' MEETING TO BE HELD ON APRIL 20, 2023		
TYPE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (NO. OF RESOLUTION)	TERM (DATE OF EXPIRY)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NO.	TERM	MAXIMUM AMOUNT
Capital increase by incorporation of premiums, reserves, profits or others whose capitalization would be allowed	April 22, 2021 (resolution 23)	26 months (June 21, 2023)	€200,000,000 (i.e. 40,000,000 shares) This maximum is not deducted from any maximum	N/A	23	26 months	€200,000,000 (or 40,000,000 shares) This maximum is not deducted from any maximum
Employee shareholding, allocation of share subscription or purchase options, free share allocations							
Issuance with cancellation of preferential subscription rights to the benefit of the members of a share savings plan	April 21, 2022 (resolution 21)	26 months (June 20, 2024)	2% of the share capital as at the date of the decision of the Board of Directors This maximum to be deducted from the €720 million maximum provided for by resolution 16 of the Shareholders' Meeting of April 21, 2022 This maximum to be deducted from the 2% maximum provided for by resolutions 20 and 21 of the Shareholders' Meeting of April 21, 2022 The issue price will be determined in accordance with the conditions set out in Articles L.3332-19 <i>et seq.</i> of the French Labor Code. The maximum discount is set at 30% of the average of the opening prices during the twenty trading days preceding the date of the Board of Directors' decision setting the opening date for subscriptions	N/A	21	26 months	2% of the share capital as at the date of the decision of the Board of Directors This maximum would be deducted from the joint maximum amount of €720M provided for in resolution 16 of the Shareholders' Meeting of April 20, 2023 This maximum would be deducted from the joint maximum amount of 2% provided for by resolutions number 21 and 22 of the Shareholders' Meeting of April 20, 2023 The issue price would be determined in accordance with the conditions set out in Articles L.3332-19 <i>et seq.</i> of the French Labor Code. The maximum discount is set at 30% of the average of the opening prices during the twenty trading days preceding the date of the Board of Directors' decision setting the opening date for subscriptions

CURRENT AUTHORIZATIONS					PROPOSED AUTHORIZATION TO THE SHAREHOLDERS' MEETING TO BE HELD ON APRIL 20, 2023		
TYPE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (NO. OF RESOLUTION)	TERM (DATE OF EXPIRY)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NO.	TERM	MAXIMUM AMOUNT
<p>Issuance with cancellation of the preferential subscription right reserved for certain categories of beneficiaries in order to allow employee shareholding transactions</p> <p>The categories of beneficiaries are (a) employees and corporate officers of non-French companies related to the Company, (b) mutual funds or other employee shareholding entities invested in the Company's shares, (c) banking institutions or their subsidiaries that intervene for the purposes of setting up an employee shareholding plan and/or (d) financial institutions mandated in connection with a "Share Incentive Plan".</p>	April 21, 2022 (resolution 21)	18 months (October 20, 2023)	<p>1% of the share capital as at the date of the decision of the Board of Directors</p> <p>This maximum to be deducted from the €720 million maximum provided for by resolution 16 of the Shareholders' Meeting of April 20, 2023</p> <p>This maximum to be deducted from the 2% maximum provided for by resolutions 21 and 22 of the Shareholders' Meeting of April 20, 2023</p>	N/A	22	18 months	<p>1% of the share capital as at the date of the decision of the Board of Directors</p> <p>This maximum would be deducted from the €720M maximum provided for by resolution 16 of the Shareholders' Meeting of April 20, 2023</p> <p>This maximum to be deducted from the joint maximum amount of 2% provided for by resolutions 21 and 22 of the Shareholders' Meeting of April 20, 2023</p>
AUTHORIZATIONS NOT SUBJECT TO RENEWAL AT THE SHAREHOLDERS' MEETING OF APRIL 20, 2023							
Allocation of performance shares	April 21, 2022 (resolution 22)	26 months (June 20, 2024)	1.4% of the capital on the date of the Board of Directors' decision	Allocation on April 21, 2022 of 1,931,440 shares corresponding to €9,657,200	N/A	N/A	N/A
Allocation of free shares to employees and corporate officers subscribing to a share ownership plan	April 21, 2022 (resolution 23)	26 months (June 20, 2024)	0.3% of the capital on the date of the Board of Directors' decision	N/A	N/A	N/A	N/A

3.8.2 Securities not representative of share capital

As of the date of this Universal Registration Document, Rexel has not issued any securities not representing share capital.

3.8.3 Treasury shares and purchase by Rexel of its own shares

Information on the share repurchase plan approved by the Shareholders' Meeting of April 21, 2022

Characteristics of the share repurchase plan

The Combined Shareholders' Meeting of April 21, 2022, authorized the Board of Directors to purchase or cause to be purchased a maximum number of Rexel shares. This number represents up to 10% of its

share capital. This measure is in line with the provisions of Articles L.225-209 *et seq.* of the French Commercial Code and in accordance with Articles 241-1 to 241-7 of the French financial markets authority (AMF) general rules, and with European regulations applicable to market abuse.

The characteristics of this repurchase plan are as follows:

RELEVANT SECURITIES	SHARES
Maximum percentage of share capital that may be repurchased	10% (being specified that the number of shares acquired by Rexel with a view to being retained and subsequently delivered as payment or exchange consideration in connection with a merger, demerger or contribution may not exceed 5% of Rexel's share capital)
Maximum number of securities that may be purchased	A number of shares representing up to 10% of the share capital at the date of the purchase
Aggregate maximum amount of the plan	€250 million
Maximum price per share	€30
Duration of the plan	18 months, <i>i.e.</i> until October 20, 2023

The objectives of the plan, in order of highest to lowest priority, are the following:

- Ensuring liquidity and activity in the market for the shares of Rexel through an investment services provider. This provider acts independently under a liquidity agreement. It acts in compliance with an AMF-accredited insider trading policy;
- Satisfying the obligations arising out of allocations of stock options, allocations of free shares or any other granting, allocation or sale of shares to the employees or the corporate officers of Rexel or of an associated enterprise and carrying out any hedging operation relating to such transactions. These provisions apply in accordance with the conditions set forth by the market authorities and at such times that the Board of Directors or any person acting upon the

authority of the Board of Directors implements such actions;

- Ensuring the coverage of the undertakings of Rexel under rights with a settlement in cash and relating to the positive evolution of the trading price of the share of Rexel granted to the employees or the corporate officers of Rexel or of an associated enterprise;
- Retaining shares and delivering shares in the future to an exchange or as a consideration in the context of external growth transactions, in accordance with applicable regulations;
- Granting shares in connection with the exercise of rights attached to securities conferring access by any means, immediately or in the future, to shares of Rexel;

- Cancelling all or part of the shares so repurchased, in accordance with applicable laws and subject to an authorization being granted by the Extraordinary Shareholders' Meeting; and
- Any other action that is or will become permitted by French law or the AMF or any purpose that may comply with the regulations in force.

The acquisition, sale or transfer of the shares may be carried out by any means, on the market or over the counter, including through:

- transactions involving blocks of securities or takeover bids;
- option mechanisms;
- derivatives;
- purchase of options; or
- of securities;
- in conformity with the applicable regulatory conditions.

In total, transactions carried out by Rexel on its own shares for the year ended December 31, 2022, mainly consisted of:

In the event of a public tender offer on Rexel shares paid for in full in cash, Rexel may not pursue the implementation of its share repurchase plan.

Overview of the share repurchase plan

As at December 31, 2022, Rexel held 555,407 shares of €5 nominal value each. The shares include 268,205 shares under the liquidity agreement entered into with Oddo and Natixis and 269,202 shares previously acquired and held for the attribution to employees.

In connection with this liquidity agreement, Rexel has purchased 9,840,063 shares (representing 3.24% of the share capital of Rexel) during the 2022 financial year at an average price of €17.88 and for a total amount of €175,920,475.7. The shares have been acquired for market-making purposes in the scope of a liquidity agreement entered into with Oddo and Natixis. Furthermore, in connection with this liquidity agreement, Rexel has sold 9,750,152 shares for an average price of €17.97.

Number of shares cancelled during the last 24 months	(3,479,758)
Number of shares held by Rexel as treasury shares as of December 31, 2021	613,465
• Share purchases	13,839,920
• Share disposals	(9,750,152)
• Share transfers	(668,068)
• Shares cancelled	(3,479,758)
• Number of treasury shares held at December 31, 2022	555,407
Percentage of capital directly or indirectly held by Rexel as of December 31, 2022	0.18%
Book value of the treasury shares	9,925,993.3
Market value of the treasury shares as at December 31, 2022	10,241,705.08
Details of transactions carried out by Rexel in 2022, by objective:	
• Liquidity agreement	
Share purchases	9,840,063
Share disposals	(9,750,152)
Number of treasury shares held at December 31, 2022	286,205
• Share purchases	3 999 857
• Cancellation of shares	
Number of cancelled shares	(3,479,758)
Number of treasury shares held at December 31, 2022	0
• Allocation to employees	
Share purchases	520,099
Share transfers	(668,068)
Number of treasury shares held at December 31, 2022	269,202

Rexel did not hold open, buy or sell positions on derivative instruments as of December 31, 2022.

The costs incurred by Rexel, under the liquidity agreement, within the context of the implementation of the share repurchase plan amount to €45,091 (Oddo and Natixis) for the financial year ended on December 31, 2022.

As part of its share buyback program, Rexel has also entered into two share buyback mandates with Natixis dated July 29, 2022 (amended August 25, 2022) and September 23, 2022. These mandates were entered into in the objective of benefiting from the provisions of Article 4 of Delegated Regulation (EU) No. 2016/1052 of March 8, 2016 supplementing Regulation (EU) No. 596/2014. All of the execution flows for buyback program share orders were carried out by ODDO BHF, as part of a partnership

between ODDO BHF and Natixis. These two buyback mandates were limited to an amount maximum of €20,000,000, at a maximum price of €17.5, and on the Euronext, CBoE, Turquoise and Aquis markets. The amendment to the buyback mandate of July 29, 2022 dated August 25, 2022 extended this maximum amount to €40,000,000 for the period running from August 31, 2022 to September 30, 2022. The number of shares acquired to be freely allocated amounts to 520,099 shares. The number of shares acquired to be allocated to the objective of cancellation amounts to 3,479,758 shares. These 3,999,857 shares were acquired at an average price of €16.22 for a total amount of €59,999,986.47. The commission on the share buyback program amounts to €62,999.96. The information regarding those contracts is included in the table above.

Description of the share repurchase plan submitted to the approval of the Shareholders' Meeting

Information on the share repurchase plan submitted to the approval of the Shareholders' Meeting

At its meeting of February 15, 2023, the Board of Directors decided to submit a resolution to the Shareholders' Meeting of April 20, 2023 authorizing it to purchase or cause to be purchased a maximum

number of Rexel shares. This number of shares represents up to 10% of Rexel's share capital. This resolution is in accordance with the provisions of Articles L22-10-62 *et seq.* of the French Commercial Code, of Articles 241-1 to 241-7 of the General Regulation of the *Autorité des marchés financiers* and of European regulations applicable to market abuse.

Objectives of the share repurchase plan for 2023

The objectives of the plan, in order of highest to lowest priority, are as follows:

- Ensuring liquidity and activity in the market for the Rexel shares through an investment services provider. This service provider acts independently. It acts under a liquidity agreement and in compliance with the market practice by the AMF;
- Satisfying the obligations arising out of allocations of stock options, allocations of free shares or any other granting, allocation or sale of shares to the employees or the corporate officers of Rexel or of an associated enterprise and establishing hedging operations relating to such transactions. These provisions apply in accordance with the conditions set forth by the market authorities and at such times that the Board of Directors or person acting upon the authority of the Board of Directors implements such actions;
- Ensuring the coverage of the undertakings of Rexel under rights with a settlement in cash and

relating to the positive evolution of the trading price of the share of Rexel granted to the employees or the corporate officers of Rexel or of an associated enterprise;

- Retaining shares and delivering shares further to an exchange or as a consideration in the context of external growth transactions, in accordance with the applicable regulations;
- Granting shares in connection with the exercise of rights attached to securities conferring access by any means, immediately or in the future, to Rexel shares;
- Cancelling all or part of the shares so repurchase in accordance with the conditions set forth by the applicable laws and subject to the approval by the general meeting of shareholders; and
- Any other action that is or will become permitted or accepted by French law or the AMF or any purpose that may comply with the regulations in force.

Maximum portion, number and characteristics of shares that may be acquired in connection with the 2023 repurchase plan

The maximum portion of share capital that may be authorized to be repurchased would amount to 10% of the total number of shares making up the share capital, at any time whatsoever. This percentage applies to an adjusted share capital based on the transactions that affect it further to the Shareholders' Meeting. The number of shares purchased by Rexel in view of holding them for subsequent payment or exchange in a merger,

spin-off or contribution may not exceed 5% of Rexel's share capital at such date.

For information purposes, based on the existing share capital as at December 31, 2022 and having deducted the 555,407 shares held at this date, the maximum number of shares that may be purchased amounts to 302,604,234.

The shares that Rexel considers purchasing are ordinary shares.

Maximum purchase price

The maximum purchase price per share would be set at €30. In the event of a share capital transaction, including by way of a capitalization of reserves and free share allocation, share split or reverse share split, such price would be adjusted

accordingly in order to take into account the impact of such transactions on the share price.

The maximum amount of funds intended to finance the share repurchase plan would amount to €250 million.

Terms of purchase and sale

The acquisition, sale or transfer of shares can be effected or paid for by all means, on the market or over the counter, including by means of:

- block trade transactions or public offers;
- optional mechanisms;
- derivative instruments;

- purchases of options; or
- of securities;
- in compliance with applicable regulations.

In the event of a public offer for Rexel's securities fully paid for in cash, Rexel would not be able to pursue the implementation of its share repurchase plan.

Duration of the share repurchase plan

The share repurchase plan would have a duration of 18 months as from the Shareholders' Meeting, *i.e.* until October 20, 2024.

Breakdown by objectives of the shares held by Rexel

As at December 31, 2022:

- 269,202 shares of €5 nominal value each were allocated to the implementation of all share subscription option plans and free share allocation plans of Rexel; and

- 286,205 shares of €5 nominal value each were allocated to the purchase, sale, conversion, transfer, loan, or availability of the shares. This allocation is carried out in connection with a liquidity agreement entered into with Oddo and

Natixis. This agreement came into force on July 1, 2018. It complies with the AMAFI Code of Ethics. It is also compliant with market practice accepted

by the French financial markets authority (*Autorité des marchés financiers*) or to carry out counter-trend market transactions.

3.8.4 Other securities giving access to the share capital

3.8.4.1 Subscription or purchase options for Rexel shares

Rexel has not issued any purchase or subscription option within the 2022 financial year.

In addition, the subscription or purchase options exercisable under the previous plans lapsed on November 30, 2016.

3.8.4.2 Allocation of free shares

Rexel has issued options to subscribe for shares under the terms and conditions described in

paragraph 3.7.2.6 "Allotment of free shares" of this Universal Registration Document.

3.8.5 Changes in share capital

The table below shows changes in the share capital of Rexel over the last three years, as of the date of the present Universal Registration Document.

TRANSACTION SETTLEMENT DATE	TRANSACTION	NUMBER OF SHARES ISSUED/ CANCELLED	NOMINAL AMOUNT OF CAPITAL INCREASE/ REDUCTION (€)	SHARE/MERGER PREMIUM (€)	CUMULATIVE NOMINAL AMOUNT OF SHARE CAPITAL (€)	CUMULATIVE NUMBER OF SHARES	NOMINAL VALUE PER SHARE (€)
July 29, 2019	Share capital increase further to the final vesting of free shares	113,114	565,570	N/A	1,520,510,065	304,102,013	5
June 24, 2020	Share capital increase further to the final vesting of free shares	323,093	1,615,465	N/A	1,522,125,530	304,425,106	5
May 24, 2021	Share capital increase further to the final vesting of free shares	595,030	2,975,150	N/A	1,525,100,680	305,020,136	5
May 25, 2021	Share capital increase further to the final vesting of free shares	508,021	2,540,105	N/A	1,527,640,785	305,528,157	5
July 1, 2021	Share capital increase further to the free allocation of shares to employees participating in the PEGI and having subscribed to Opportunity 16	188,334	941,670	N/A	1,528,582,455	305,716,491	5
May 24, 2022	Share capital increase further to the final vesting of free shares	1,176,532	5,882,660	N/A	1,534,465,115	306,893,023	5
November 30, 2022	Share capital decrease further to the cancellation of treasury shares	3,479,758	17,398,790	N/A	1,517,066,325	303,413,265	5

3.8.6 Pledges, guarantees and security interests

As of the date of this Universal Registration Document and to Rexel's knowledge, no Rexel

shares have been pledged or are subject to a guarantee or security interest.

3.9 Other elements that may have an impact in case of tender offer

3.9.1 Control mechanisms in relation to employee shareholding

In the scope of the share capital increase reserved for employees, the employees' investments are carried out in certain jurisdiction through mutual funds (*fonds communs de placement*). The "Rexel Actionnariat Classique France" and the "Rexel Actionnariat Classique International" funds have been created in this context.

Each of these funds has a Supervisory Board, the main powers of which are as follows:

- It reviews the management report and financial statements of the fund, the financial, administrative and accounting management and adopts its annual report;
- It exercises the voting rights attached to the shares issued by Rexel and decides on the contribution of shares, and, in this respect, appoints one or several representatives of the fund at the Rexel Shareholders' Meetings;
- It may submit resolutions at Rexel Shareholders' Meetings;
- It grants its prior agreement to certain amendments to the rules of the fund: change of management company, dissolution, merger/

demerger, change in the orientations of management and classification; and

- It may take legal action to defend or enforce the rights or interests of its shareholders.

The Supervisory Board of the fund is independent of the Board of Directors of Rexel and its decisions are taken independently.

Decisions of the Supervisory Board of the fund are approved by a majority of votes of the members present or represented. In the event of a tie, the Chairman of the meeting has a casting vote.

The means available for the Supervisory Board to support its decisions and carry out its duties are as follows:

- organization of telephone conferences, if applicable, beyond the formal scope of the meetings;
- various information provided by Rexel, in order to assess the economic and financial position of the Rexel Group and its outlook;
- information provided by the management company.

3.9.2 Agreements entered into by Rexel to be amended or terminated in case of change of control

The agreements entered into by Rexel or which are likely to be amended or terminated in case of change of control are, in particular, the following:

- The Senior Credit Agreement (see note 19.3.3 of the Notes to the consolidated financial statements of Rexel for the financial year ended December 31,

2022, set out in paragraph 5.2.1 "Consolidated Financial Statements as of December 31, 2022" of this Universal Registration Document);

- The 2021 Senior Bonds (see note 19.1.1 of the Notes to the consolidated financial statements of Rexel for the financial year ended December 31, 2022,

set out in paragraph 5.2.1 “Consolidated Financial Statements as of December 31, 2022” of this Universal Registration Document);

- The US\$ 40 million bilateral facility agreement entered into with Wells Fargo Bank International on June 27, 2014 and amended on June 26, 2015, on June 26, 2017, on June 26, 2020 and on June 24, 2021 (see note 19.3.3 of the Notes to the consolidated financial statements of Rexel for the financial year ended December 31, 2022, set out

in paragraph 5.2.1 “Consolidated Financial Statements as of December 31, 2022” of this Universal Registration Document); and

- The securitization programs (see note 19.1.2 of the Notes to the consolidated financial statements of Rexel for the financial year ended December 2022, set out in paragraph 5.2.1 “Consolidated financial statements as of December 31, 2022” of this Universal Registration Document).

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Corporate responsibility

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Corporate responsibility



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In this chapter, Rexel presents its multi-year “Corporate Responsibility” strategy, which aims to develop leadership in environmental, social and governance (ESG) issues. This strategy is based on the following axes:

- Promoting ESG to suppliers;
- Offering new services; and
- Developing energy transition solutions in fast-growing segments.

It is based on the adoption of objectives and the implementation of actions:

- Socially: involving and supporting employees;
- Environmentally: improving the environmental performance of operations, making commitments in favour of the climate and promoting the sustainable management of resources;

- In terms of promoting responsible practices in the value chain.

In this chapter, excluding Sections 4.7, 4.8, 4.9 and 4.10, Rexel publishes its “Corporate Responsibility” strategy, in order to meet the requirements of the Statement of Non-Financial Performance (SNFP) as provided for by European Directive 2014/95/EU transposed by Ordinance No. 2017-1180 and Implementing Decree No. 2017-1265. This SNFP, prepared by the Sustainable Development Department, in collaboration with the General Secretariat and the Human Resources Department, presents:

- The Group’s business model;
- The main risks related to the Group’s activities;
- The policies implemented to address them;
- Monitoring indicators and their results.

4.1 Energy efficiency for a sustainable future

While it represented 19% of the energy consumed worldwide in 2022, the share of electricity in global energy consumption should reach 42% by 2050, according to the International Energy Agency. As clean energy that is safe to use, it is an essential lever for supporting urbanization, improving living conditions and contributing to sustainable regional and industrial transformation. Electricity is therefore at the heart of the energy transition with the announced advent of electric mobility and new renewable energies.

At the heart of the energy value chain, Rexel is at the forefront of the electricity sector, with an estimated global carbon footprint of 600 million tonnes of CO₂. For nearly fifteen years, the Group has integrated the fight against climate change in its responsibility approach by acting internally but, above all, by fostering a virtuous dynamic to accelerate the energy transition, involving its partners, its customers and, more generally, the electricity sector, in its roadmap towards a decarbonized world.

More recently, with the announcement of its new strategic “Power Up 2025” plan, Rexel further strengthened its ambitions in terms of sustainable development. The Group has a key role to play in the energy transition across the entire value chain, through the promotion of strong environmental

and social principles among its suppliers and customers, and the provision of a growing number of energy transition services and solutions, such as the Carbon Tracker. Rexel, which moreover is the only distributor in its sector to have “Net Zero Standards” targets validated by the Science Based Targets Initiative, also significantly changed its CO₂ emissions reduction targets in 2022 to achieve its 2030 goals. The Group is mobilizing to accelerate its sales in segments related to the energy transition, such as HVAC, photovoltaic, electric mobility and industrial automation.

Lastly, Rexel Group encourages all its stakeholders to implement the responsible and ethical practices it applies to its operations and employees.

These convictions underlie the four pillars of the Group’s sustainable development strategy:

- Acting with ethics and integrity;
- Involving and supporting employees;
- Improving environmental performance; and
- Promoting responsible practices in the value chain.

Rexel’s sustainable development strategy is one of the main tools the Group uses to meet its profitable growth and value creation objectives.

4.1.1 Business model

4.1.1.1 Creating sustainable value for the world of energy

The Rexel Group relies on solid fundamentals and diversified capital, which allow it to create value and share it with its shareholders, stakeholders, and society as a whole.

Details of the Rexel Group's business model may be found in Section 1.3 "Business and strategy" and summarized in pages 194 and 195 of this Universal Registration Document.

4.1.1.2 Acting in a rapidly changing world

In 2022, Rexel was once again able to adapt to a complex and changing environment. The Group recorded very positive results, demonstrating the robustness of its business model in an environment still marked by solid demand, but also by strong increases in product prices, as well as by persistent challenges in terms of the supply chain. The combination of a historic acceleration in electrification, the growing importance of services and the favorable effects of Rexel's profound

transformation over the last five years, offers a unique window of opportunity for the Group to accelerate its performance. Rexel is now well positioned for a new phase of profitable growth. This is driven both by the continued optimization of its model and the development of a leading position in topics that shape the future of the industry, such as ESG, energy transition solutions and the development of new services.

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REXEL'S BUSINESS MODEL

CREATING SUSTAINABLE VALUE FOR THE WORLD OF ENERGY

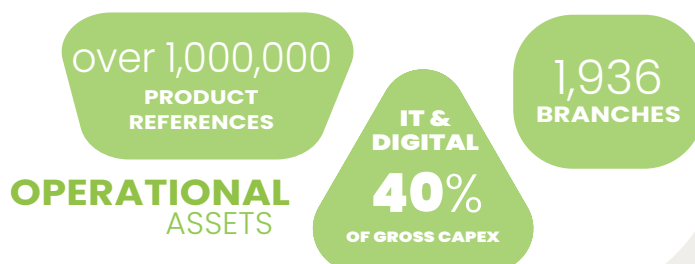
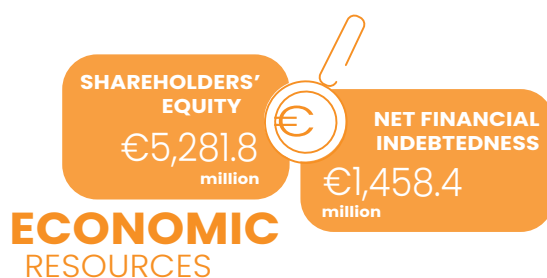
Rexel has made sustainable development challenges the engine of its growth and intends to play a catalytic role thanks to its unique position in the energy value chain.

Acting ethically in every situation, valuing and developing the skills of its 26,897 employees, engaging in dialogue with all stakeholders, reducing its environmental footprint, promoting energy efficiency and fighting fuel poverty through its Foundation are the key priorities of the Rexel Group's responsible commitment.

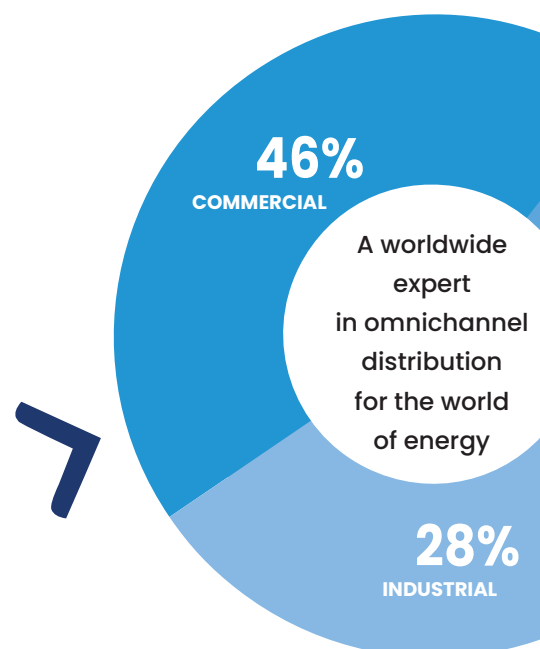
GROUP RESOURCES



ENVIRONMENTAL RESOURCES



REXEL'S MARK



Rexel is one of the world's leading distributors of low and ultra-low voltage electrical products. The Group operates in 21 countries, spread mainly over three geographical regions: Europe, North America and Asia-Pacific.

The product range is enhanced by Rexel's expertise in logistics, technical support, financing and training.

Rexel's sustainable development strategy is one of the major tools the Group uses to meet its profitable growth and value creation objectives.

GROUP VALUE CREATION

SOCIAL VALUE

5,422
recruitments,
including
87.7% open-ended
contracts



72,113
hours of
safety training



90% of
employees* are
proud to work
for Rexel

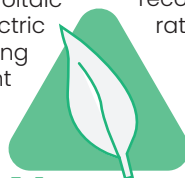
5.8
work accident
frequency rate



95.6%
of employees
trained (399,363
hours including safety)

ENVIRONMENTAL VALUE

€965 millions
in sales of photovoltaic
products and electric
vehicle charging
equipment



61%
recovery
rate

↓24.95% Greenhouse
Gas emissions (Scopes 1 & 2
compared to 2016)

ECONOMIC VALUE

€18,702
million in sales

€4.7 Bn
online sales

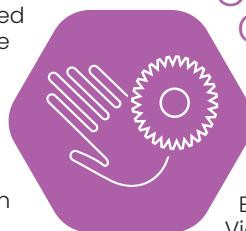


€363.4
million paid out as
dividend

77%
of direct purchases covered
by the Responsible
Supplier Charter

175,000 people
positively
impacted by the
Rexel Foundation

SOCIETAL VALUE



**CDP
Climate
A- list**

A CSR performance
recognized
by the DJSI,
FTSE4Good,
EcoVadis,
Vigeo,
Corporate Knights

ETS



* Employees who participated in the Satisfaxion 2022 global survey.

4.1.2 Creating a responsible value chain

4.1.2.1 A responsible employer and responsible employees

Using its leadership and proximity to all stakeholders, the Rexel Group conducts its activities in a sustainable and responsible manner. The Group's ambition is therefore to encourage all players in the value chain to adopt responsible behaviors in the conduct and practice of daily activities.

Since 2011, the Group has been a signatory of the United Nations Global Compact, committing to respect and promote its ten principles relating to human rights, labor standards, the environment and the fight against corruption.

In accordance with its **Ethics Guide**, the Rexel Group complies with and promotes the recommendations

of the fundamental conventions of the International Labor Organization relating to:

- The respect for freedom of association and the right to collective bargaining;
- The elimination of discrimination in respect of employment and professions;
- The elimination of forced or compulsory labor; and
- The effective abolition of child labor.

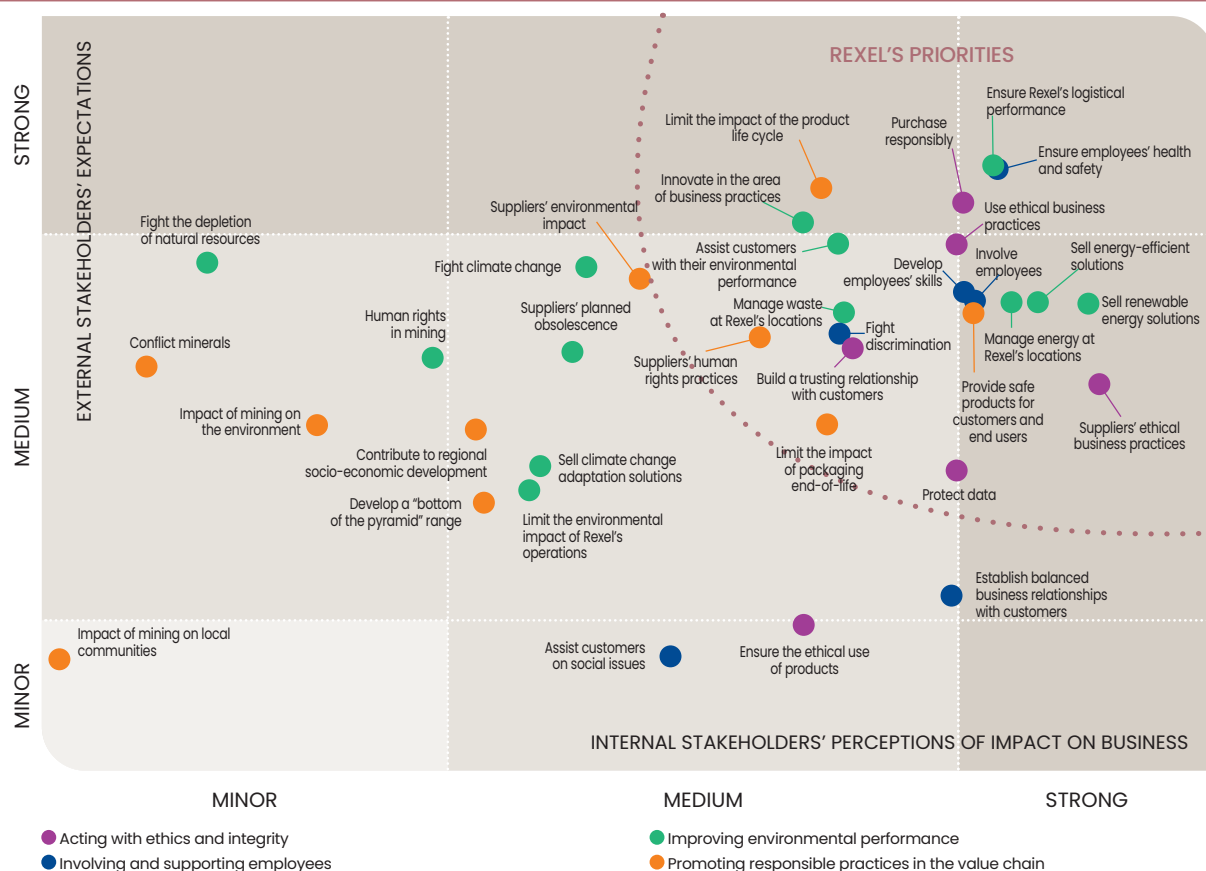
It is based on these principles and practices that the Group works to build its growth, which encourages it to make decisions and act responsibly on a daily basis.

4.1.2.2 A sustainable development approach across the value chain

Rexel's position at the heart of the energy value chain gives it a central role and responsibility in promoting sustainable environmental and social practices among all the stakeholders involved. The last materiality analysis, dating from 2019, made it possible to identify, select and prioritize the main environmental, social, and ethical issues of the Group's activities throughout its value chain, by combining the point of view of external

stakeholders (customers, shareholders, suppliers) and that of its internal stakeholders. This study was the subject of a pre-identification phase involving 34 issues, and interviews with all stakeholders, to define the priority objectives in line with their expectations and their impact on the Group's activities. The materiality matrix obtained through this work highlighted 20 priority issues out of the 34 that were pre-identified.

Materiality matrix



(1) Range of services appropriate for low-income populations.

The materiality analysis enabled the Group to establish priority actions and to redefine its sustainable development strategy, by both aligning it with its strategic priorities and rooting it in its daily business. This sustainable development roadmap is structured around four pillars:

- **Acting with ethics and integrity:** Rexel's goal is to place ethics at the heart of the Group's activity and to ensure that its employees and partners adopt a responsible behavior in the conduct of their daily activities. This goal is applied in all the countries where it operates, in accordance with local and international standards and regulations. In addition, as the protection of personal data is a major operational challenge for Rexel, particularly with the increasing digitization of its activities, the Group is working to become a true reference in this area.
- **Involving and supporting employees:** Rexel's HR policy aims to develop and enhance the value of its human capital by providing everyone with a work environment conducive to professional and

personal development. This goal is based on skills development, safety and well-being at work, social dialogue, equal opportunities, inclusion and the recognition of diversity.

- **Improving environmental performance:** the Group is now piloting an ambitious and coherent strategy to reduce its greenhouse gas emissions and its direct environmental footprint. Energy, transportation, resource consumption and waste management, Rexel is strengthening its commitment wherever it operates.
- **Promoting responsible practices throughout the value chain:** the Group's global presence, the density of its branch network and its role in the communities in which it operates, enable Rexel to play a leading role in the adoption of best practices across the energy value chain. The Group works to develop relationships of trust with all its suppliers and customers, and to create value for all its customers, and is mobilized for energy progress and the fight against energy poverty.

Contribution to the Sustainable Development Goals

The United Nations Member States adopted 17 Sustainable Development Goals (SDGs) in 2015, calling on all economic players to contribute to

them in order to collectively solve the challenges of sustainable development.

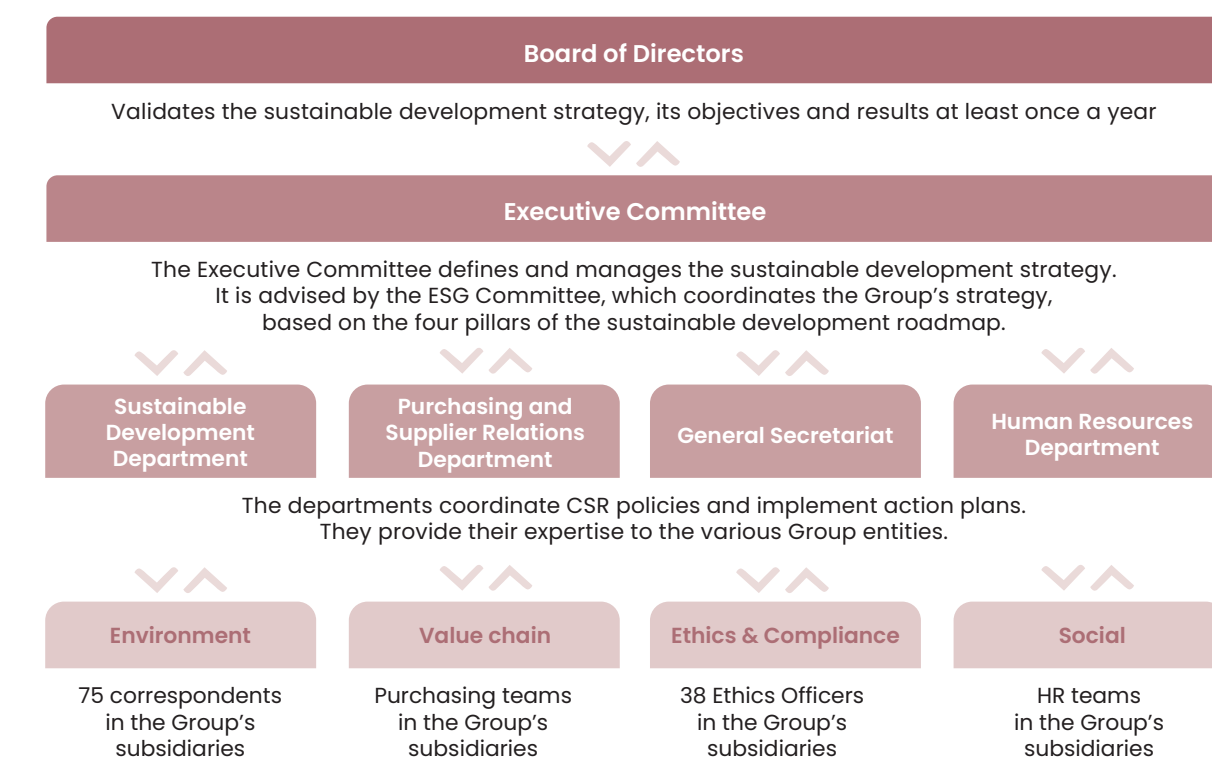
Rexel, based on the materiality analysis carried out with its stakeholders, identified the most significant SDGs with regard to its activities.



The Group thus defined the associated action plans and the means of implementing them:

	Affordable and clean energy	<ul style="list-style-type: none"> • Providing energy-efficient and renewable energy solutions; • Combating energy poverty via the Rexel Foundation for energy progress; • Controlling the energy consumption of our buildings and transport.
	Decent work and economic growth	<ul style="list-style-type: none"> • Ensuring decent and safe working conditions for our employees; • Ensuring that all players in the value chain conduct their business in an ethical manner; • Establishing balanced relationships with our customers and suppliers; • Contributing to the development of the local economy through a local network.
	Sustainable cities and communities	<ul style="list-style-type: none"> • Providing energy-efficient and renewable energy solutions; • Protecting the personal data of stakeholders; • Providing safe solutions for installers and end-users.
	Sustainable consumption and production	<ul style="list-style-type: none"> • Acting as a responsible buyer; • Supporting customers as they adopt sustainable practices; • Building relationships of trust with our customers.
	Measures to combat climate change	<ul style="list-style-type: none"> • Providing energy-efficient and renewable energy solutions; • Reducing greenhouse gas emissions in our operations; • Supporting our customers as they adopt low-carbon solutions.
	Partnerships for the goals	<ul style="list-style-type: none"> • To achieve each of the SDGs, identify and include relevant stakeholders.

Structuring corporate responsibility



The development and implementation of the strategy, as well as the monitoring of sustainable development performance, require the involvement of all the Group's hierarchical levels as well as the support of a cross-functional organization.

The Sustainable Development Department steers the strategy, ensures internal commitment, and coordinates the Group's differentiation program, including responsible solutions for customers and supplier relations.

Objectives, results, and areas of progress are presented once a year to the Rexel Board of Directors.

Issues related to sustainable development are brought up every quarter by the IT, Digital Transformation and Sustainable Development Director at the Executive Committee, the main body for the operational deployment of the Group's strategy.

Rexel's sustainable development strategy is based on a decentralized management in which the central functions contribute their expertise to the subsidiaries. Each subsidiary is therefore

responsible for the operational implementation of the Group's strategy and, in particular, for the deployment of ethical, social, environmental and governance policies and measures.

In each country, 26 sustainability leaders, coordinated by the Group's Sustainable Development Department, are responsible for implementing and managing Rexel's policy in this area. They are supported by a network of more than 75 Environment Officers in charge of environmental reporting.

The Sustainable Development, Purchasing and Supplier Relations, and Human Resources Departments and the General Secretariat coordinate this deployment and monitor the implementation of the strategy throughout the year. They are supported by the Group's Internal Audit, Risk Management, and Internal Control Department, which ensures that the internal control system described in the Book of Rexel Guidelines is effectively applied. Equally, the Finance Department provides the necessary figures for the calculation of certain ESG indicators.

4.1.2.3 Stakeholders

For Rexel, social responsibility involves taking the expectations of stakeholders into consideration. The structure of the Group, its international dimension, its local network, and the specific nature of its business lines imply that management of dialogue with its partners will be decentralized, leaving the operational entities considerable autonomy to conduct business. Dialogue must be constructive, transparent, and based on mutual trust.

These regular exchanges are one of the major mechanisms for the Group to strengthen its corporate responsibility. They contribute to a better identification of social, economic, and environmental issues and risks, and thus enable the Group to adapt as far as possible to new technological and societal challenges.



Employees and their representative bodies

To foster fruitful social relationships, Rexel promotes social dialogue and guarantees the principles of free expression and union representation. The Ethics Guide, distributed to all employees, recalls the importance Rexel attaches to these principles. As of December 31, 2022, 14 392 employees are represented by the European Works Council.

Employee satisfaction and well-being are also a major concern for the Rexel Group. In 2022, Rexel conducted a general internal engagement survey. This survey was rolled out in 21 Group countries and is available in 12 languages; it recorded a participation rate of 70%. The results of the 2022 survey are presented in Section 4.3.3 "Employee engagement". Some subsidiaries regularly launch local surveys.

Customers

As a true partner, Rexel supports its customers in their value creation and in the management of

their activities. Its omnichannel model promotes the creation and maintenance of a unique close relationship. The Group offers many opportunities for meetings and discussions: commercial events, trade shows and training.

Rexel's subsidiaries are constantly listening to customers. They request their feedback and assess their satisfaction through questionnaires and surveys. In 2022, 17 of 21 countries regularly recorded their customers' satisfaction rate using a common indicator, the Net Promoter Score. Surveys are also occasionally conducted on specific topics selected by subsidiaries.

Suppliers and subcontractors

Upstream of the value chain, Rexel develops a long-term, balanced relationship with all its suppliers and subcontractors, which incorporates the shared demand for active social and environmental responsibility.

The Group asks them to comply with the principles of its Responsible Supplier Charter and its Ethics Guide. On a contractual level, they are required to comply with the clauses relating to the general purchasing conditions, specifically those relating to compliance with the fundamental conventions of the International Labor Organization.

Professional associations and organizations

Rexel participates in public debates on strategic issues related to its activities. As a member of various professional associations, the Group contributes to the evolution of the methods and practices of the profession. Notably, it is a member of the AFEP (*Association Française des Entreprises Privées*) and participates in professional associations such as Perifem, FDME (*Fédération des Distributeurs de Matériel Électrique*), EUEW (European Union of Electrical Wholesalers) and ETIM International (European Technical Information Model).

In line with its drive for transparency and progress, the Group is involved in various studies and specialized publications, notably on environmental issues. Signatory, in 2015, of the French Business Climate Pledge, Rexel reaffirms its commitment to the environment as part of the EpE (*"Entreprises pour l'Environnement"*) association and *via* its participation in innovative projects, such as the PEP association's *ecopasseport*.

Lastly, the Rexel Foundation for energy progress contributes to promoting access to energy efficiency for all and to combating energy poverty (see Section 4.5.4 "Fighting for energy progress").

The conditions for action of any employee with associations and authorities are defined in the Group's Anti-Corruption Code of Conduct.

The Rexel Group committed approximately €0.99 million to professional associations and organizations in 2022, compared to €1.09 million in 2021.

INDICATOR	TOPICS	UNIT	2022
Spending for professional organizations, trade associations or tax-exempt groups	Competitiveness, taxation, regulations including social and environmental, governance	Millions of euros	0.87
Spending for think tanks	Energy markets, Net Zero carbon strategy, social and environmental innovation, energy efficiency, circular economy	Millions of euros	0.12
Spending for local, regional or national political campaigns, organizations and/or candidates		Millions of euros	0
Spending for lobbying, interest representation or similar		Millions of euros	0
Other contributions and spending		Millions of euros	0

Schools and academia

The development and promotion of the retail and energy professions are at the heart of Rexel's relations with the world of education and teaching.

The Group is committed to the inclusion of young people, notably through a proactive policy of recruiting work-study students. In 2022, 303 work-study students were recruited at the Group's subsidiaries.

The Rexel Foundation also supports scientific academic research programs by awarding

scholarships to students or researchers. The work financed relates in particular to energy consumption behavior and patterns. This is the case, for example, with the Hope Chair, located in Grenoble, which focuses on energy poverty issues. The Group also makes available to its ecosystem the fruit of its energy efficiency work, reflections, and study.

In 2022, the Rexel Group continued its commitment to supporting technological innovation at Hi ! Paris. The creation and objectives of this center, as well as the actions carried out in 2022, are described in Section 4.5.4. "Fighting for energy progress".

Shareholders and investors

Rexel communicates its sustainable development results, initiatives and priorities to its shareholders and investors. These exchanges take place on an occasional or recurring basis depending on the interlocutors and events in the Group's life.

Associations, NGOs, civil society, and local communities

The expectations of civil society in terms of positive impact on the local economy and support for social progress are increasingly high and Rexel must meet them. This is one of the missions of the Rexel Foundation for energy progress, which maintains a permanent dialogue with the associative network and finances solidarity projects in the countries where it operates. The Foundation also participates in the promotion of innovative business models via a social entrepreneurship

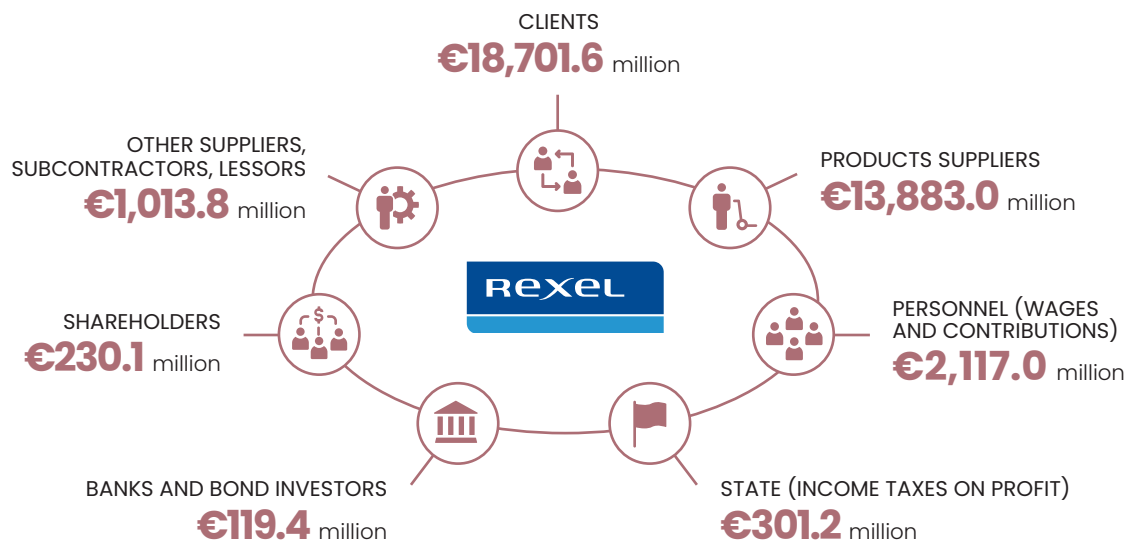
support platform. See Section 4.5.4. "Fighting for energy progress".

State and local authorities

Through its global presence based on local anchoring (1,936 branches located in 21 countries), Rexel makes a significant contribution to the economic activity of the regions and countries where it operates, by supporting their development and local employment. As an international group, its commercial and financial activities are structured within the framework of the legal and tax obligations in force in the countries where it operates, as well as international treaties between these various countries.

For the financial year ended December 31, 2022, the Rexel Group paid €310.8 million in corporate income tax in the countries in which it operates (compared to €199 million in tax in respect of the financial year ended December 31, 2021).

■ The Rexel Group's economic relationships with its main stakeholders



4.1.2.4 Ratings and indices

As a result of the continuous improvement of its environmental, labor, societal and governance approach, the Group's performance in terms of corporate social responsibility is widely recognized, as evidenced by its inclusion in numerous CSR indices and its voluntary commitments.

ISS ESG

In 2022, Rexel obtained an ESG performance score of 52.47 and ranks among the "Prime" companies. This category means that the Group has met or exceeds the sustainability performance requirements, as defined by ISS ESG, for a specific sector (Trading Companies & Distributors) in the ESG ranking of companies. As a result, Prime companies are

industry leaders in sustainability and are better positioned than their non-Prime counterparts to address significant ESG challenges and risks, as well as to seize opportunities. In addition, with a decile ranking of 1, Rexel is in the top decile of its sector.

Dow Jones Sustainability Europe Index

Rexel is part of the Europe index of the DJSI (Dow Jones Sustainability Europe Index). This index includes the European leaders in sustainable development identified by S&P Global as part of the annual Corporate Sustainability Assessment. In 2022, Rexel obtained a score of 72/100 (compared to 68/100 obtained in 2021)⁽¹⁾ while the average score for the sector (Trading Companies & Distributors) was 23/100 (it was 30/100 in 2021). The Group thus remained at the head of European companies and positioned at the top of the international ranking in 2022.

Euronext Vigeo Europe Index and Eurozone Index

In 2022, Rexel is part of the Euronext Vigeo Europe 120 index and the Eurozone 120 index. The V.E (Vigeo Eiris) indices are composed of the best-ranked listed companies in terms of corporate responsibility performance. Rexel obtains an ESG score of 65/100, which reflects an advanced level of performance. The Group thus ranks second in the Vigeo ranking, out of 82 companies in the "Specialized Retail" sector.

FTSE4Good index series

In 2022, Rexel is part of the FTSE4Good index series which measures the performance of companies demonstrating strong environmental, social and governance (ESG) practices.

FTSE Russell gives Rexel an ESG rating of 3.2/5 in 2022 (compared to 3.3/5 in 2021) while its sector (Electrical Components & Equipment) obtains an average rating of 2.4/5.

CDP Climate Change

In 2022, Rexel received an A- rating in the CDP's climate change assessment (B- rating in 2021). Companies in its sector obtain an average rating of C. The rating obtained confirms that the Group's performance in the fight against climate change is

good and superior to the performance of the sector.

STOXX Index

In 2022, Rexel is included in the STOXX Global ESG Environmental Leaders index. This index brings together 267 leading global companies on environmental criteria, identified on the basis of ESG indicators provided by Sustainalytics.

EcoVadis- Advanced performance

The Group receives a rating of 71/100 (identical to the previous rating) which recognizes an Advanced level of performance and obtains a *Gold* rating. Rexel thus ranks in the top 3% of companies assessed by EcoVadis worldwide, all business sectors combined, and in the top 1% of its business sector.

MSCI ESG Rating AA

In 2022, Rexel obtained an AA rating from MSCI (identical to the 2021 rating), on a scale from AAA to CCC. AAA and AA ratings are awarded to leading companies in the management of the most significant ESG risks and opportunities.

Sustainalytics ESG Risk Rating

Rexel's exposure to ESG risks is considered low by Sustainalytics and its risk management is considered robust. In December 2022, Sustainalytics assigned Rexel a risk rating of 15.4 corresponding to a low ESG risk (10-20). This score remained stable compared to the previous year as it was also 15.4 (October 2021). Rexel ranks 6th out of 193 companies in the Traders & Distributors sector⁽²⁾. This assessment carried out in 2022 allows Rexel to appear on the list of Sustainalytics' 2023 Top-Rated ESG Companies, which identifies leading companies in ESG risk management by sector⁽³⁾.

Corporate Knights Ranking

According to the assessment made in 2022, Rexel is ranked 43rd on the 2023 Carbon Clean 200™ list⁽⁴⁾. This ranking, established jointly by Corporate Knights and the organization As You Sow, distinguishes the 200 global companies that contribute the most to the energy transition through their offer of sustainable products and

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(1) <https://www.spglobal.com/esg/scores/results?cid=4203208>

(2) <https://www.sustainalytics.com/esg-rating/rexel-sa/1008754451>

(3) <https://www.sustainalytics.com/corporate-solutions/esg-solutions/top-rated-companies>

(4) <https://www.asyousow.org/report-page/2022-clean200-investing-in-a-clean-energy-future>

services. This ranking is based on the criterion of sales achieved with products and services contributing to the energy transition.

S&P Sustainability Yearbook

Based on the CSA assessment carried out in 2022 by S&P Global, Rexel is a member of the S&P 2023 Sustainability Yearbook (like the previous year). This recognizes companies that demonstrate advanced performance in the area of corporate sustainability. In order to be listed in this Directory, companies must be among the top 15% performers in their industry and not score more than 30% lower than the top performer in their industry. This directory brings together 716 of the most successful

companies in their industry out of more than 7,500 companies assessed.

CAC 40 ESG

Rexel was selected to join the Euronext CAC 40 ESG index as of September 16, 2022. This index includes French companies of the CAC Large 60 that display best practices in environmental, social and governance (ESG) matters. Rexel is also part of the CAC SBT 1.5° index, which includes SBF 120 companies with clear emission reduction targets, in line with the 1.5°C target set out in the Paris Agreement. Its inclusion in these indices reflects Rexel's long-standing commitment to sustainable development, which is at the heart of its strategy.

4.1.3 Main non-financial risks

Non-financial risk mapping

In an ever-changing international environment, proactive risk management is an essential element in the sustainable development of the company's business activity and a goal shared by all employees. This process identifies areas of progress and opportunities.

Rexel is exposed to the risks described in Chapter 2 "Risk factors and internal control" of this Universal Registration Document, which are the risks that could have a significant negative impact on the Rexel Group and its activities, financial position, results, or outlook. The procedures for identifying and managing risks are described in Chapter 2 "Risk factors and internal control" of this Universal Registration Document.

In addition, when it compiled its Statement of Non-Financial Performance, Rexel conducted an analysis of the main non-financial risks. The procedures for identifying, analyzing and assessing these risks are specific to the Statement of Non-Financial Performance and differ from the ones implemented during the internal control procedures.

The identification of non-financial risks involves making a list of all events, either potential or which occurred in the past, relating to the environmental and social consequences of the company's activity,

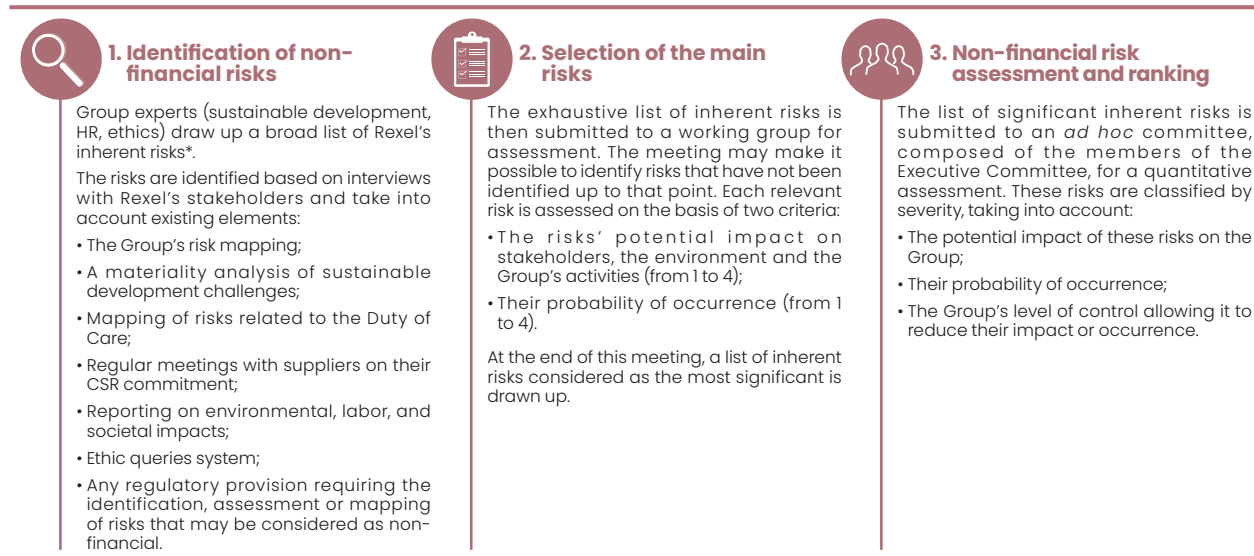
human rights, or the fight against corruption and tax evasion, that may have significant consequences for employees, shareholders, business partners, other external stakeholders, the environment and its activities.

The non-financial risk mapping presents the main risks that Rexel's activities pose for its internal and external stakeholders, across its entire value chain and with short-, medium- and/or long-term consequences for the results of Rexel and its subsidiaries. These risks are considered material and therefore require management's attention.

Risk mapping

The non-financial risk mapping process is coordinated by the Sustainable Development Department, assisted by the Human Resources Department, the Finance Department, the Digital and IT Transformation Department, the Internal Audit, Risks and Internal Control Department, the Purchasing Department, the Strategy Department and the General Secretariat. This process is reviewed each year taking into account the recommendations of the independent third-party body and the *Autorité des Marchés Financiers* on the basis of the 2021 SNFP. This process involves country representatives who are also members of the Risk Committee.

Non-financial risk mapping is a three-stage process:



* Inherent risks: risks related to Rexel's activities and specificities, whether there is a risk management process.

In 2022, a list of 36 non-financial risks was drawn up during a workshop organized by the Sustainable Development Department. During this workshop, all the risks were presented to the participants, as well as the risk selection criteria. The recommendations made in the 2020 SNFP by the independent third-party body as well as by the *Autorité des Marchés Financiers* were also considered.

Closer attention is given to the risks identified during the development of the Vigilance Plan. As these are considered major, the experts of the

working groups ensure they are included in the list of relevant non-financial risks.





The assessment and final ranking of risks by the *ad hoc* committee highlighted 14 main risks relating to Rexel's activities, compared to 15 in 2021, with the downgrading of the risk of energy progress. Rexel's management policies and measures, key performance indicators and exposure are presented in the SNFP for each of the non-financial risks set out below.

■ Main non-financial risk factors

The policies and measures implemented by the Rexel Group to manage its main non-financial risks are monitored each year. The results and developments are presented in Chapter 4 of the Universal Registration Document.

CHALLENGES	DESCRIPTION OF RISKS AND OPPORTUNITIES	VIGILANCE PLAN	NON-FINANCIAL RISK EVALUATION AND HORIZON	SDGs
ACTING WITH ETHICS AND INTEGRITY				
Responsible governance	(-) Ineffective implementation of the sustainable development strategy. Heterogeneous deployment in countries and operations.	Yes	Low	Cross-cutting
	(+) Management and employee commitment around a clear and transparent strategy.		Medium-term	
Business ethics	(-) Practices contrary to anti-corruption regulations or competition laws that could lead to legal proceedings and damage the Company's reputation.	Yes	Medium	Cross-cutting
	(+) Strengthening relations with customers and suppliers, through shared ethical behavior and practices. Creating shared value.		Short-term	

CHALLENGES	DESCRIPTION OF RISKS AND OPPORTUNITIES	VIGILANCE PLAN	NON-FINANCIAL RISK EVALUATION AND HORIZON	SDGs
Protection of personal data	(-) Insufficient protection of data held or managed by Rexel and belonging to customers (Rexel IT systems) and end-users (products sold) from intrusion by external or internal third parties. (+) Trust of customers and partners.	Yes	Medium Short-term	
INVOLVING AND SUPPORTING EMPLOYEES				
Attracting and retaining talent	(-) Inability to recruit key skills and loss of talent. (+) Recruitment of the best profiles, notably in specific areas of expertise in a context of tension in the labor markets.	No	Medium Short-term	 
Employee development	(-) Mismatch between changes in the business and skills, loss of employee employability. (+) Enhancing value creation through qualified employees.	No	Medium Long-term	 
Employee engagement	(-) Decrease in employees' ability to meet business needs, loss of productivity. (+) Employee well-being. Strengthening the contribution of employees to the business and its development, notably in competitive markets.	No	Low Medium-term	 
Diversity, inclusion and equal opportunities	(-) Discrimination against employees and partners. Damage to reputation with consequences for attractiveness. (+) Creating value by being a reflection of society and customers.	No	Medium Medium-term	 
Employee health, safety and well-being of employees	(-) Attacks on the physical and mental health of employees with associated costs, increased absences and loss of motivation. (+) Productive work environment in line with employee expectations.	Yes	Low Short-term	 
IMPROVING ENVIRONMENTAL PERFORMANCE				
Environmental performance of operations	(-) Lack of control in the environmental management of sites that could lead to localized environmental incidents, partial and imprecise reporting of environmental data, and demobilization of employees with regard to environmental matters. (+) Transformation of sites, particularly branches, to showcase environmental performance.	Yes	Low Short-term	 
Climate commitment	(-) Physical climate risks related to increased energy consumption and greenhouse gas emissions across the entire value chain. Adaptation risks in the supply chain. (+) Transition to a zero-carbon world leading to strong growth in electricity markets.	Yes	Low Medium-term	 
Sustainable resource management	(-) Environmental footprint of solutions and risks related to the scarcity of key resources. (+) Development of environmentally-friendly solutions that meet customer expectations and stem from the circular economy.	Yes	Medium Medium-term	
PROMOTING RESPONSIBLE PRACTICES THROUGHOUT THE VALUE CHAIN				
Working with suppliers	(-) Risks related to scandals affecting suppliers and their supply chains, in relation to their social and/or environmental practices. (+) Development of sustainable development partnerships to strengthen Rexel's relations with its suppliers.	Yes	Low Long-term	 
Responsible offering for the energy transition	(-) Inadequacy of the Rexel offering plan compared to market expectations in terms of the environment and societal issues, leading to a fall in market share. (+) Increase in green sales, which could also improve the Group's financing by SRI investors.	Yes	Low Short-term	   

CHALLENGES	DESCRIPTION OF RISKS AND OPPORTUNITIES	VIGILANCE PLAN	NON-FINANCIAL RISK EVALUATION AND HORIZON	SDGs
Customer relations	<p>(-) Risk of deterioration in the quality of customer relations leading to a loss of trust, the basis of any ethical relation.</p> <p>(+) Supporting customers in their own sustainable development strategy and strengthening customer relations based on shared values.</p>	Yes	Low Medium-term	   

The “tax evasion” risk is included in the non-financial risk mapping, in accordance with the requirements of French law. However, it does not

stand out as one of the Group’s priority risks. It has been included in “business ethics” risk.

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4.2 Business ethics

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Strategy and policies

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Ethics and accountability are at the heart of the Rexel Group’s activities and processes throughout the value chain. The Group is convinced that responsible business management helps to maintain its reputation and contributes to the organization’s competitiveness and attractiveness. This responsibility is expressed through employee awareness and is given effect through the distribution of tools, guides, and charters that compile the procedures to be adopted in the countries where the Group operates.

Compliance program

Rexel continues to deploy and update a common compliance program for all its subsidiaries. Internal control ensures that this program and the ethical rules to be followed are disseminated within the

Group effectively through the inclusion of business ethics controls in the internal control guidelines manual. It is updated and enriched each year to reflect new standards and regulations. On a regular basis, new business ethics controls are added.

To ensure that all entities and subsidiaries follow and comply with the procedures and the compliance program, a self-assessment campaign is conducted each year. It produces an annual inventory of the application of rules. The campaign’s findings identify points of non-compliance within the Group. Where necessary, corrective action plans are implemented by subsidiaries. Internal audit can conduct audits of how the compliance program is deployed in the subsidiaries.

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Procedures and action plans

In an ever-changing regulatory environment that differs from country to country, the implementation of internal procedures to ensure compliance of operations with local and international standards and regulations is essential. The Group regularly updates its policies and mobilizes the necessary resources to ensure the efficiency of its compliance program.

A common frame of reference: the Ethics Guide

For over ten years, Rexel has been committed to continuous improvement. This commitment resulted in the development of an Ethics Guide for all Rexel Group employees, partners, and suppliers. This guide covers business ethics (corruption, conflicts of interest, competition rules, customer and supplier relations, protection of personal data and use of social media, etc.) and employee-related topics (health and safety at work, discrimination and harassment, social dialogue). It

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presents the main principles adopted by the Group that each subsidiary and employee must implement and provides standards and references to comply with in the conduct of professional activities. To facilitate its distribution internally and to customers, suppliers, and all Group partners, the Ethics Guide is available in all Group languages and in digital format.

The Ethics Guide is regularly updated. As a result, the anti-corruption commitments were reviewed in the French context of the December 9, 2016 law on transparency, the fight against corruption and the modernization of economic life. This key support was enriched with specific documents such as the Anti-Corruption Code of Conduct, the Competition Law Guide, and the Environmental Charter, which detail the Group's more specific commitments. To strengthen the relationships of trust established between Rexel and its partners, a Responsible Supplier Charter complements the common reference framework. It has been rolled out since 2021 among the suppliers and employees concerned.

Whistleblowing

There is a whistleblowing procedure for employees, external and temporary workers, suppliers, customers, and stakeholders in all countries. The system makes it possible to collect alerts, which may be made anonymously or not, in all the Group's languages. The whistleblowing procedures are available on the dedicated website (<https://ethique.rexel.com/en>). It is centralized, confidential and makes it possible to raise an alert anonymously. Each alert is handled by the Ethics Committee, an ad hoc committee composed of the General Secretariat, the Human Resources Director and the Chief *Compliance Officer*. This whistleblowing line takes into account the requirements of French laws relating to transparency, the fight against corruption and the modernization of the economy, on the one hand, and the duty of care of parent companies and contracting companies, on the other. The system meets legal requirements, notably as regards the rights of whistleblowers.

Addressing a message to the Ethics Officer of a Rexel Group entity

The Director in charge of Compliance as well as the Ethics Officers, who are local relays, also answer questions concerning the Rexel Group's ethical practices that may be addressed to them. Whether or not they are an employee, anyone can ask questions with full confidentiality.

Anti-corruption program

In connection with its program to detect and prevent corruption, Rexel has established an Anti-corruption Code of Conduct that applies to the entire Group. This Code meets the requirements of French Law. It defines and illustrates the different types of behavior to be avoided. This Code of Conduct refers to payments and practices requiring special attention. It defines in particular the conditions of intervention of any employee with associations and authorities. The code is appended to the rules of procedure, and it invites employees to tell all stakeholders (customers, suppliers, and partners) about the company's commitment to corruption prevention and the anti-corruption rules themselves. This document is available on the ethics and compliance website: <https://ethique.rexel.com/en>.

Fight against tax evasion

Each year, through the internal control self-assessment campaign, the Group's Financial Department ensures that the organization and controls (defined in its Internal Control Guidelines Manual) are in place and operating adequately, particularly in terms of compliance with tax legislation and the fight against fraud. The internal Audit Department also carries out missions of control of key financial processes, including tax, and issues a report on their effectiveness to the Audit Committee.

In accordance with applicable legislation, each legal entity complies with its tax reporting and settlement obligations. Intra-group transactions are governed by a transfer pricing policy based on OECD principles and recommendations.

In order to ensure tax compliance, the Tax Department regularly provides advice and support to operational teams in tax matters. It also monitors and assesses the impact of changes in tax regulations on the Group's activities. The Group regularly relies on the advice of its external tax advisors to identify and analyze the applicable laws and regulations with respect to its situation, activities and countries of establishment and to ensure compliance with these laws and regulations, particularly in the event of a major strategic operation.

Gifts & invitations and travel compliance guidelines

The Group is a key link in the value chain between electrical equipment suppliers, customers, and end-users. The proximity of salespeople to their suppliers and customers is an advantage. This commercial proximity must remain exemplary so that lasting business relationships can be maintained in a climate of trust and mutual respect. To provide a clear and structured framework for all its employees, the Group has put in place specific rules relating to business travel and gifts and invitations offered and received. Employees are regularly reminded of these rules.

Third-party due diligence guidelines

In order to improve the prevention of the risk of corruption in its business transactions and relations with third parties, the Group established third-party due diligence guidelines. The type and depth of the assessments depends on the risk identified. The assessments are carried out by various means using specific software or, in cases requiring an in-depth assessment, by sending an assessment questionnaire directly to the third party. This assessment makes it possible to evaluate the risk of entering into or continuing a business relationship.

In order to carry out the most exhaustive due diligence possible, in 2022 Rexel acquired new third-party assessment software.

Employee business ethics training

Compliance with the rules of ethics implies continuous mobilization of employees. For this reason, team training and information sessions are essential. There is a common training program for all employees, organized around e-learning modules, on the one hand, and a series of videos on the subject of compliance, on the other. The training courses cover obligations in terms of competition, the fight against corruption, personal data protection and commercial restrictions. They are available to employees via the online training tools of the Group, and in their language. Special face-to-face programs are also offered to the employees who are most exposed to some of these risks. In 2022, Rexel launched a global anti-corruption and competition training campaign at all its entities. More than 90% of its employees worldwide completed these training courses.

Propagation of a culture of business ethics

The integration of the Group's values and ethical principles in behaviors is a key factor for the strategy's success. This requirement is supported by a network of Compliance Correspondents and a network of Ethics Officers who work closely with local management. The establishment of a collaborative and decentralized structure enables the understanding of the ethical principles and the deployment of the action plans in the various countries where the Group operates. The results of the "Satisfaxion22" internal engagement survey indicate that 91% of employees believe that Rexel acts with integrity in its relations with its third parties and that 83% believe that Rexel acts with integrity in its internal relations.

Results and performance

Training on business ethics at Rexel

In 2022, the Group continued to train its employees with a view to developing and establishing a long-term culture of business ethics. More than 90% of the most exposed employees were trained in business ethics in 2022.

Ethics queries

The requests received by the Compliance Director and the Ethics Officers are consolidated by the Rexel General Secretariat, who classifies them according to their type, author, subject and geographical area.

In 2022, 60 ethics queries were made. This increase was due to a better understanding and use of the referral mechanism. All queries were processed, verified (by means of an audit or investigation led

by the management of the country in question) and dealt with through preventive and/or corrective measures as appropriate.

Key performance indicator

INDICATOR	UNIT	2022	2021
Employees ⁽¹⁾ considered as sensitive who completed the training sessions			
Competition law	%	89%	80%
Anti-corruption	%	92%	90%
Annual ethic queries		60	49

(1) All employees excluding logistics center employees.

Ethics queries

		NUMBER OF QUERIES RECEIVED BY ETHICS OFFICERS AND THE COMPLIANCE DIRECTOR IN 2022	NUMBER OF QUERIES RECEIVED BY ETHICS OFFICERS IN 2021
Type of query	Information	10	14
	Complaint	49	33
	Legal dispute	1	0
	Other packaging	0	2
Source of query	Customers	7	5
	Rexel employees	46	38
	Suppliers	3	0
	Local authorities	0	0
	Employee representatives / trade unions	0	0
	Anonymous	3	3
	Other packaging	1	3
Subject of query	Customer relations	9	6
	Supplier relations	2	0
	Relations between employees	10	17
	Discrimination	14	4
	Working conditions	13	9
	Anti-corruption	3	1
	Tax evasion	0	0
	Anti-fraud and anti-theft	9	12
	Environmental protection	0	0
Type of measures implemented	Preventive	16	12
	Corrective	44	18
Region	Europe	6	7
	North America	40	26
	Asia-Pacific	14	16

4.2.1 Responsible governance

Strategy and policies

Rexel's governance ensures the integration of the sustainable development approach into the Group's overall strategy. It also ensures the consistency of the implementation of this approach at all levels of the Group: from decision-making bodies (notably the Board of Directors and the Executive Committee) to operations, in each Group subsidiary.

Governance principles

In terms of corporate governance, Rexel refers to the principles set out in the Corporate Governance Code established by the French Association of Private Enterprises (Afep - *Association française des entreprises privées*) and the French Enterprise Movement (Medef - *Mouvement des entreprises de France*), known as the Afep-Medef Code. Rexel believes that it complies with the principles of corporate governance as defined by the Afep-Medef Code, insofar as the principles enacted are compatible with the organization, size and resources of the Rexel Group.

Board of Directors

Each year, the Board of Directors gives its opinion on the Group's social and environmental responsibility and monitors its objectives and performance indicators, with a view to constant improvement.

The composition of the Board of Directors meets the diversity and gender equality requirements

while ensuring the presence of several members with specific skills and knowledge in corporate social and environmental responsibility.

The Chief Executive Officer's variable compensation mechanism also reflects the Board of Directors' desire to promote responsible governance: on the one hand, the Chief Executive Officer's compensation includes a significant variable portion, which is established on the basis of the Group's performance, both financial and non-financial, and, on the other, the variable compensation of the Chief Executive Officer includes at least one criterion related to social and environmental responsibility.

Lastly, the Group's governance structure, separating the functions of Chairman of the Board of Directors and Chief Executive Officer, ensures a balanced division of powers between the strategic and control functions performed by the Board of Directors and the operational and executive functions invested in the Chief Executive Officer.

Executive Committee

Responsible governance also relies on the Executive Committee, whose responsibility with regard to sustainable development is to ensure the objectives set by the Group are met, to integrate non-financial risks and opportunities into the Group's strategy and to undertake the structuring projects required for Rexel's sustainable transition.

Procedures and action plans

Composition and work of the Board of Directors

When addressing changes in the composition of the Board of Directors or its Committees, the Nomination Committee strives to conduct its work in line with Rexel's diversity policy (see paragraph 3.1.1.2 "A composition of the Board of Directors focused on

skills and diversity" of this Universal Registration Document).

In addition, Rexel has a stable Board of Directors, giving the Group a long-term outlook. As of January 1, 2023, the Directors (excluding Directors representing employees) had an average length of service of four years on the Rexel Board of Directors.

Director competency in social and environmental matters

In addition, in the context of the appointment or renewal of Directors, the Board of Directors takes into account the presence of members with skills in social and environmental matters. As of the date of this Universal Registration Document, over 50% of the Directors had specific skills and knowledge in corporate social and environmental responsibility (see the skills matrix presented in paragraph 3.1.1.2 “A composition of the Board of Directors focused on skills and diversity” of this Universal Registration Document).

ESG reporting to the Board of Directors

The decisions taken by the Board of Directors and the strategic guidelines adopted by the Group must take into account the social and environmental challenges faced in the development of the Group’s activities. To this end, an environmental reporting system was put in place and allows Directors to be informed of these matters.

At the Board of Directors’ meetings held on April 20 and December 14, 2022, Rexel’s social and environmental challenges and results were presented to the Directors in order to keep them informed of these challenges and to allow the Directors to take them into account when developing the Group’s strategy.

Governance structure

Rexel’s organizational structure aims to separate the functions of Chairman and Chief Executive Officer in order to better serve the Group’s interests. The separation of functions allows the Chief Executive Officer to concentrate his or her efforts on implementation and execution of Group strategy.

Compensation mechanism for the Chief Executive Officer

In accordance with the recommendations of the Afep-Medef Code (paragraph 26.1.1), the Chief

Executive Officer’s compensation must include one or more criteria relating to corporate social and environmental responsibility. In particular, the performance criteria used for long-term compensation now include an environmental and societal criterion, in accordance with the Group’s commitment. On the recommendation of the Compensation Committee, the Board of Directors decided to replace the financial criterion relating to sales with an ESG index based on multiple criteria related to the implementation of the Corporate Social Responsibility policy. This non-financial performance criterion represents 20% of the CEO’s long-term variable portion.

ESG criterion for the variable compensation of the Chief Executive Officer for 2023

In accordance with the recommendations of the Afep-Medef Code (paragraph 26.1.1) and the decisions taken by the Board of Directors on February 15, 2023, the Chief Executive Officer compensation policy for 2023 provides that 50% of the qualitative portion of the Chief Executive Officer’s short-term variable compensation shall be subject to social and environmental criteria.

ESG missions carried out in 2022 by the Executive Committee

In 2022, each member of the Executive Committee representing Group functions was assigned missions relating to sustainable development, including governance, value chain, climate and Net Zero Standard, awareness-raising and training, transition financing and the circular economy. The members of the Executive Committee then appoint intermediaries and a team, usually cross-functional, to carry out the mission. Sustainable development issues are coordinated by the Sustainable Development Department, which contributes its technical expertise on all matters.

Results and performance

Diversity of profiles and compliance with gender equality requirements on the Board of Directors

The composition of the Board of Directors and its Committees fully complies with the provisions of the French Commercial Code and the recommendations of the Afep-Medef Code on diversity and gender equality.

With regard to gender equality, as of January 1, 2023:

- half of the Directors are women;
- at least 50% of the members of each Committee are women (excluding Directors representing employees); and

- two of the three Committees are chaired by a woman.

Rexel is also attentive to non-discrimination and diversity within the Executive Committee. It is convinced that the diversity of its teams helps to achieve sustainable performance.

With regard to gender equality on the Executive Committee, four of the thirteen members are women (31%) as of January 1, 2023. As of January 1, 2022, the eleven members of the Executive Committee included three women.

As regards national diversity and a multicultural dimension, the Board of Directors includes five foreign nationals as of January 1, 2023 (United States, Panama, the Netherlands, United Kingdom, Sweden).

Independence of Directors

As of January 1, 2023, in accordance with the recommendations of the Afep-Medef Code relating to the proportion of independent members on Boards and Committees:

- eight members out of ten (excluding Directors representing employees) on the Board of Directors are considered independent (independence rate of 80%); and
- the Audit and Risk Committee has an independence rate of 83%, the Nomination Committee 100% and the Compensation Committee 83%.

Key performance indicators

INDICATOR	UNIT	2022	2021
Percentage of Independent Directors*	%	80%	80%
Percentage of women on the Board of Directors	%	50%	50%

* Excluding Directors representing employees

4.2.2 Protection of personal data

Strategy and policies

As regards the Group's subsidiaries operating in the European Union, the implementation of the General Data Protection Regulation (GDPR), which entered into force in 2018, standardized the rules applicable to personal data protection within the European Union. The GDPR notably defined the principles and obligations with which companies must comply in terms of data subjects' rights enforcement, transparency and security of their personal data processing.

As of 2018, Rexel launched a GDPR compliance initiative for its subsidiaries operating in the EU, the EEA and Switzerland. The implementation of this regulation took place in a context of increasing digitization of the Rexel Group's activities and internal procedures, and the generalization of teleworking. Beyond compliance, the protection of personal data is a strong operational challenge for the Rexel Group. Four years after its entry into force, the critical changes to be implemented with regard

to the GDPR have been made, thus reducing the residual risk.

Cross-functional initiatives

In this context, a roadmap was drawn up and is based on several major initiatives, notably including the establishment of a register of processing activities, employee training, the management of the exercise of rights, procedure and data governance, contractual commitments and the protection of information systems.

A global roadmap extended to the United States

Prior to the entry into force of the first US federal laws on the protection of personal data, a cross-functional working group was set up to analyze and determine a roadmap for the US subsidiaries in order to anticipate and be able to adapt to a constantly changing legislative framework in each state of the United States.

Procedures and action plans

Personal data protection procedural texts

The Group has an internal personal data charter that defines a set of rules to be respected within the framework of Rexel's activities. This charter incorporates the major personal data protection principles and consists of several policies and procedures to support Rexel's employees and partners in the performance of their activities.

For example, one of the procedures focuses on the practical application of the data subjects' rights, another on the principle of privacy by design. A special reporting system (e-mail alert line to the Group Data Protection Officer) was put in place for data breaches. Guidelines were written to determine and regulate the commitments required from providers for the protection of the personal data entrusted to them.

A process for updating policies and procedures was initiated in 2020 in order to reflect the regulatory changes, ensure the adjustment to Rexel's internal evolutions and to the special circumstances of the year 2020. For example, a new policy on the creation and maintenance of the register of processing activities is being finalized with the aim of facilitating the daily management of the register by all members of the network in charge of the protection of personal data at the Rexel Group.

Employee training

Various training and awareness-raising sessions are offered on several topics: main data protection principles, data protection by design, contractual requirements, etc.

Dedicated poster campaigns are also carried out. Finally, more targeted presentations are planned for the teams that process personal data more specifically, such as the human resources, e-commerce, IT, and general services departments.

Contractual commitments

Rexel's suppliers and service providers may process personal data on behalf of the Group. Rexel must ensure that its partners and suppliers apply adequate data protection levels. This involves reviewing and updating contractual commitments and the security policies put in place by those service providers.

International transfers of personal data

The legal framework for international data flows is a constantly evolving issue. In order to deal with these changes, a mapping exercise of personal data flows outside the EEA was initiated in September 2020 at all Group subsidiaries. This initiative will facilitate the updating of the relevant contractual documentation when necessary.

Results and performance

At December 31, 2022, 84% of the employees of the Rexel European subsidiaries were trained in the protection of personal data and in the operation data implantation of the European General Data

Protection Regulation (compared to 86% at December 31, 2021). This difference is due to changes in the workforce of the Group's European subsidiaries.

4.3 Involving and supporting employees

Rexel's human resources policies are based on decentralized management, in which the central functions contribute their expertise to the subsidiaries. This grassroots structure is respectful of local conditions and strengthens Group flexibility, agility and team autonomy. It means finding the right balance between the initiatives of the Group Human Resources Department, which creates the roadmap, and their deployment at the local and international level.

These human resources policies are supported by tools that increase their efficiency. They include an online training platform (Rexel Academy), a human resources information system (SuccessFactors), a

digital job board, management and performance recognition processes, and a regular survey that measures employee engagement.

Rexel's business, the importance of customer relations and the ability to adapt to new sector challenges rely on the expertise and skills of its employees. As of December 31, 2022, the Group had 26,897 employees, compared to 25,185 employees as of December 31, 2021 (26,418 including Mayer). The total headcount increased notably as a result of the acquisitions made by Rexel, mainly in the United States (Mayer, Horizon LLC). Among these employees, 26,093 with open-ended contracts (compared to 24,471 in 2021).

■ Breakdown of employees by region

NUMBER OF EMPLOYEES	REGISTERED WORKFORCE (NUMBER OF EMPLOYEES) AS OF DECEMBER 31	
	2022	2021
Total headcount	26,897	25,185 (26,418)*
<i>By region</i>		
Europe	15,166	15,214
North America	9,255	7,511 (8,744)*
Asia-Pacific	2,476	2,460

* Including Mayer (United-States).

■ Breakdown of employees by gender and status at December 31, 2022

	MANAGERS				NON-MANAGERS			
	WOMEN		MEN		WOMEN		MEN	
Rexel Group	944	(18.5%)*	4,146	(80.5%)*	5,176	(23.7%)**	16,631	(75.3%)**
Europe	581	(19.3%)*	2,445	(80.7%)*	2,901	(23.9%)**	9,239	(76.1%)**
North America	268	(17.9%)*	1,229	(82.1%)*	1,689	(21.8%)**	6,069	(78.2%)**
Asia-Pacific	95	(16.8%)*	472	(83.2%)*	586	(30.7%)**	1,323	(69.3%)**
Total by status	5,090				21,807			

* As a percentage of managers.

** As a percentage of non-managers.

4.3.1 Attracting and retaining talent

Strategy and policies

Rexel's ability to locate and identify profiles in line with its strategic priorities is essential and requires active talent management.

Rexel's business lines evolve with the transformation of the business sector and its digitization, which makes an ambitious recruitment and career management approach all the more necessary. The Group constantly reviews and improves its structures and processes to anticipate future needs. These topics are at the heart of the various human resources policies of Rexel and its subsidiaries. The Group has more specifically put in

place an ambitious recruitment and communication strategy aimed at strengthening its business lines' the Group's attractiveness.

To attract the talent of tomorrow, it draws on a strong employee value proposition that values Rexel's culture and its commitments, but also on a process for integrating new employees.

The ability to attract talent goes hand in hand with the ability to retain it, notably through active career management, management and compensation policies.

4.3.1.1 Attracting talent

Procedures and action plans

Employee value proposition

Rexel's employee value proposition consists of five promises: "think ahead," "work with a great team," "make a personal impact," "learn from the best," and "earn the career you want". These promises embody collective energy and irrigate all of the Group's human resources policy and commitments. Each subsidiary embodies these promises locally.

Notably, Rexel shares its employee value proposition through specialized social networks. It is an instrument to attract candidates. Certain subsidiaries are recognized for their attractiveness and are included in national rankings, notably in Belgium, the Netherlands and France.

Referral programs

In order to strengthen Rexel's attractiveness on the job market, certain subsidiaries have set up referral programs to attract the best talent. Rexel's employees are ambassadors of the employer brand. These programs were thus set up in Australia, Belgium, United States, France and New Zealand.

Employee integration

Many measures are taken at the country level to promote the integration of new employees and reduce turnover. These include the following tools: company presentation, welcome booklets, mentoring tutorials, regular follow-up interviews, technical, product or organizational training, inter-departmental rotations, and integration seminars.

Results and performance

Recruitment

In 2022, the Rexel Group hired 5,422 employees, all types of contracts and statuses combined,

compared to 4,452 new hires in 2021. Together, these hires accounted for 20.2% of the Rexel Group's total workforce, compared to 17.7% in 2021.

■ Number and characteristics of recruitments

	2022	2021
Number of recruitments	5,422	4,452
Of which:		
• Hires on open-ended contracts	4,757	3,811
• Hires on fixed-term contracts	665	641
• Hires of managers on open-ended contracts	421	325
• Hires of non-managers on open-ended contracts	4,336	3,486
• Women hired on open-ended contracts	1,059	823
• Men hired on open-ended contracts	3,698	2,988

Key performance indicator

INDICATOR	UNIT	SCOPE	2022	2021	VARIATION
Medium-term new employee integration rate	%	100%	68.9%	76%	-7.1 pts

The medium-term integration rate, defined as the rate of new hires on open-ended contracts still present within the Rexel Group one year after their recruitment, was 68.9% in 2022, compared to 76% in 2021. In 2022, the dynamism of the labor market explains the decline in the medium-term integration rate.

Rexel's objective is to achieve a long-term integration rate of over 80% by 2024.

The short-term new employee integration rate, defined as the rate of new open-ended hires present in the Group three months after their recruitment, was 85.3% in 2022, compared to 88.3% in 2021.

4.3.1.2 Retaining talent

Procedures and action plans

Performance review

The Rexel Group has a proactive policy to make an annual performance interview a standard practice for all its employees. All subsidiaries use the Group's information system to monitor employee performance reviews.

Mobility policy

Functional and geographical mobility is a major component of the human resources strategy and a lever for talent retention. Mobility promotion at Rexel, coupled with skills management, offers employees opportunities for growth. These opportunities are available on a Group job board. In 2022, nearly 5,000 offers were published on this portal.

Compensation and Benefits

The compensation policy is based on individual performance and company results. Compensation levels are defined for each country to satisfy two requirements: the competitiveness of the compensation offered and internal fairness.

In most countries in which the Rexel Group operates, supplemental health and provident insurance policies are offered to employees in addition to the legally mandated coverage. Membership in these supplemental plans is either voluntary or mandatory, depending on the country, and most frequently cover all employees. In addition, depending on local regulations, certain Group entities have set up supplemental pension programs for their employees.

The Rexel Group has set standard minimum coverage for business-related accidents through the "Rexel +" plan. This plan provides for an indemnity corresponding to one or two years of basic salary in the event of death or serious permanent disability. Launched on July 1, 2010, this plan is managed at the local level and illustrates Rexel's ongoing commitment to social responsibility. The "Rexel +" program consists of four local insurance policies that cover Austria, Luxembourg and the United Kingdom, and a policy issued by France covering Slovenia under the freedom

to provide services thus allowing around 3,000 employees to benefit from this coverage in 2022.

Furthermore, a certain number of benefits or services are often granted to employees in addition to what is legally required. They are either negotiated under collective agreements or granted unilaterally and offer, in particular, housing benefits, meal and/or transport allowances, concierge services, childcare, family leave, medical assistance, legal assistance services, and support for assisting employees.

Results and performance

Performance review

In 2022, most entities organized annual individual performance interview sessions in which a total of 83.7% of employees took part (81.6% in 2021).

	2022	2021
Number of employees who received a performance review	22,513	20,580
% of employees reviewed in relation to the total workforce	83.7%	81.6%

Mobility

A total of 3,110 employees on open-ended contracts had mobility in 2022 (3,157 in 2021), representing 11.9% of the workforce on open-ended contracts (12.9% in 2021).

Of the 3,110 employees who changed positions internally in 2022, 1,711 were promoted (vertical mobility), around 6.6% of Rexel Group employees on open-ended contracts (1,627 in 2021, or 6.6% of the workforce). Of the promoted employees, 20.5% were non-managers who became managers (19% in 2021). Of the 3,110 employees who changed positions internally in 2022, 1,399 were involved in horizontal mobility, around 5.4% of Rexel Group employees on open-ended contracts (1,530 in 2021, or 6.3% of the workforce).

Compensation and Benefits

56.6% of Rexel Group employees on open-ended contracts are eligible for individual variable compensation (56% in 2021). This mainly affects sales functions and employees with managerial responsibilities.

Lastly, 66.3% of Rexel Group employees are members of a profit-sharing or shareholding plan

calculated on the basis of collective results (74.4% in 2021).

As of December 31, 2022, the number of shares held by employees under employee shareholding plans, directly or via FCPEs, was 1,100,098 shares, i.e. 0.36% of the share capital and voting rights of Rexel.

Employment dynamics

The Rexel Group is aware of the challenge of workforce turnover, and it analyzes employees' reasons for leaving as well as changes in the integration rate of new hires (see Section 4.3.1.1 "Attracting talent" of this Universal Registration Document). In addition, most of the Group's subsidiaries organize exit interviews with departing employees to understand the reasons for their resignation.

• Hires

During 2022, the 5,422 hires on open-ended contracts and fix-term contracts (4,452 in 2021) represented 20.2% (17.7% in 2021) of the Group's total workforce (see Section 4.3.1.1 "Attracting talent" of this Universal Registration Document).

• Departures

During 2022, 4,368 employees on open-ended contracts left the Rexel Group (compared to 3,813 in

2021). Resignations represent the main reason for departure (70% in 2022, compared to 63% in 2021).

The reasons for the departures are detailed hereafter.

■ Reasons for the departure of employees on open-ended contracts in 2022

	NUMBER	
Number of departures	4,368	16.7% of all employees on open-ended contracts
Of which:		AS A PERCENTAGE OF DEPARTURES
• Resignations	3,041	69.6%
• Redundancies (economic layoffs)	62	1.4%
• Dismissals for other reasons	565	12.9%
• Retirements or early retirements	343	7.9%
• Cessation and/or sale of activity	0	0%
• Other departures	357	8.2%

In 2022, the number of resignations increased significantly compared to the previous year, notably due to a dynamic labor market in a context of recovery following the emergence of the Covid-19 pandemic.

In 2022, redundancies within the Rexel Group concerned 62 employees, compared to 169 in 2021; the most significant reorganization took place in Sweden in 2021, with the effects being felt in 2022. Alternatives to dismissals have been put in place, such as internal redeployment solutions in the Swedish subsidiary. In addition, the reorganization was discussed with employee representatives to provide the affected employees with support measures, notably financial compensation.

• Employee turnover rate of the Rexel Group at December 31 2022

The turnover rate is defined as the average of the entry and departure rates:

- The entry rate is defined as the total number of hires with open-ended contracts divided by the total workforce with open-ended contracts; and
- The departure rate is defined as the total number of departing employees with open-ended contracts divided by the total workforce with open-ended contracts.

In 2022, the entry rate into the Rexel Group was 18.2% (15.6% in 2021).

In 2022, the departure rate for Rexel Group employees was 16.7% (15.6% in 2021).

This means that for 2022, the Rexel Group turnover rate was 17.5% (15.6% in 2021).

4.3.2 Employee development

Strategy and policies

The women and men of Rexel have developed very specialized know-how to offer a distinctive customer experience. This expertise is based on skills that are regularly updated. Developing a culture of sharing knowledge and experiences and offering customized training to employees are among the Group's strategic priorities.

Training is essential to acquire new expertise and master digital and other technologies. To prepare the teams for the world of energy of the future, the Group relies in particular on Rexel Academy, its online academy. This platform is accessible in 21 countries and offers different types of programs to develop professional and product skills, promote personal development, and ultimately employability.

Policies specific to each subsidiary are put in place to enable each employee to be trained. The Rexel Group's subsidiaries set up training plans in several areas: development of managerial skills, product knowledge, sales techniques. These training courses are supplemented by training on health

and safety (see Section 4.3.5 "Employee health, safety and well-being").

The annual performance review is an opportunity for employees to express their development aspirations and their training needs. This feedback contributes to the development of training plans.

Procedures and action plans

Rexel Academy

The programs are aligned with the Group's strategic priorities. In 2022, more than 300 new training courses were rolled out.

In 2022, several topics and training programs were identified to meet this objective. These include mastery of new digital technologies and the impact of data in the organization (CRM, pricing, web shop), collaborative tools, new sales techniques, and customer advice and service. The most followed business-oriented training on Rexel Academy was dedicated to customer journey and customer loyalty in the United States.

Flexible learning solutions (e-learning and face-to-face training) are offered to employees. Sessions are tailored to position, skills, development prospects, local requirements, and personal and collective goals. Some modules are designed by specialists (category managers, pricing, human resources or sustainable development experts) to better meet the needs of learners.

In 2022, Rexel Academy rolled out 320 transformation-specific modules as well as a global training course dedicated to climate change (Rexel Climate School).

In 2022, 96.5% of total headcount had access to the Rexel Academy, and 22,689 of them carried out at least one training session on the platform.

Managerial development programs and talent

In 2022, support and training initiatives increasing the skills of talent profiles (leaders and/or experts)

have continued, at all levels of the organization. In collaboration with the representatives of the various Group entities, a work on developing the skills framework was carried out to provide support in common across countries.

To support the development and management of its talents, the Group has strengthened the monitoring of its leaders as well as their different plans of development.

At the same time, support plans specialists have been put in place to ensure identification and development of skills key for strategic populations (strength of sales, data/artificial intelligence).

At the local level, more than 70 programs of development were carried out in 2022 within the different Group entities, including 29 dedicated to manager and leader populations. In line with existing initiatives (e.g. GAIN - Grow program Achieve Inquire Network - in the United States, focused on the development of leadership skills and personal development of employees around three areas of expertise: communication, operations management and commercial approach), new projects have been launched. In Australia, the Leader as Coach has been deployed to support development agency managers of their teams. In the UK, several programs for different levels of managers (Aspire for future Leaders, Accelerate for mid-management and Avanti for executive populations) allow the acquisition and strengthening managerial skills.

In France, three talent management programs are put in place, they aim to prepare employees for managerial or leadership positions.

Results and performance

73% of the respondents of the Satisfaxion22 survey believe that their company offers them “opportunities to learn new skills and develop.”

Training

The total number of people who received training (excluding safety training) was 24,126 in 2022, representing 89.7% of the total workforce, compared to 22,104 in 2021 (87.8%).

The number of hours of training provided (excluding safety training) was 327,250 hours as of December 31,

2022 (292,242 hours as of December 31, 2021). The average number of training hours (excluding safety training) taken by employees trained in 2022 was 13.6 (13.2 in 2021).

In 2022, 185,662 hours of training were held online, compared to 197,172 hours in 2021.

Training of managers

4,934 Group managers received training in 2022 (4,433 in 2021), i.e. 20.4% of people trained (compared to 20.1% in 2021).

■ Total number of employees trained and of training hours (excluding safety training)⁽¹⁾

	2022		2021	
	TOTAL NUMBER OF EMPLOYEES TRAINED (EXCLUDING SAFETY TRAINING)	TOTAL NUMBER OF HOURS OF TRAINING (EXCLUDING SAFETY TRAINING)	TOTAL NUMBER OF EMPLOYEES TRAINED (EXCLUDING SAFETY TRAINING)	TOTAL NUMBER OF HOURS OF TRAINING (EXCLUDING SAFETY TRAINING)
Rexel Group	24,126	327,250	22,104	292,242
Europe	12,907	188,915	12,743	143,657
North America	8,710	89,717	6,821	107,313
Asia-Pacific	2,509	46,618	2,540	41,272

(1) For the calculation of the number of people trained, all employees present for all or part of the year in 2022 are taken into account. However, for the calculation of the total headcount, employees present at December 31, 2022 are taken into account.

Key performance indicator

INDICATOR	UNIT	SCOPE	2022	2021	VARIATION
Average hours of training per employee trained	Hours	100%	13.6	13.2	+2.9%

The Group had set itself the goal of increasing this number of hours to at least 17 hours per employee trained in 2022, this objective is renewed for 2023.

4.3.3 Employee engagement

Strategy and policies

Rexel implemented a strategy of listening to its employees. Employees' opinions and their commitment are regularly measured through surveys in order to implement the necessary action plans. Employee engagement is essential to remain a benchmark player and keep pace with market changes. This engagement is based on an

understanding of strategy, management, career development, company image, and teamwork.

Employee representatives, as players in social dialogue, are part of this listening strategy and contribute to maintaining a significant commitment via a controlled social climate. Rexel attaches great importance to the freedom of expression and representation of its employees. The

Group recognizes the importance of social partners. This principle is included in the Ethics Guide applicable in all countries in which the Rexel

Group operates (see Section 4.2 “Acting with ethics and integrity” of this Universal Registration Document).

Procedures and action plans

Monitoring employee engagement

Rexel regularly conducts surveys to measure employee engagement as well as other specific topics.

In 2022, Rexel conducted its seventh “Satisfaxion22” internal engagement survey. The survey recorded a participation rate of 70%. 26,731 employees in 21 Group countries were invited to complete this online questionnaire in 12 languages. This survey focused on engagement, well-being, strategy, team spirit, corporate image and career development.

The level of engagement (category that covers issues related to this topic) reached 80% (74% in 2018). The survey results also confirmed the importance given to the team spirit embedded in the Group’s culture and identity: 84% of respondents believe that teamwork is encouraged in their company.

Compared to the last survey, conducted in 2018, the five categories that constitute the levers of Rexel’s employee engagement received more favorable results:

- Strategy: 72% favorable opinions (+9 points);
- Career development: 73% favorable opinions (+11 points);
- Management: 83% favorable opinions (+5 points);
- Corporate image: 85% favorable opinions (+5 points);
- Teamwork: 83% favorable opinions (+5 points).

Reports were made to the teams in all the subsidiaries. In order to improve the understanding of certain topics, workshops involving employees were organized in some of them. Discussions on areas for improvement are materialized in the form of action plans rolled out at the subsidiary level. The results of the engagement survey enable the Group and its subsidiaries to assess the implementation of their policies and to establish action plans.

Action plans to reduce absenteeism

Rexel is implementing special measures to reduce the absenteeism rate. These local actions include special monitoring by human resources managers, the establishment of regular reporting, consultation and training, regular medical visits and indexing of bonuses for showing up at work, post or schedule arrangements, and return-to-work reports. In Switzerland, for example, all managers are trained in conducting return-to-work interviews to limit absenteeism.

Social dialogue

The subsidiaries of the Rexel Group apply the regulations applicable to social dialogue and regularly discuss matters relating to business results and working conditions with employee representatives. The representation of Rexel Group employees is such that:

- 291 employees are involved in representative bodies (344 in 2021), representing 1.1% of the total number of employees with open-ended contracts in the Rexel Group (1.4% in 2021); and
- 86 employees are appointed by a trade union organization as representatives (120 in 2021), representing approximately 0.3% of the total number of employees with open-ended contracts in the Rexel Group (0.5% in 2020).

In 2022, at the local level, 31 agreements were negotiated and signed between the employee representatives and entities of the Rexel Group. In total, 41.7% of the Rexel Group’s workforce is covered by a collective agreement. Most of these agreements were signed in France, Belgium, Austria and Germany, and notably addressed wages, profit-sharing, employee shareholding, seniors, the promotion of professional diversity and equality, teleworking, and social dialogue. Other agreements signed previously are still in force. They notably concern professional gender equality and the professional integration of people with disabilities, as well as quality of life at work. Out of all the agreements, two related to health and/or safety.

Shareholding and/or profit-sharing agreements were negotiated and set up at the French subsidiaries. The employees of Rexel France, Rexel Développement, Sofinther, BizLine, Francofa Eurodis, Gigamedia and Esabora are covered by this type of agreement.

At the European level, the European Works Council was established in December 2005. This Council is an exchange and information platform that ensures the representation of the Rexel Group's

14,392 European employees. The Council is a forum for dialogue between management and the 17 employee representatives of the 13 European countries represented. It meets once a year. A steering committee comprises five permanent members and meets four times a year. In 2022, the European Works Council was informed of the new strategy and was consulted on the proposed disposal of the entities located in Spain and Portugal. A discussion on teleworking practices at the European subsidiaries was also initiated.

Results and performance

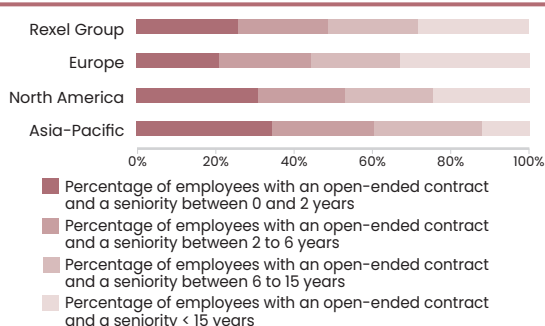
Absenteeism

The Rexel Group's absenteeism rate was 5.7% in 2022 (4.9% to 2021).

Seniority

Rexel employees' engagement is also reflected in their average seniority (10 years) and the variety of profiles.

■ Breakdown of employees on open-ended contracts by seniority



There have been significant variations in seniority depending on geographical areas: renewal of employees is much faster in the Asia-Pacific region (62% of employees with open-ended contracts have less than 6 years of seniority), whereas in Europe, employees with more than 15 years of seniority account for 34% of the number of employees with open-ended contracts.

Social movements

In 2022, the total number of strike hours was 1,231 hours, due to a national movement in Belgium unrelated to Rexel's activity.

Key performance indicator

	2022	2018	VARIATION
Engagement*	80%	74%	+6 pts

* Favorable response rate regarding the engagement category (category that includes questions relating to this topic).

In 2018, Rexel set itself the goal of achieving an engagement rate of 80% during the next global survey. This objective was achieved and

maintained for the next survey, which will take place in 2023.

4.3.4 Diversity, inclusion and equal opportunities

Strategy and policies

Because diversity is a societal issue but also a lever for improving performance, Rexel adopts proactive policies to promote diversity at all levels of its human resources policies. Rexel wants to be an inclusive environment where all skills can flourish.

The importance given to diversity and inclusion is based on a statement of principles in the Ethics Guide (see Section 4.2 "Business ethics"). It expressly refers to dignity, diversity, and respect for people. The Ethics Guide also prohibits any form of discrimination against employees.

In 2021, Rexel shared its ambitions when the Pulse global survey was launched, addressing the topics of diversity, equity and inclusion.

Rexel's various human resources policies (recruitment, compensation, career, training, etc.) are conducted according to an inclusive approach at different levels, in order to guarantee equal treatment among men and women and among different generations, and to promote the integration of employees with disabilities. These policies contribute to spreading a culture of diversity at the Group. Thus, 87% of the respondents to the Satisfaxion22 survey believe that their company is committed to treating all employees fairly, regardless of their gender, sexual orientation, disability, origin or religion.

4.3.4.1 Diversity and gender equality

Procedures and action plans

Communities and partnerships

Women in Rexel (Wire) brings together female employees from different Group subsidiaries to share their ideas and inspire each other.

Initially launched by the subsidiary in the United States, Wire networks aim to foster collaboration, encourage development and inspire accountability by creating an environment that values individual diversity within the company. This is part of Rexel's commitment to inclusion. Networks exist in several countries including Australia, Canada, France and the United Kingdom; a global Wire Leaders network involves around one hundred female employees.

Furthermore, Rexel is part of an inter-company network, European Network for Women in Leadership which aims to create a dynamic favorable to the leadership of its participants.

In 2022, more than 30 female Rexel employees in France are involved in the "*Capital Filles*" association, which aims at strengthening the autonomy and the confidence of young girls from priority neighborhoods and rural areas, as well as to

support them in their educational choices and their discovery of the company.

Raising awareness and training

A section dedicated to diversity and inclusion was launched in Rexel Academy in 2019. In 2021, Rexel made a training program called "DE&I, My journey, My path" available to its subsidiaries. This online training on Rexel Academy is intended for all employees but more specifically managers and people in charge of recruitment. In 2022, the French subsidiary set up a "*leadership au féminin*" training course to which all female employees were invited.

Parenting

Local parenting initiatives help to strengthen gender equality; this is the case of Rexel France, which provided for an extension of parental leave, and of the Group's head office, which shared a parenting guide with its employees. The subsidiary located in the United States offers its employees additional legal parental leave of two weeks to employees concerned by births or adoptions.

Equal pay

Rexel strives to respect equality between men and women in comparable situations in career development, training and compensation. Actions taken locally aim to reduce disparities and promote this equality.

In 2019, Rexel France and Rexel headquarters made commitments through agreements on professional gender equality, and which are still in force. These agreements provide concrete measures aimed at increasing the share of women within the Group, enabling them to build a professional career, reaching managerial positions, raising awareness on the themes of diversity, inclusion and parenthood, to take into account the latter to correct possible imbalances in compensation and to provide the adaptation of working conditions in cases of pregnancy. Professional mix is encouraged during the recruitment process and, upstream, during the vocational orientation of the youngest. Rexel's headquarters renewed its commitments through a new agreement in 2021.

Other initiatives have been adopted by the Rexel Group's subsidiaries: promotion of balance between working time and family life, adoption of a charter on equality, promotion of equal pay. As such, the Swiss subsidiary obtained a certificate which ensures that it respects the principle of equal pay for work of equal value.

Governing bodies

Specific initiatives have been adopted on this basis regarding the governing bodies (see Chapter 3, Section 3.1.5 "Non-discrimination and diversity policies in the governing bodies" of this Universal Registration Document). These initiatives were recognized: in 2022, Rexel improved its ranking by 7 places regarding the representation of women in governing bodies of major French companies reported by the Secretary of State for gender equality and anti-discrimination in 2021.

Parity has been achieved within the Board of Directors since 2020 (excluding directors representing employees). In the Group Executive Committee, women represented 30.7% as of December 31, 2022.

Results and performance

As of December 31, 2022, women accounted for 22.8% of the total workforce (22.7% in 2021). This percentage is in line with market realities and the low percentage of women in the specialized distribution sector.

The 2022 indicators show insignificant differences for the following data:

• Mobility and promotion

In 2022, 11.6% of women changed positions, compared to 12% of men (respectively 11.8% and 13.2% in 2021).

71 (1.4%) of non-manager women were promoted to managers (68 or 1.5% in 2021). As regards men,

the rate was similar: 280 men, or 1.7% of non-manager men (242, or 1.6% in 2021).

• Salary increases

80.8% of women with open-ended contracts with at least one year of seniority received a raise in 2022, compared to 74.1% of men with open-ended contracts with at least one year of seniority.

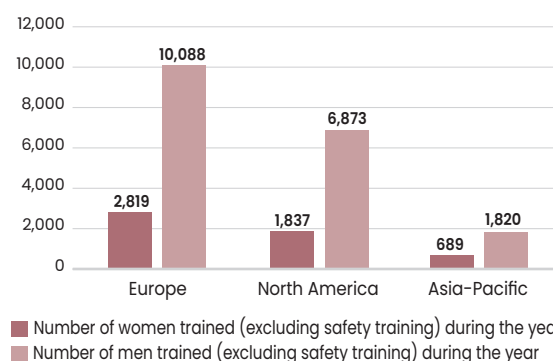
• Hires

Of the employees with open-ended contracts hired in 2022, 22.3% were women and 77.7% were men (respectively, 21.6% and 78.4% in 2021).

- Training

In 2022, 22.1% of the employees who received training were women, whereas they accounted for 22.8% of the total workforce and 77.9% of the employees who received training were men, whereas they represented 77.2% the total workforce of the Rexel Group.

■ Breakdown of employees and training per gender (excluding safety training)



Key performance indicator

INDICATOR	UNIT	SCOPE	2022	2021	VARIATION
% of women recruited on open-ended contracts	%	100%	22.3	21.6	+0,7 pts

The share of women recruited on open-ended contracts out of all recruitments was 22.3% in 2022 (compared to 21.6% in 2021).

The Group set itself the objective of achieving a recruitment rate of women on open-ended contracts of 35% by the end of 2024.

4.3.4.2 Generational diversity

Procedures and action plans

Inter-generational diversity is a challenge for Rexel. 33.2% of the Group's workforce are senior employees (employees over the age of 50). This challenge is addressed through the implementation of proactive career management and skills policies (see Section 4.3.2 "Employee development" of this Universal Registration Document).

Rexel is developing the inclusion of young people, notably through a proactive policy of recruiting young graduates: they represented 5.1% of new hires with open-ended contracts in 2022.

In many countries, Rexel has relationships with schools and academic stakeholders, in particular in the commerce and energy fields. The Group is expanding its inclusion of young people, particularly

through an ambitious policy of recruiting work-study students and interns. Despite the context of the Covid-19 pandemic, the Group's subsidiaries continued to recruit work-study students, mainly in France, Austria, Switzerland and Germany; in 2022, 303 work-study students were thus recruited. Rexel welcomes interns, mainly in France and China. The Austrian subsidiary received an award recognizing the exemplary management of its employees' apprenticeship training (Julius award).

Specific actions at the local level were put in place to promote inter-generational relations and mutual learning, such as at the Group's HQ where a mentoring program continued to be implemented in 2022 among young employees and experienced managers.

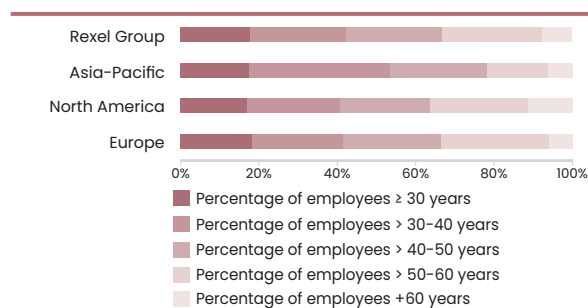
Results and performance

As of December 31, 2022, the average age of all Rexel Group employees was 44 (same as of December 31, 2021).

The most represented age group is the 50s-60s (6,865 people), followed by the 30-40 age group (6,658 people). Seniors accounted for 14.5% of open-ended hires (14.7% in 2021) and young graduates accounted for 5.6% (8.1% in 2020).

Seniors (defined as employees over 50) accounted for 33.2% of the total workforce (33.3% in 2021) and under 30s accounted for 17.8% (16.4% in 2021).

■ Breakdown of employees on open-ended contracts by age



4.3.4.3 Employees with disabilities

Procedures and action plans

Promoting the employment of people with disabilities is a conviction that is part of a process of equal access to employment for all. In view of regulatory specificities, policies relating to this subject are carried out locally.

In France, the agreement for the professional integration of people with disabilities for the period 2021-2023 taken by Rexel France includes the following measures for awareness-raising, employee education and recruitment:

- A communication and information plan to raise awareness for employees and managers in charge of human resources targeting the recruitment and integration of people with disabilities. A quarterly newsletter on disability and health at work is sent to all employees; time was set aside to raise employee awareness at each logistics center; and

- A recruitment plan was launched with the publication of offers on specialized sites for professional and social integration aimed at recruiting at least 12 people with disabilities. In addition, Rexel France participates in the "DuoDay" event, which consists of a meeting between an employee and a person with a disability for immersion in the professional world; and
- An employment maintenance program with acoustic and ergonomic studies and post adaptations was also deployed to improve the working conditions of people with disabilities.

The french subsidiary also forged partnerships with associations such as "Tremplin Handicap" and "Le Manifeste Inclusion" in order to create bridges between people with disabilities seeking employment and Rexel's business lines.

The agreement provides for an employment rate of persons with disabilities of 4.8% by 2023.

Results and performance

The indicators related to disability are highly dependent on local regulations.

In 2022, the Rexel Group employed 503 employees who reported a disability (580 in 2021), or around 1.9% of its total workforce (2.3% in 2021).

Employees who declared themselves to be disabled in 2022 accounted for 1.4% of all hires with open-ended contracts as of December 31, 2022 (2.4% in 2021).

The percentage of employees with disabilities from among the total workforce at Rexel France increased from 1.1% in 2008 to 3.4% in 2022.

4.3.5 Employee health, safety and well-being of employees

Strategy and policies

The health and safety of Rexel's employees is a daily concern, and Rexel strives to provide its employees with a working environment and working conditions that comply with requirements, and thus avoid risks.

In addition to its legal obligations, the Group's responsibility is demonstrated through the constant attention paid to the health and safety of its employees. The safety of employees and stakeholders has always been a priority for Rexel.

The main risks for employees relate to road traffic, falls, machine operation, materials handling, handling of cables, and computer work.

Through its health and safety policy, implemented since 2015, the Group wanted to implement shared minimum standards in each of its entities in order to guarantee an equivalent level of protection for all its employees. In 2021, Rexel updated this policy. At this time, Rexel reinforced requirements in terms of personal protective equipment, incorporated principles relating to psychosocial risks and pandemic risks, and introduced the notion of 'near miss'.

The Group policy aims to:

- Guarantee a safe working environment wherever Rexel operates;
- Build a culture of shared responsibility; and
- Ensure employee commitment through the exchange of good practices.

In addition to employee health and safety, quality of life at work is also a priority for Rexel. Particular attention is paid to well-being so that everyone can work under the best conditions. Many initiatives illustrate this concern such as: the right to disconnect, teleworking systems, promotion of physical activity and stress management.

In the specific context of the health crisis, and in particular of remote working, particular attention has been paid to psychosocial risks and the subsidiaries have implemented initiatives to keep in touch with their employees notably through the enhancement of usual management and communication methods.

Procedures and action plans

Health and safety community

A community of health and safety referents representing all subsidiaries meets four times a year to discuss the Group's priorities in this area and discuss best practices. In 2022, this community notably discussed prevention topics through the notion of near misses and contributed to the roll-out of a communication campaign on this subject.

Local initiatives

Many local initiatives contribute to making Rexel a safe place for employees: for instance, good gesture and posture guides are distributed in France, Belgium and Australia.

Some countries have chosen to engage in the ISO 45001 occupational health and safety certification process. Subsidiaries based in Finland, China, the United Kingdom and Austria have implemented this health and security risk management method.

Well-being at work

The subsidiaries have developed specific approaches in relation to psychosocial risks through awareness-raising actions, training modules, notably for management, and professional and psychological assistance programs.

In Australia, a partnership was set up to raise awareness among employees about their mental health: this partnership takes the form of training to combat anxiety and depression. In France, the Group's HQ and Rexel France has set up an employee psychological hotline. In Belgium, employees receive information on stress at work and the importance of ergonomics at work on a regular basis. In the United Kingdom, employees have access to an app to seek financial, mental and physical advice.

Other measures to protect the well-being of employees continued to apply. Accordingly, in the main French subsidiary Rexel France, a program against dependence (tobacco, alcohol, etc.) is available for employees who want to take advantage of it. Financial assistance is being offered. Employees may see a specialist doctor. A program for family caregiver employees is also available.

Specific policies relating to caregivers have been adopted. Rexel France offers employees dealing with the illness or with loss of autonomy of a loved one a telephone platform that help them apply for

assistance or choose a medical home or home caregiver. The purpose of this turnkey solution is also to prevent employee absenteeism. The plan also includes social support for employees in difficulty (housing, over-indebtedness, divorce, or occupational health).

Teleworking

Most subsidiaries have set up a permanent teleworking system for the functions that allow it, in order to strengthen the balance between professional and personal time. The employee representatives concerned were involved in this process.

Results and performance

■ Number of accidents involving employees

	2022	2021
Number of fatal accidents	1	0
Number of accidents leading to a sick leave	259	251
Number of accidents not leading to a sick leave	493	591

In 2022, 753 work accidents were reported at the Rexel Group (842 in 2021): 259 resulted in work stoppage (232 in 2021) and 493 did not lead to a work stoppage (610 in 2021). An accident that resulted in the death of an employee took place in Austria.

The number of workdays lost as a result of work accidents was 8,925 in 2022, compared to 6,948 in 2021.

Most of the work-related accidents that resulted in work stoppage involved the logistics function (183 accidents, or 71%) and the commercial/sales function (74 accidents, or 29%).

■ Severity rate of employees

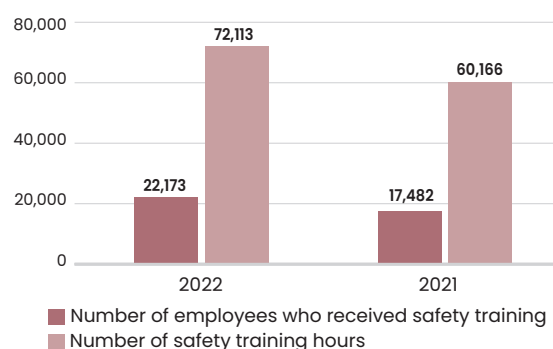
	2022	2021
Severity rate	0.20	0.17

The Rexel Group severity rate for work accidents of employees, defined as the number of workdays lost due to temporary disability per 1,000 hours worked, was 0.20 in 2022 compared to 0.17 in 2021.

Occupational illnesses

In 2022, two occupational illnesses were recognized, the same number as in 2021.

■ Safety training



In 2022, the proportion of people trained in safety was 82.4% of the total workforce (i.e. 22,173 employees). This proportion was 69.4% in 2021.

Key performance indicator

INDICATOR	SCOPE	2022	2021	VARIATION
Frequency rate of work accidents leading to work stoppage	100%	5.8	6	-3.3%

The Rexel Group work accident frequency rate of employees, calculated as the number of employee work accidents resulting in work stoppage per million hours worked, was 5.8 in 2022. The number of work accidents resulting in lost time was fairly constant in 2022 compared to 2021, while accidents involved longer work stoppages.

The Group set itself the target of reducing the frequency rate of work accidents resulting in work stoppage by at least 15% between 2021 and 2024.

Working time

The duration of working time varies according to the regulations of the countries in which the Group operates.

On average in the Rexel Group, employees work 39 hours per week.

The Rexel Group employs only a few people on fixed-term or temporary contracts. These types of contracts are used mainly to meet ad hoc needs.

In 2022, the average monthly number of temporary workers working as full-time equivalents was 961, or 3.7% of the total monthly average workforce (3.7% in 2021).

■ Organization of working time

Part-time employment and overtime hours	2022	2021
Percentage of part-time employees	3.8%	3.6%
Percentage of overtime hours / total working hours	1.5%	1.2%
Number of overtime hours	687,441	513,721

The number of people employed part-time within the Rexel Group was 1,016 as of December 31, 2022 (918 in 2021), or 3.8% of the total workforce (3.6 in 2021).

Overtime

To manage the working time of its employees, the Rexel Group rarely relies on overtime: 687,441

overtime hours were worked in 2022 by all Rexel Group employees, or 1.5% of the annual number of hours worked (compared with 513,721 overtime hours, or 1.2% of the total annual number of hours worked in 2021).

4.4 Improving environmental performance

4.4.1 Environmental performance of operations

Strategy and policies

Based in 21 countries and over 1,936 sites (branches, logistics centers, head offices), the Rexel Group faces an environmental challenge that comes more from the dispersion of its impacts than their magnitude. The Group is currently steering an ambitious and coherent strategy to reduce its greenhouse gas emissions and its direct environmental footprint. In its direct activities as well as with its partners and customers, the Group is committed to the collective fight against global warming and the preservation of resources. Energy, transport, resource consumption and waste management, Rexel is strengthening its commitment in all areas.

The Group's sustainable development strategy, its environmental policy and its operational implementation are managed by the various parties involved in responsible governance (the Sustainable Development Department, the Supply Chain

Department, the Human Resources Department and the General Secretariat), in coordination with other functional departments at the head office and the local operational departments. Objectives, results, and projects are presented once a year to the Rexel Board of Directors.

Rexel designed procedures, tools and resources to better manage and steer its environmental impacts. This approach is structured on three levels:

1. Procedures and rules common to all subsidiaries;
2. Monitoring the implementation of these rules in operations; and
3. Performance indicators that verify progress.

Moreover, it is essential for employees to take these challenges into account for this policy to be totally successful.

Procedures and action plans

Environmental Charter

To support the operational implementation of its policy, Rexel has used an Environmental Charter for several years. Regularly updated to take account of changes in the Company, it is now published in 12 languages and deployed in all Group subsidiaries.

The Environmental Charter details the Rexel Group's three environmental commitments:

1. Improving the environmental performance of buildings
 - By upgrading facilities with energy-efficient equipment for lighting, heating, cooling, etc.; and
 - By managing, segregating and redirecting waste to recycling or other appropriate treatment channels;

2. Reducing the environmental footprint of operations
 - By minimizing the use of packaging and paper; and
 - By optimizing transport flows and thereby reducing fuel consumption and associated greenhouse gas emissions;
3. Developing and promoting energy-efficient solutions
 - By providing customers with a wide selection of innovative products and services in energy management and renewable energy sources use; and

- By training Rexel Group commercial teams on up-to-date technologies and providing them with specific marketing and information materials.

At the end of 2022, the Environmental Charter was on display in 90% of the Rexel Group's sites.

Environmental reporting

To quantify its environmental impacts and their changes, Rexel has a centralized environmental reporting system. This management tool makes it possible to monitor the environmental impacts of all activities and have a global vision of the Group's environmental footprint via the monitoring of key indicators. The tool promotes the continuous improvement of performance and communication between Group subsidiaries.

Environmental information and reporting procedures are audited by an Independent Third Party each year. In addition to the regulatory response, this audit helps to ensure the reliability of the published information and to monitor the implementation of action plans.

The reporting guidelines are based on internationally recognized standards:

- Version 4 of the GRI (Global Reporting Initiative) sustainable development reporting guidelines: an internationally recognized framework, it defines a shared framework of performance indicators and reporting procedures. Rexel partially applies the GRI guidelines, focusing on performance indicators relating to the most material sustainable development challenges, in line with regulations on the SNFP. A cross-reference table of the GRI standards and the information published in this SNFP is available in page 470 of this Universal Registration Document;
- The GHG Protocol (Greenhouse Gas Protocol) to quantify and report greenhouse gas emissions in a transparent manner; and
- The recommendations of the Task Force on Climate Related Financial Disclosures (TCFD) inviting economic actors to report on their approach to identifying, managing and taking into account climate factors in their strategy and management.

Performance indicators that verify progress

Reporting comprises a series of key performance indicators that provide an overview of Rexel's environmental footprint. This data makes it possible to observe changes and progress in each area of action and by subsidiary. A summary is then sent to each country to enable the Group's entities to compare themselves with each other.

Moreover, in order to effectively manage the reduction of Scope 1 and 2 CO₂ emissions, quarterly reporting was set up in 2022 for the six countries with the Group's highest sales weight.

Network of environmental experts

Rexel relies on a network of 26 sustainability leaders, spread across the subsidiaries, who are responsible for implementing and coordinating the Group's policies, as well as a network of more than 75 Environment Officers who oversee environmental reporting, in addition to their operational responsibilities.

Each year, the sustainability leaders are invited to participate in the international sustainable development seminar to discuss the Group's challenges and priorities and share best practices from the subsidiaries. In 2022, this event took place in November and was an opportunity to present the changes in the Group's strategy, and the tools made available, to share best practices among subsidiaries, and to discuss thematic workshops. At the end of this seminar, groups, made up of Group sustainable development experts and subsidiary correspondents, were formed to work on the key initiatives of the Group's strategy.

To foster dialogue and gather feedback from local offices, these meetings are supplemented by monthly updates and regular informal exchanges led by the Group's Sustainable Development Department. A platform for exchange also provides this community with key documents to help spread best practices. An internal social network also provides a place to share information about sustainable development and discuss the progress of projects.

Raising awareness and training employees

Rexel is firmly committed to promoting and implementing a solid sustainable development policy that requires the engagement of each employee, in their workplace and on their site. The awareness-raising actions and training courses organized by the Group target employees in all countries, with the aim of building global awareness.

In 2022, Rexel launched "Earth Day" for the first time, a Group-wide awareness-raising campaign to encourage each Rexel country, branch and employee to mobilize alongside their colleagues, customers, suppliers and communities. During this day, Rexel teams around the world devised local action plans to promote the Group's sustainable environmental commitments through various activities, workshops and initiatives organized at the local level in each country. The Group plans to renew this mobilization around Earth Day in the coming years.

To go further, since 2022, the Group has offered all its employees the "Rexel Climate School", a new online training platform designed to help them improve their knowledge and understanding of climate and sustainable development issues. The program includes nine chapters, each covering a specific topic, illustrated by a five-minute video, followed by a quiz. The Rexel Climate School aims to increase employees' knowledge of key topics that go beyond their daily activities, and which form the basis of a sustainable future for all. While the subjects taught at this time focus on a better understanding of climate phenomena, they will be extended to other sustainable development themes in 2023. As of December 31, 2022, around 7,000 employees worldwide had been trained at the "Rexel Climate School".

The goal is to raise the awareness of 100% of the Group's employees about sustainable development.

Prevention and management of environmental incidents

The non-financial risk analysis shows that the Rexel Group's activities present a limited risk to the environment. However, environmental incidents are given special attention and are monitored on a daily basis *via* the EMS and annually through environmental reporting. In 2022, no Rexel Group entity reported any significant environmental incidents.

Some installations must be declared or registered with the administrative authorities, obtain environmental permits and operating licenses, and undergo regulatory controls. In France, for example, the Rexel Group is affected by legislation concerning Installations Classified for the Protection of the Environment (ICPEs). As such, some installations, within logistics centers especially, have to be declared or registered depending on the level of hazard or inconvenience that they represent. These include covered warehouses where combustible materials, plastics, paper, and cardboard are stored and battery charging workshops. Obtaining and renewing these declarations and administrative authorizations is sometimes subject to local oversight.

Given the Rexel Group's profile, the environmental risk linked to its operations is low. The costs associated with the assessment, prevention, and treatment of environmental risks therefore represent small amounts that are integrated into the Rexel Group's investment processes and have not been identified separately. In addition, environmental risk is taken into account when new entities are acquired: an environmental audit procedure (due diligence) is systematically implemented.

Results and performance

Environmental management system

Since 2013, Rexel has used its own environmental management standard. The latter represents a veritable toolbox to support, accelerate and

harmonize the deployment of environmental management systems (EMS) at its subsidiaries. The EMS specify the procedures for the environmental management of activities and reinforce the management of on-site improvement plans.

Around ten of Rexel's subsidiaries have undertaken ISO 14001 certification of their actions. Some of them, which account for 15% of the Group's sites and 6.6% of the Group's on-site energy consumption, are also involved in the implementation of energy

management systems that meet the ISO 50001 standard. Since 2018, the Austrian and British subsidiaries have embarked on a global approach resulting in four certifications (ISO 14001, ISO 9001, ISO 50001 and ISO 45001).

Key performance indicator

INDICATOR	UNIT	2022	SCOPE	CONSTANT SCOPE			
				2022	2021	VARIATION	SCOPE
Sites covered by an internal environmental management system	%	24%	100%	24.8%	43%	-18.2* pts	100%
Sites covered by a certified environmental management system	%	24%	100%	24.8%	24.6%	+0.2 pt	100%
Sites covered by a certified energy management system	%	14.7%	100%	15.3%	15.2%	+0,1 pt	100%

* This difference is justified in the 2021 data restatement table available in Section 4.7.3 on the "Environmental reporting protocol".

4.4.2 Climate commitment

Strategy and policies

Climate strategy

The fight against climate change is one of the major challenges of the 21st century. The latest IPCC report underlines that it is imperative to commit, as of today, to a true greenhouse gas (GHG) emission mitigation trajectory by 2030 in order to be able to meet the objectives of the Paris Agreement and limit warming to +1.5°C or +2°C.

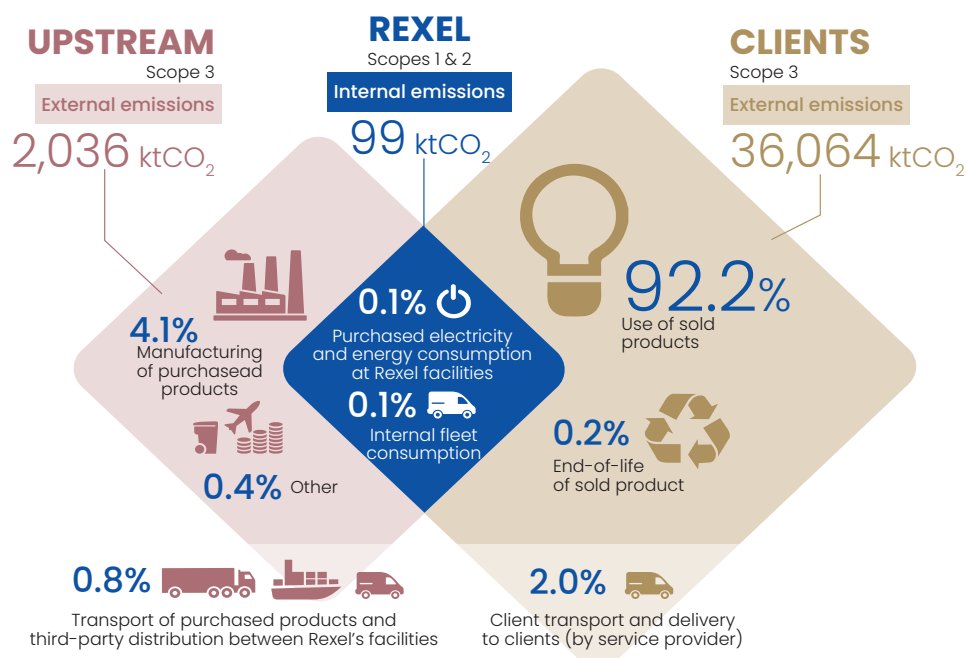
For more than 15 years, Rexel has integrated the fight against climate change in its responsibility approach by acting internally but, above all, by fostering a virtuous dynamic to accelerate the energy transition, involving its partners, its customers and, more generally, the electricity sector in its roadmap towards a decarbonized world. Today, more than ever, Rexel is exemplary on two levels pursuing ambitious environmental targets for 2030 and 2050, aimed at massively reducing the environmental footprint of its activities and working to reduce the emissions of its partners. More recently, the new targets set underlined the Group's desire to play a major role in the fight against climate change and in limiting the

rise in global temperatures below the targets set by the Paris Agreement.

In order to best achieve these goals, each year, Rexel assesses its GHG emissions across its entire value chain. This analysis shows that the direct emissions from the energy consumption of the buildings and vehicles used on a daily basis by Rexel's employees represent 4% of the total (Scopes 1 and 2). Scope 3 corresponds to the external carbon footprint, whether recorded upstream in the manufacture of the products distributed by Rexel, or downstream through the use of these same products by customers and, above all, end-users. Scope 3 also includes the transportation of these products by service providers. This scope represents more than 96% of all GHG emissions across Rexel's value chain. Its main action levers are as follows:

- **Mobilize** its suppliers in order to move towards increasingly responsible products (Scope 3);
- **Raise the awareness of and support** its customers to promote green and resource-efficient solutions (Scope 3);

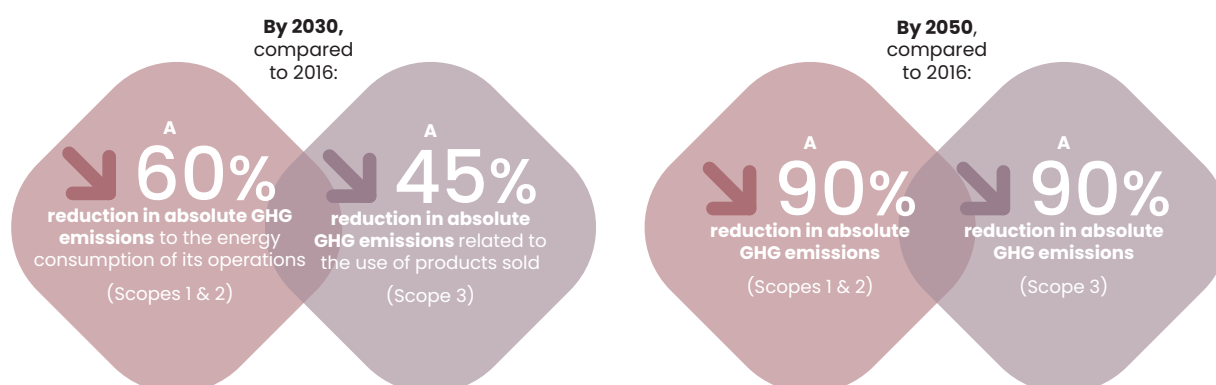
- **Train** its employees in solutions to meet environmental and social challenges;
- **Reduce** CO₂ emissions related to its internal operations (Scopes 1, 2 & 3);
- **Participate** in public debates and develop knowledge on climate and environmental issues (Scopes 1, 2 & 3).



Ambitious targets

During Capital Markets Day on June 16, 2022, the Rexel Group raised its 2030 targets, which are aligned with the Net-Zero Standard, the most

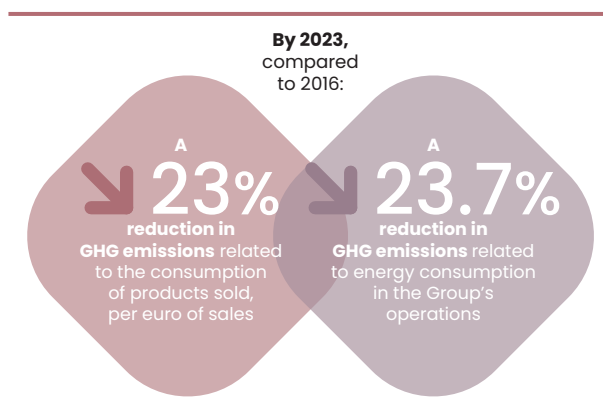
ambitious climate reference framework. Validated by the Science Based Targets (SBTi) initiative on July 19, 2022, the Group's new targets aim to achieve net-zero GHG emissions across the entire value chain by 2050, in two stages:



These new targets underline the importance of a rapid and significant reduction in emissions, notably in Scope 3, by halving them by 2030 and reaching a net-zero level by 2050. The SBTi also established that the ambition of the 2030 target for Scopes 1 and 2 is in line with a 1.5°C trajectory.

A commitment embedded in the strategy

These challenges are deeply rooted in Rexel's DNA. In line with its strategy and with a view to strengthening its commitment to a low-carbon future, Rexel decided to link part of the financing of its activities to targets for reducing GHG emissions and, thus, to issue Sustainability-Linked Bonds (SLB). These are linked to short-term targets (2023):



These targets are structuring for Rexel and confirm that the Group has set itself a high level of ambition. "Vigeo Eiris", an independent third-party expert, also rated the Group's commitment as "Advanced", i.e. at the highest level in terms of sustainable performance indicators and targets. Thus, as a forward-looking instrument based on performance, the SLB serves to demonstrate Rexel's integrity with regard to its sustainable development goals, and to capture all the transition levers that Rexel is using to achieve its transition strategy, which is at the heart of its corporate financing.

The Framework was established in accordance with the Sustainability-Linked Bond Principles ("SLPB") published in June 2020 by the International Capital Market Association (ICMA) and was reviewed by VigeoEiris, which issued an opinion as an independent third-party expert ("SPO").

The structure of this financial instrument is simple and transparent: the entire penalty is due as soon as one of the two targets is not achieved and the observation date is prior to the early repayment date. In addition, it is regularly monitored and verified externally, through key performance indicators and their sustainable development performance targets.

In 2021, these bonds represented a nominal amount of €1 billion. There was no new bond in 2022.

Procedures and action plans

To achieve its targets, Rexel is working to promote an ambitious vision of the zero-carbon economy and to propose action plans to encourage all its stakeholders to align with these climate targets and commit them to setting their own 1.5°C and net-zero targets.

Thus, the Group is pursuing a structured operational performance approach with the implementation of energy efficiency and renewable energy solutions on its sites and for its vehicles. In addition, Rexel has made the climate a key issue in its strategy and promotes solutions for the transition to a zero-carbon world.

Climate risk management and adaptation to climate change

In addition to the non-financial risk analysis presented in Section 4.1.3 of this document, Rexel is

carrying out a study of climate-related risks. Depending on the region, the effects of climate change will have a variable impact on Rexel's activities. In 2022, the Group updated the assessment of the risks related to climate change impacting the activities of Rexel and its commercial partners. In accordance with the recommendations of the TCFD working group, this study covers both transition risks (political, legal, technological, market) and physical risks. It considers the RCP8.5, RCP6, RCP4.5 and RCP2.6 scenarios of the Intergovernmental Panel on Climate Change (IPCC), with a horizon of 2021 to 2050.

Transition risks

The methodology for transition risks is based on local studies and data collection at specific sites.

The fight against climate change requires major changes in societies. The implementation of mitigation and adaptation measures essential to the transition to a zero-carbon world presents risks. For Rexel, a player in the energy transition, these risks take the form of rapid changes in its markets, new and divergent customer demands, and more frequent and stringent regulatory changes. The net climate-related transition risks were estimated to be low for Rexel, particularly given the control of these risks and the planned investments in the subject.

• Market risks

The transition to a zero-carbon world necessarily involves a profound transformation of industries, and of commercial and residential buildings. Rexel seized the opportunity by making the electrification of uses a pillar of its strategy to support recent regulatory changes in the construction sector. The Group's strategy aims to offer a wider choice of innovative solutions and services to meet new environmental standards.

In addition, inflationary trends with regard to raw materials led to an increase in the cost of road transport. Depending on its logistics, Rexel implements adaptation solutions to improve energy efficiency and optimize journeys. The Group is also implementing a strategy of diversifying its carriers, which enables it to benefit from the most competitive transport costs.

The tension on the oil market could result from the restrictions imposed on new extraction projects by States aiming for carbon neutrality and from more difficult access to financing. This would also have repercussions on the price and availability of plastics, which poses a major challenge in the composition of electrical products. Thus, although the adaptation levers are indirect, Rexel would have a role to play by encouraging manufacturers to replace new plastics with alternative materials or recycled plastics to reduce dependence on the oil markets. This growth opportunity is all the more relevant as these market constraints are expected to last.

• Regulatory risks

The regulatory environment for greenhouse gas emissions is changing rapidly around the world.

Rexel must be able to adapt its own buildings (branches, logistics centers, administrative centers) and its supply chain to more stringent standards and regulations.

Regulations also encourage investors to monitor the carbon intensity of their asset portfolios and to favor investments in low-emission activities and in the players most committed to the climate, in a given sector. This should lead electrical equipment distributors to invest in the operational performance of their own operations, to avoid devaluation and increased financing costs.

Rexel seized this growth opportunity by making its carbon performance a pillar of its environmental strategy, notably through the actions described below in this section.

Physical risks

Climate change has a number of physical impacts that have serious repercussions on companies and investors. Extreme weather events (floods, droughts, storms, etc.) are becoming increasingly frequent and intense, and their impacts will worsen in the years and decades to come.

These extreme weather events can damage the facilities necessary for the Group's business, as well as those of its suppliers, disrupting production and the delivery of equipment to Rexel, and of deliveries to its customers. This can result in significant costs throughout the value chain: construction delays for buildings or production delays in industry; repair of damaged facilities; increased insurance costs.

The methodology for assessing physical risks is based on the level of site exposure (external factors) in relation to the vulnerability factor of said sites (internal factors). The analysis does not cover all the sites in Rexel's logistics chain and was carried out for the top 600 most strategic sites, located mainly in Europe and North America:

- 390 Rexel sites that contribute to the logistics model (branches, hubs and distribution centers);
- 130 supplier sites located in Europe (mainly distribution centers and warehouses, but also factories);

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- 49 raw material extraction sites, where global production is the highest (19% of world production of silver, 20% of nickel, 44% of copper, 47% of bauxite);
- 31 ports that are essential for the export and availability of these raw materials.

The sites are mainly exposed to the risk of flooding and forest fires more specifically for certain regions (Australia, Canada, USA). However, the Group's low damage history illustrates a certain level of warehouse adaptation. In addition, climatic hazards affect the supply of raw materials, with the risk of interruption for certain materials such as

copper, bauxite and nickel. The development of the use of recycled copper is thus identified as an adaptation lever insofar as dependence on mines exposed to drought or rainfall can be reduced.

TCFD recommendations

In 2017, the TCFD of the G20 Financial Stability Board published its final recommendations on climate-related information to be communicated by companies. They invite economic players to report on their approach to identifying, managing and taking into account climate factors in their strategy and management.

The correspondence table below shows how Rexel incorporates the TCFD recommendations.

THEMES	TCFD RECOMMENDATIONS	REFERENCES	PROGRESS
Governance	a) Describe the Board of Directors' oversight of climate-related risks and opportunities.	4.2.1	●●●●○
Describe the organization's governance regarding climate-related risks and opportunities.	b) Describe management's role in assessing and managing climate-related risks and opportunities.	4.1.3, 4.4.2	●●●●○
Strategy	a) Describe the climate-related risks and opportunities that the organization has identified in the short, medium and long term.	4.4.2	●●●●○
Describe the existing and potential impacts of climate-related risks and opportunities on the organization's business, strategy and financial planning, to the extent that the information is relevant.	b) Describe the impacts of climate-related risks and opportunities on the organization's business, strategy and financial planning.	4.4.2	●●●●○
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a scenario of 2°C or below.	4.4.2	●●●●○
Risk management	a) Describe the organization's processes to identify and assess climate-related risks.	4.1.3, 4.4.2	●●●●○
Describe how the organization identifies, assesses and manages climate-related risks.	b) Describe the organization's processes for managing climate-related risks.	4.1.3, 4.4.2	●●●●○
	c) Describe how processes to identify, assess and manage climate-related risks are integrated into the organization's risk management.	4.1.3, 4.4.2	●●●●○
Indicators & targets	a) Disclose the parameters and objectives used to assess and manage climate-related risks and opportunities where such information is material.	4.4.2	●●●●○
Describe the indicators and targets used to assess and manage climate-related risks and opportunities, to the extent that the information is relevant.	b) Publish the greenhouse gas (GHG) emissions of Scope 1, Scope 2, and, if measured, of Scope 3, and the corresponding risks.	4.4.2	●●●●●
	c) Describe the targets used by the organization to manage climate-related risks and opportunities, and its performance against the targets.	4.4.2	●●●●●

Improving the energy performance of sites

The buildings of the Group's branches, logistics centers and administrative sites account for 38% of direct Scope 1 GHG emissions (2022). Since improving their energy performance involves

measuring and managing consumption, for several years now, Rexel has undertaken a continuous improvement approach, which is at the heart of its environmental management system. On the agenda: thermal renovation, measurement and

management of energy consumption, purchases of green electricity and production of renewable energy on-site. Committed to this global dynamic, a growing number of Rexel's subsidiaries are implementing their energy efficiency and sobriety action plans following energy audits or certification. These measures contribute to the continuous reduction of the Group's energy consumption.

Favoring efficient buildings

When moving to new premises, Rexel favors recent buildings, built in compliance with energy regulations and certified.

Improving the energy performance of existing buildings

Improving building energy performance involves measuring and controlling consumption. For many years, Rexel has been pursuing a continuous improvement strategy that forms part of the core of its environmental management system.

Rexel is continuing its efforts through the implementation of the following measures:

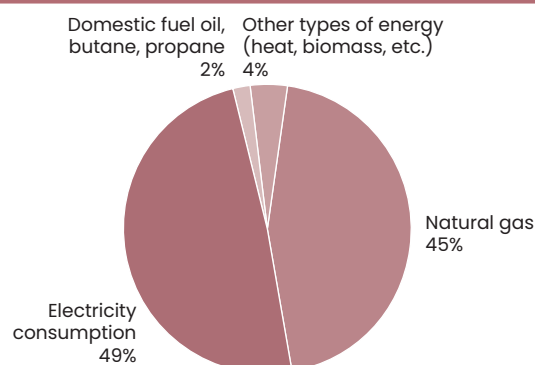
- The improvement of lighting equipment, through the use of LED and other low-power technologies and control and automation systems (home automation, presence and light sensors, etc.);
- The modernization of heating, air conditioning, and ventilation systems and better oversight (lower room temperature set point, etc.); and
- The management of energy consumption *via* annual environmental reporting or specific management measures and tools in certain subsidiaries (site-by-site management on a monthly basis, or even in real time).

The Group strives to use renewable energy sources, as much as possible, by developing its own photovoltaic production capacities, subscribing to contracts with power suppliers that use certified renewable energy sources (photovoltaic, hydraulic, biomass, etc.), or by connecting directly to biomass-based heat networks.

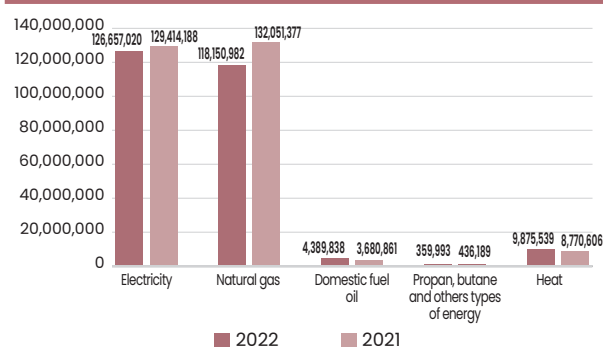
In 2022, 43% of electricity consumption on-site came from contracts with suppliers that use certified renewable sources, compared to 20.4% in 2021. At constant scope, electricity consumption at

Rexel's sites between 2021 and 2022 decreased by 2.1%.

■ On-site energy consumption by type (2022)



■ Change in energy consumption (MWh), at constant scope



Reducing the carbon footprint of shipping

Shipping is an important aspect of Rexel's sustainable development policy. In 2022, GHG emissions related to the transportation of goods by the internal fleet and those resulting from business travel in company cars represented, respectively, 33% and 29% of the Group's total direct Scope 1 emissions.

Rexel has embarked on a vast effort to optimize its logistics flows, from suppliers to customers. Thanks to a flexible organization, the Group is now able to optimize its supplies to ensure they respond as far as possible to the needs of its customers. Although commercial activities require a daily presence of the sales force at the heart of the regions, Rexel strives to reduce the environmental impact of this essential transport.

Logistics flows

The Rexel group is unique in that it has a large network of branches in most of the countries where it operates. A state-of-the-art logistics organization enables it to deliver 500,000 order lines per day on a tight flow basis. An immense challenge that led Rexel to streamline and rationalize its organization and processes in recent years.

In 2022, the Rexel Group's internal fleet for the shipment of goods consisted of 1,384 trucks and 785 vans in total. That fleet consumed 7.9 million liters of diesel and 2.9 million liters of gasoline, for total energy consumption of 111,360 MWh at current scope and 87,640 MWh at constant scope. At constant scope, between 2021 and 2022, energy consumption increased by 24.1%.

Optimizing costs and increasing flexibility and service for customers while reducing the fuel consumption and mileage of its direct and indirect fleet are the goals that Rexel has set for itself to reduce its carbon footprint. To this end, the Group acts on various levels on a daily basis:

- **Pooling of transport**, notably through subcontracting to service providers able to optimize the filling of trucks with other local companies;
- **Streamlining of delivery rounds** thanks to efficient planning tools. In France, for example, Rexel can rely on a complete network of 502 points of sale, enabling it to optimize flows;
- **Optimizing vehicle loading**;
- **Using GPS systems** incorporating performance indicator measures;
- **Monitoring performance indicators** at all subsidiaries, such as fuel consumption, CO₂ emission rate per kilometer, etc.;
- **Using electric and hybrid vehicles** in Rexel's car and utility fleet;
- **Prioritizing "clean" service providers**. As half of its logistics flows are outsourced, the Group pays particular attention to the selection of its service providers and favors those who pay the most attention to the environmental performance of their vehicles, to reporting performance indicators and to training their drivers in eco-driving;

- **Delivery to certain customers** in urban areas, via cargo bikes for example.

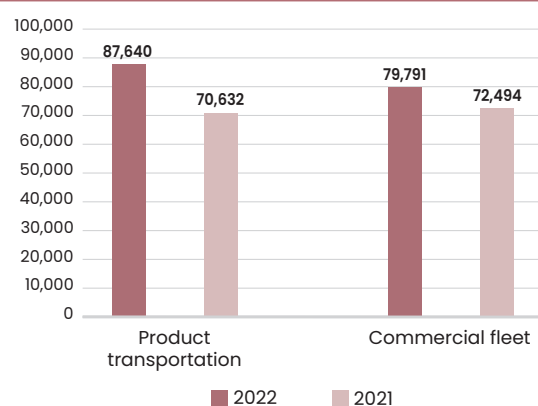
Commercial fleet

Rexel's activity requires a great deal of business travel. Most subsidiaries have a fleet of vehicles that they own or lease long-term.

In 2022, the Rexel Group car fleet consisted of 5,204 cars and consumed nearly 4.1 million liters of diesel and 4.7 million liters of gasoline. This represents an energy consumption of 89,421 MWh. At a constant scope, between 2021 and 2022, energy consumption increased by 9.6%.

In order to limit its employees' fuel consumption and GHG emissions from travel, Rexel strives to rationalize its fleet of owned or leased vehicles. For several years, Rexel's indirect purchasing department has been deploying master agreements to streamline the company's vehicle fleet (cars and utility vehicles) and improve its environmental performance. Thanks to the partnerships signed with long-term lessors and certain car manufacturers, the Rexel Group gives its subsidiaries support as they implement this streamlining policy and encourages monitoring of performance indicators (fuel consumption, CO₂ emission rate per kilometer). In this context, the Group encourages the deployment of hybrid or electric fleets. In 2022, 1,312 electric or hybrid vehicles compose the Group's fleet, compared to 1,040 in 2021. This represents 25% of the fleet.

■ Change in the energy consumption by the internal fleet (MWh), at constant scope



Promoting solutions for a zero-carbon world

Transition to a zero-carbon world

At the heart of its fight against climate change, Rexel promotes and accelerates the distribution of energy-efficient solutions and renewable energies among its 636,000 active customers around the world. Its responsibility as a distributor is to seek and encourage more energy-efficient, less impactful solutions for the planet.

In recent years, Rexel has renewed and diversified its product catalog to include more energy-efficient solutions. It now includes products for the construction, renovation, and maintenance of buildings, as well as tools for managing energy consumption. These changes now enable end-users to reduce their carbon footprint and energy bill and to rationalize their costs, while contributing to the Group's economic performance. These solutions are presented in Section 4.5.2 "Responsible offering for the energy transition" of this Universal Registration Document.

Beyond the satisfaction of the needs of customers and end-users, promoting energy efficiency solutions contributes to Rexel's climate goals on Scope 3, under the Science Based Target initiative in particular.

Adapting to climate change

While Rexel considers the main challenge concerning the environment to be drastically and rapidly reducing greenhouse gas emissions, the effects of climate change are now significant and will intensify in the short term: according to the IPCC, heat waves and extreme heat waves will be more frequent, longer and hotter in the years to come.

In the short term, air conditioning appears to be an effective means of combating the health effects of these heat waves. However, air conditioning already represents 10% of global electricity consumption, according to the International Energy Agency (IEA), and demand for air conditioners worldwide is expected to increase from 1.6 billion in 2018 to 5.6 billion in 2050. This would significantly increase global greenhouse gas emissions and would therefore intensify the consequences of climate change. The IEA estimated that by using more suitable air conditioners with less energy-intensive cooling systems, it would be possible to

avoid 460 billion tonnes of greenhouse gas emissions by 2060⁽¹⁾.

The Group wants to participate in the effort to adapt our societies through its product and service offering, and an air conditioning offering is part of its plan. In view of its negative effects on the climate, the Sustainable Development Department working with the purchasing and innovation team of certain subsidiaries to identify solutions for the future, to replace current solutions. In the short term, this involves replacing refrigerant gases with a high global warming potential (GWP) with gases with a low GWP, such as R32, R290 or R744, or by using adiabatic and/or natural air conditioning. In the medium term, Rexel will support changes in construction and renovation standards by providing management systems to optimize the management of building energy flows.

Environmental information on products

Like Rexel, an increasing number of customers and end-users are embarking on an ambitious environmental transition process. In order to support them in this process, for several years, Rexel has offered its customers, notably in France and the Nordic countries, access to the environmental profiles of the products that the Group sells. This makes it possible to provide a set of information on the environmental impacts of each product over its entire life cycle, based on reliable data collected from suppliers.

In 2022, Rexel took another step forward by developing the Carbon Tracker. This decision support service, with a methodology validated by LCIE - Bureau Veritas, enables customers to know the environmental impacts of electrical products at each stage of their life cycle. It has four environmental indicators:

- Climate change;
- Depletion of natural resources;
- Energy consumption;
- Water consumption.

In return, more eco-responsible alternatives may be offered to help Rexel's customers and end-users to reduce their impact. At the end of 2022, the Carbon Tracker allowed to assess around 68 % of the turnover generated in France. The roll-out of this tool in Europe is planned in 2023.

(1) https://iea.blob.core.windows.net/assets/71c8db7e-1137-41ef-99c3-8f2c8d3a5d86/Cooling_Emissions_and_Policy_Synthesis_Report.pdf

In December 2022, the Carbon Tracker had already won several awards, highlighting the tool's innovative power: the Easy Bourse Listed Citizen Company Award, Bpifrance's "Environment" Trophy

as part of the CSR Challenges Awards, and the Energy & Climate Decarbonization Award as part of the 2022 Sustainable Industry Awards.

Results and performance

Internal emissions (Scopes 1 and 2)

2022 results

In 2022, Rexel further strengthened its monitoring of internal greenhouse gas emissions (Scopes 1 and 2), by moving from annual reporting to quarterly reporting for the Group's six countries with the highest emissions.

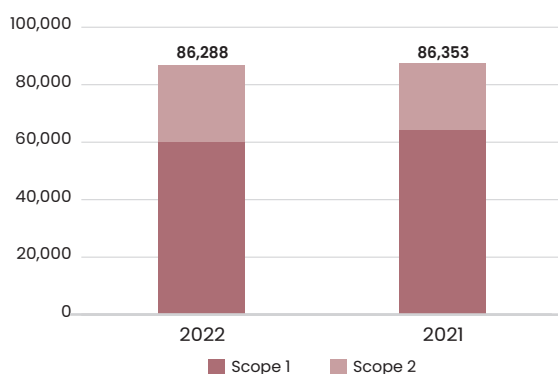
In 2022, emissions from Scopes 1 and 2 represented 85,993 tCO₂e, of which 66,393 tCO₂e for Scope 1 and 19,600 tCO₂e for Scope 2 "market-based".

Thus, at constant scope, Scope 1 and 2 emissions remained stable over the period. In view of the 14.1% growth in sales on a constant day basis, the same emission levels as in 2021 were mainly due to the policy of continuously improving the energy efficiency of buildings, combined with the green electricity contracts signed in 2022, notably in France and Germany.

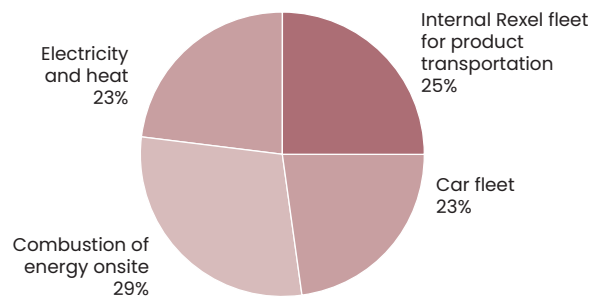
Monitoring the 2030 target

Rexel committed to reducing its Scope 1 and 2 emissions by 60% by 2030, compared to 2016. In 2022, Rexel reduced its emissions by 24.95% compared to 2016, on a comparable basis.

■ Change in GHG emissions (Scopes 1 and 2), at constant scope (tCO₂e)



■ Scope 1 and 2 direct GHG emissions by source (2022)



Value chain emissions (Scope 3)

2022 results

In 2021, Rexel updated its evaluation of indirect greenhouse gas emissions (Scope 3). The Group notably improved the calculation of emissions linked to the use of products, now having greenhouse gas emission factors for nearly 160 product categories and by country.

Based on a robust and audited methodology, this heavy work offers the best estimate available. It may not however accurately reflect the actual emissions in Scope 3.

These emissions are estimated at 38 million tonnes of CO₂ equivalent (MtCO₂e) and represent more than 96% of the Group's climate impact:

- The first item is estimated at 35.1 MtCO₂e and concerns the use of the products sold by Rexel;
- The second and largest item corresponds to purchases of goods and services, which represent slightly over 1.5 MtCO₂e; and
- Next is the upstream and downstream transport of goods and products, which represents around 1 MtCO₂e.

Thanks to the actions implemented to accelerate transition to a zero-carbon world, the emissions related to the use of products sold decreased in intensity by 8.8% in 2022 compared to 2021.

Monitoring the 2030 target

Rexel committed to reducing its Scope 3 emissions related to the use of products sold per euro of sales by 60% by 2030, compared to 2016, which represents a 45% reduction in absolute terms. In

addition, Rexel set an objective within the Sustainability-Linked Bonds to reduce its Scope 3 emissions related to use of products sold per euro of sales by 23% by 2023 compared to 2016. In 2022, Rexel's carbon intensity, defined as the ratio of Scope 3 emissions related to the use of products sold per euro of sales, was equal to 1.88 tCO₂e/€k (2.92 in 2016).

Rexel reduced its carbon intensity by 35.66% compared to 2016, on a comparable scope.

Key performance indicator

INDICATOR	UNIT	2022	SCOPE	CONSTANT SCOPE			
				2022	2021	VARIATION	SCOPE
Scope 1 and 2 emissions	tCO ₂ e	99,166	100%	86,288	86,353	-0.1%	100%
of which Scope 1 direct emissions	tCO ₂ e	76,208	100%	66,584	63,369	4.9%	100%
of which Scope 2 indirect emissions	tCO ₂ e	22,957	100%	19,704	22,983	-14.3%	100%
Scope 3 indirect emissions	MtCO ₂ e	38	100%	38	32.74	16%	100%
of which 1 - Purchase of products and services		1.54	100%	1.54	1.36	14%	100%
of which 2 - Fixed assets		0.08	100%	0.08	0.07	14%	100%
of which 3 - Energy-related emissions (not included in categories 1 and 2)		0.03	100%	0.03	0.03	1%	100%
of which 4 - Upstream product transportation		0.32	100%	0.32	0.28	14%	100%
of which 5 - Waste from operations		0.03	100%	0.03	0.03	7%	100%
of which 6 - Business travel		0.01	100%	0.01	0.01	14%	100%
of which 7 - Commuting		0.02	100%	0.02	0.02*	7%	100%
of which 8 - Upstream leased assets		0.00	100%	0.00	0.00	14%	100%
of which 9 - Downstream product transportation		0.75	100%	0.75	0.66	14%	100%
of which 10 - Transformation of products sold		0.09	100%	0.09	0.08*	7%	100%
of which 11 - Use of products sold		35.11	100%	35.11	30.23	16%	100%
of which 12 - End of life of products sold		0.08	100%	0.08	0.07	14%	100%
of which 13 - Downstream leased assets		-	100%	-	0.00	-	100%
of which 14 - Franchises		NA	100%	NA	NA	-	100%
of which 15 - Investments		0.00	100%	0.00	0.00*	0%	100%

* Calculations updated in August 2022 at the request of the SBTi.

Scopes 1+2 and Scope 3 performance, compared to 2016

	2016	2017	2018	2019	2022	2021	2021 Comparable 2022	2022
SCOPES 1 + 2 (tCO ₂ e)	116,829	108,235	106,726	103,826	87,068	87,620	86,353	86,288
Y vs Y-1		-7.36%	-1.39%	-2.72%	-16.14%	0.88%		-0.2%
Y vs 2016		-7.36%	-8.65%	-11.13%	-25.47%	-24.82%		-24.95%

	2016	2017	2018	2019	2021	2022	2022
SCOPE 3							
Use of sold products (ktCO ₂ e)	38,408	36,379	36,200	32,885	30,228	35,110	35,110
Sales (MEuros)	13,162.10	13,310.10	13,365.70	13,742.30	14,690.20	18,701.62	18,701.62
Intensity (tCO ₂ e/kEuros)	2.92	2.73	2.71	2.39	2.06	1.88	1.88
Y vs Y-1		-6.34%	-0.91%	-11.65%	-15.89%	-8.76%	-8.76%
Y vs 2016		-6.34%	-7.18%	-17.99%	-29.48%	-35.66%	-35.66%

4.4.3 Sustainable resource management

Strategy and policies

Reducing one's environmental footprint goes beyond energy issues. It also means reducing one's impact on natural resources and promoting the circular economy, notably through waste reduction and recycling. In this respect, the Rexel Group is also following an ambitious roadmap and measures its progress using performance indicators. These actions are largely driven by local initiatives.

Whether in its internal activities or with regard to its customers and end-users, Rexel acts for the sustainable management of resources. The potential for saving materials and energy, and

therefore CO₂ emissions, is colossal. According to the United Nations Environment Program, 54 million tonnes of electrical and electronic equipment (EEE) are thrown away each year around the world, and only 17% are recycled. In 2030, this figure could rise to 74 million tonnes, revealing the full extent of the challenge.

The Group has made it a priority to reduce, as much as possible, the waste produced at its branches or logistics centers, but also to provide all its customers with solutions to facilitate the collection and recycling of products.

Procedures and action plans

Reducing packaging and paper consumption

Before the recycling phase, it is first crucial to reduce the consumption of packaging or paper. While the consumption of packaging is inherent to the Group's distribution activity, Rexel has implemented various measures to limit its use, such as optimizing the size of packaging, designing innovative and recyclable packaging, or using reusable materials.

In many countries, Rexel's warehouses have a prepacking system that automatically selects the appropriate packaging for the order. Conectis, a Rexel subsidiary, designed a "Roll'n Box", a cardboard box that is lighter than a wooden coil, which reduces the Group's environmental impact.

Regarding paper consumption, the digitization of catalogs and brochures, the digitization of ordering processes, collaboration with the main printing

solutions provider, and employee awareness-raising campaigns have made it possible to significantly reduce consumption year after year.

Internally, initiatives are multiplying. For example, Rexel promotes:

- **Reusing the pallets, wooden reels and cardboard boxes** of suppliers for customer deliveries;
- **The widespread use of reusable packaging**, but also reusable plastic bins and metal crates at logistics centers and branches;
- **The use of very thin plastic films** when no viable alternative was found.

Waste management

It is Rexel's responsibility to limit and recycle the waste generated by its business activity and help its customers reduce and manage their waste. As part of its commitment to the circular economy, formulated notably in its Environmental Charter, Rexel encourages all its sites to:

- Set up a **selective sorting system** for wastepaper, cardboard, plastic and wood;
- Ensure that **specific waste** (such as batteries, IT and electrical equipment) is sent to the right recycling channels;
- Contribute to the **collection and recovery of certain customer waste**, such as that from electrical and electronic equipment, known as "WEEE".

Ordinary waste

The Group's branches are encouraged to put in place selective sorting systems (for cardboard, plastic, and wood in particular) for recycling or recovery. The total quantity of waste recovered by Rexel, all materials combined (excluding WEEE and batteries), was approximately 21,243 tonnes in 2022 (20,472 tonnes in 2021), or 61% of the total waste generated (62.9% in 2021). At constant scope, there was a 0.3% increase in total recovered waste compared to 2021.

Special waste

The Group has set up a management and recovery system for waste from electrical and electronic equipment (WEEE) in its European subsidiaries and

branches in accordance with the European Directive. About 19,416 tonnes of this waste was sent for recycling, up 94% compared to 2021 at constant scope. Outside Europe, a number of subsidiaries have gone beyond the applicable legal requirements and also offer this service to their customers. To date, 19 entities have implemented this type of procedure.

In France, the "*chez Rexel c'est 100 % des équipements recyclés*" (at Rexel, 100% of equipment is recycled) program is based on a partnership with the eco-organization Ecosystem in place since 2016. Three solutions are proposed: deposit at a branch, provision of containers directly to customers, or on their sites. All used equipment can be recycled: building equipment, industrial equipment, network infrastructure, communication security, heating and air conditioning systems, power generators, measuring and mounting tools, lighting, and plumbing.

Other initiatives to promote the transition to a circular economy

For several years now, Rexel has sought to source eco-designed products from innovative suppliers, such as the Planet range lighting. To promote this change, the Group developed an eco-calculator capable of estimating the carbon footprint of a product. Rexel is therefore committed to listing products with a complete life cycle, which are low polluting and have minimal packaging. For example, brown recycled corrugated cardboard, which avoids bleaching with chlorine and limits the carbon impact of its production, will now always be preferred.

Rexel is also committed to replacing plastic parts with paper equivalents whenever possible and to using recycled plastic. Several partners, suppliers or customers, support it in this process.

Rexel is also committed to the recovery of building waste. The Group is one of the 26 construction products and materials manufacturing companies of the future Valobat eco-organization, which will soon be tasked with advancing the recycling of building waste. To meet this challenge, Valobat will offer construction companies a solution to take back waste collected separately at local collection points. The eco-organization will also develop recycling channels.

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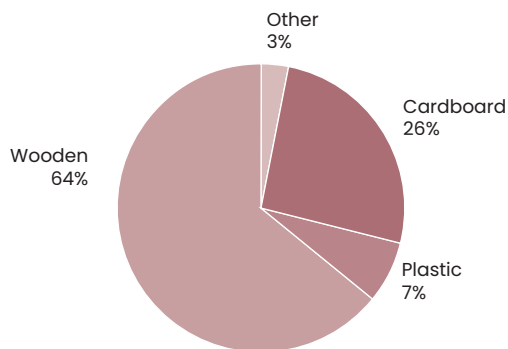
Results and performance

Packaging

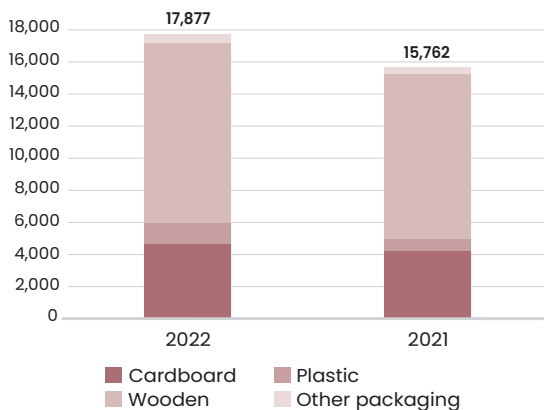
At constant scope, the 13.4% increase in packaging consumption recorded in 2022 compared to 2021 was a slight improvement compared to the growth in sales on a constant day basis (14.1%).

Wood and cardboard represent more than 89% of packaging tonnages

■ Consumption by type of packaging (2022)



■ Change in packaging material consumption (tonnes), constant scope

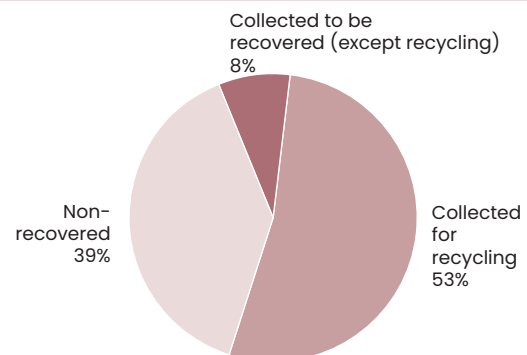


Waste

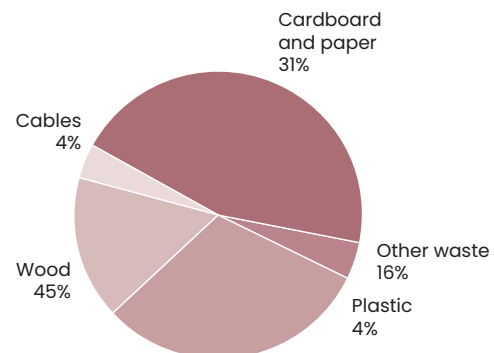
Representing one of the pillars of the Environmental Charter, Rexel set up a selective sorting system for paper, cardboard, plastic and wood waste.

In addition, the action plans put in place to reduce the consumption of packaging partly explain the management of waste disposal over two years: between 2020 and 2022, the tonnage of waste produced increased by 5%, against sales that were up 14.1% on a constant day basis.

■ Waste generated by destination (2022)



■ Recycled waste by type (2022)



Key performance indicator

INDICATOR	UNIT	2022	SCOPE	CONSTANT SCOPE			
				2022	2021	VARIATION	SCOPE
Packaging consumption	Tonnes	18,595	100%	17,877	15,762	13.4%	100%
Waste generated (excluding WEEE and batteries)	Tonnes	34,823	100%	31,951	31,860	0.3%	100%
Recovery rate	%	61%	100%	63.3%	63.3%	0%	100%

4.4.4 Additional information about the environment

Based on the assessment of the Group's non-financial risks plus the materiality analysis of its sustainable development challenges, Rexel believes that the following information is insignificant in terms of its activity and the expectations of its stakeholders:

- Water consumption;
- Pollution and nuisances;
- Discharges into water and soil;
- Discharges into the air (except greenhouse gases);

- Noise pollution;
- Odor nuisance; and
- Biodiversity.

Nevertheless, the Rexel Group has put in place a system to monitor some of these environmental aspects to prevent any deviations and anticipate future restrictions.

Quantitative indicators for this information are presented in the summary table in Section 4.6 "Summary of indicators" of this Universal Registration Document.

4.5 Promoting responsible practices throughout the value chain

4.5.1 Working with suppliers

Strategy and policies

An essential link in the energy value chain, Rexel's ambition is to be a trusted partner for its suppliers, customers, and end-users alike. The creation of shared value involves sound and balanced relationships between all stakeholders and the regular and controlled assessment of social, societal, and environmental performance, at each stage.

Suppliers and subcontractors contribute to the growth of the Rexel Group through their capacity for innovation, demands for product quality, and ability to develop new markets. Rexel contributes to their performance by accompanying them in their development and by supporting their activity through the density of its branch network, its

omnichannel presence, the recognized expertise of its sales teams, and the power of its logistics model.

Since 2021, the Group's approach to supplier engagement, co-managed by the Purchasing and Supplier Relations Department, the Sustainable Development Department and Rexel Strategic Suppliers Services, consists of:

- Favoring the suppliers who are the most advanced in terms of their social and environmental responsibility approach;
- Setting up criteria for selecting a more sustainable portfolio through a responsible purchasing policy;

- Supporting suppliers wishing to commit; and
- Monitoring the progress made by all partners.

In the coming years, Rexel aims to make its supplier requirements more stringent, relying at all times on the partnership dynamics developed to date.

Procedures and action plans

Supporting and promoting supplier initiatives

Rexel aims to go further than monitoring and improving the CSR performance of its partners, and in 2022 increased the number of direct meetings with its main suppliers. The Group and its subsidiaries initiate meetings with their suppliers to discuss their sustainable development practices and find points of convergence on topics that have become priorities for the sector.

More recently, these practices have been developed as part of a new acceleration program, **Partner4Planet**, which aims to structure sustainability improvements in partnership with strategic suppliers. This program is based on four pillars:

- Identification, valuation and specific promotion of a more sustainable offering;
- Optimization of logistics flows and reduction of packaging;
- Implementation of circular economy initiatives; and
- Active contribution to the adoption of sustainable development in the sector, on the market and among customers.

This program began in 2022 among a few strategic suppliers, and is expected to grow in 2023.

Sustainable development clauses in contracts

When it signs contracts with its suppliers, the Group requires them to comply with requirements pertaining to rejection of forced labor and child labor, wage and benefit, health and safety, non-discrimination, respect and dignity, and freedom of speech and association, environment. In line with the Rexel Ethics Guide, suppliers promise to respect these principles and the rules of the International Labor Organization, in particular.

Responsible Supplier Charter

Since 2021, Rexel has strengthened relationships of trust with its partners and rolled out a Responsible

Supplier Charter in all countries where the Group operates. The Charter is available in 13 languages and accessible on the website dedicated to ethics (<https://ethique.rexel.com>). This document formalizes the commitments expected by Rexel from its suppliers, service providers and subcontractors in terms of ethics, respect for human rights, protection of employee rights, respect for the environment and compliance with applicable laws and regulations. It also recalls Rexel's commitments to them.

By subscribing to this charter, suppliers undertake to respect and implement, and to have their own suppliers, subcontractors and service providers respect and implement, all of the principles set out therein, in compliance with their contractual commitments and applicable laws and regulations.

Committed to a formalized progress approach, through its Ethics Guide and its Environmental Charter, the Rexel Group wishes to support its suppliers whenever possible in a process of continuous improvement of their sustainable development performance. This Responsible Supplier Charter completes this support system.

This deployment of this charter made it possible to engage in dialogue with all the suppliers on their strategy in terms of sustainable development.

Supplier Corporate Social Responsibility (CSR) assessment platform

Since 2015, Rexel has deployed tools to analyze the CSR performance of its suppliers to anticipate and control the risks specific to their activities. The system is based on control and monitoring procedures throughout the entire value chain. Since 2017, this system has been a key element of Rexel's response to the duty of care law, as specified in Section 4.10.2.2 "Regular assessment procedures to assess the position of subsidiaries, subcontractors or suppliers with whom an established commercial relationship is maintained with regard to risk mapping" of this Universal Registration Document.

The Group's approach is based on the use of a shared platform that collects social, ethical, and environmental data from its main suppliers. The system helps to prevent risks related to respect for human rights and fundamental freedoms, working conditions, and the environment. The approach focuses primarily on so-called "strategic" suppliers, which are suppliers whose added value is significant for the Group in terms of sales, geographic deployment, or innovation. The Group set itself an ambitious goal of covering 80% of its direct purchase volume in value in 2024.

Beyond the assessment, suppliers must provide evidence that long-term procedures are being implemented and that results are being monitored for all criteria assessed.

The assessment tool follows a structured and precise methodology and calendar. For each supplier, a two-person team is created. This team includes a member of the sustainable development staff, who is tasked with guiding the process and the responsible purchaser for the supplier at the local level. He or she has a key role; to be in constant contact with the suppliers, explain the process, encourage participation, and communicate results. This involves gathering feedback from local offices and promoting the application of the ethical and sustainable development principles among suppliers in order to create shared value.

Each supplier receives individualized feedback from Rexel following the assessment. If needed, corrective or improvement actions may be implemented. These demanding assessment tools improve the transparency and traceability of Rexel's value chain and limit its risks. Data retrieval makes it possible to compare performances through common indicators and to share the results with all stakeholders. The objective is to initiate a collective dynamic of continuous improvement and to promote a relationship model based on trust and integrity. To this end, monitoring is in place to ensure that suppliers regularly reassess their performance and that this assessment evolves favorably and in line with the Group's expectations.

On-site audits

In addition to the evaluation platform, Rexel carries out on-site audits for certain suppliers located in risk-prone countries.

As part of the vigilance plan, Rexel incorporates additional controls relating to social, environmental and Human Rights performance into its on-site supplier and subcontractor audits. Due to the pandemic, some year-end audits had to be moved to January 2023. In total, eight suppliers were audited in 2022 (eight social audits and eight environmental audits); said suppliers were located mainly in Asia, but also in Europe.

Following these audits, progress plans are put in place. If the level of compliance is not satisfactory and the corrective measures requested are not implemented, collaboration with the supplier is terminated. In 2022, no audits were carried out, as the focus was on monitoring progress plans and ensuring their implementation.

CSR internal audits

In order to strengthen its sustainable development policy, Rexel set up internal CSR audits of its suppliers in 2022. Notably, Bizline set themselves the objective of conducting audits among their 50 largest suppliers each year. This will make it possible to identify the degree of CSR maturity of suppliers through a questionnaire, and then to discuss the questions and areas for improvement with the audited supplier during a 1.5-hour discussion. These meetings also make it possible to discuss all CSR topics related to the activities of Rexel and of the supplier more generally, and to provide them with the documentation prepared by the Group in this area with a view to developing more responsible practices. This audit system aims, more generally, to establish CSR monitoring with the various suppliers and to support them in their CSR transition. In 2022, Bizline sent questionnaires to its 32 European suppliers. In total, 20 suppliers responded to the questionnaire (63%) and 19 suppliers participated in the debriefing meeting (60%). Their goal is to extend these audits to their 18 Asian suppliers by 2023.

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New supplier selection criteria

Bizline aims to strengthen the ESG criteria for its suppliers. To this end, a new consultation was set

up to establish CSR at the same level as the other three selection criteria (Logistics, Quality, Product Marketing). This new requirement is already operational in the selection of its suppliers.

Results and performance

Responsible Supplier Charter

As of December 31, 2022, the Responsible Supplier Charter had already been endorsed by suppliers representing over 77% of the Group's direct purchases. Unlike 2021, for which the figure published represented an informal supplier commitment on the basis of exchanges, the figure for 2022 corresponds to a formal and effective supplier commitment, *via* a signature.

Bizline and Gigamedia, which adopted the Charter, saw adherence thereto by suppliers respectively representing around 95% and 74% of their purchases.

Supplier commitment is being pursued as part of the discussions on contractual commitments for 2023.

Supplier evaluation

Since the beginning of the process, more than 473 suppliers representing 85% of direct Group

purchases have received a request to assess their performance in terms of sustainable development. This result is a significant improvement compared with 2021.

As of December 31, 2022, 235 single suppliers, representing 64% of the Rexel Group's direct purchases (in value), responded to the assessment questionnaire.

The assessment of supplier performance is regularly reviewed. Thus, 148 suppliers representing 58% of the Group's direct purchases have been assessed within the last two years. 6% of purchases have been assessed more than two years ago and will have to be reassessed in 2023.

82% of suppliers reassessed during the year in 2022 improved or maintained their level of sustainability performance. They represent a high concentration of the Group's direct purchases.

Key performance indicator

INDICATOR	2022	2021	VARIATION
Direct purchases covered by the Responsible Supplier Charter	77%	50%	27 pts
Direct purchases having received a request to assess their performance in terms of sustainable development	85%	77.4%	8 pts
Suppliers reassessed during the year who maintained or improved their environmental performance	82%	80%	2 pts

* Calculated on the basis of Ecovadis figures and FY2022 purchases.

4.5.2 Responsible offering for the energy transition

Strategy and policies

Rexel uses its privileged position to inform its professional customers (leading contractors and craftsmen, installers, industrial leaders, and tertiary sector companies) about eco-friendly electrical and energy solutions and to encourage their adoption.

In addition, its responsibility as a distributor consists of seeking out and promoting the most energy-efficient solutions that have the lowest impact on the planet in order to support changes in uses and consumption patterns. Eco-designed products, circular economy solutions, services for new forms of mobility, self-consumption, energy storage and smart building management are all solutions

implemented by the Group to support the energy transition. Rexel is committed to diversifying its portfolio in this way and to enabling installers to develop in new markets.

In addition to this equipment, which is directly involved in the energy transition, Rexel is positioned

as the world's benchmark energy distributor in terms of product responsibility. The Group ensures that the products sold comply with safety standards and meet with the relevant health and environmental regulations.

Procedures and action plans

Rexel's goal is to become a leading service provider in the world of energy and innovative markets, whether it be the Internet of Things (IoT), electric mobility, artificial intelligence (AI), or smart buildings and BIM (Business Information Modeling). From energy management solutions to technical consulting, the Group is therefore reinforcing its service offering in several major areas.

Reducing the energy impact of buildings

In this area, Rexel rolled out Primexel, in partnership with Economies d'Énergie, to strengthen the promotion of energy renovation and provide financial support to installers who carry out work thanks to certificates of energy efficiency (CEE). The tool allows eligible professional customers to simulate their earnings and the amount of their bonuses if they were to carry out work to reduce the energy consumption of buildings.

Promoting smart buildings

Rexel is a partner at every stage of the smart building, while the IoT market could amount to US\$1.85 billion in 2028. The Group supports the rapid development of technologies related to the BIM methodology. In 2021, Rexel also announced that it had taken a minority stake in Trace Software International, one of the world's leading publishers of electrical engineering software. The company designs applications for the design and operation of electrical and solar installations for buildings and industry.

In the residential market, Rexel provides the Energeasy Connect solution, which offers residents the opportunity to better control and manage the day-to-day energy consumption of their homes, via a dedicated application and programmable scenarios. With over 40,000 installations in France and nearly 320,000 connected pieces of equipment to date, Rexel is strengthening its value proposition in this market.

In addition, during REXEL EXPO 2022, Rexel France and Sonergia, one of the long-standing players in energy efficiency, launched the "easy CEE habitat"

program. This program aims to make the management of renovation aid projects accessible and simpler for installers: CEE, *Coup de Pouce* or *MaPrimeRénov*.

Electric mobility

Rexel is positioning itself in this high-potential sector with a range of charging stations for electric vehicles. The Group offers packaged solutions based on the number of vehicles to be recharged, the level of accessibility required, and the type of conventional or photovoltaic power supply. These comprehensive solutions include a needs study, subsidy applications, lease financing if necessary, and the installation itself by a certified installer, which involves configuration of the electrical panel, connection, protection, commissioning, startup assistance, and the control panel.

Rexel is expanding its range of products for low-carbon mobility. In 2021, the Group consolidated its positions in the electric mobility market with the acquisition of Freshmile. This French company specializes in the remote installation and management of charging stations for electric vehicles. A "Freshmile Pass" now makes it possible to recharge at nearly 200,000 charging stations open to the public in France and Europe.

Renewable energy solutions

Rexel is committed to developing products to support the development of renewable energies, particularly for wind and photovoltaic power. Rexel provides a complete range of solutions: solar panels, fastening structures, inverters, special cables, and safety equipment.

Sourcing the most eco-friendly products and solutions

Eco-efficient products for construction, renovation and maintenance already occupy a major place in Rexel's product catalog. The Group sources eco-designed products and undertakes to reference products with a low-emission complete life cycle. A sustainability score for the references sold makes it

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possible to best guide customers towards eco-responsible products. Lastly, most of Rexel's products are recyclable.

To strengthen its sustainable development policy, the Group uses the data to which it has access in the course of its activity in order to develop innovative methods to assess the social and environmental impacts of products throughout the value chain. The Group is making this data available to customers through the development of the decision support service, the Carbon Tracker (see Section 4.4.2, paragraph dedicated to Carbon Tracker).

Product environmental profiles (PEP), at the heart of the strategy

Like Rexel, an increasing number of customers and end-users have embarked on an ambitious environmental transition process. To support them in choosing the best performing products, it is essential to have reliable and complete environmental information on the products.

Rexel provides its customers with the digitized PEPs of the products it sells. The PEP is an environmental statement created by a supplier for electrical, electronic and HVAC (heating, ventilation and air conditioning) products that provides reliable information on the environmental impacts of products through quantified and multi-criteria data. The types of data analyzed are: the impact on climate change, total energy consumption, resource depletion and freshwater use. Based on raw data, Rexel's teams determine each product's impact on the environment. This information enables Rexel to estimate the environmental impact of the equipment supplied for a construction site or for a building, from its construction to its end of life, by integrating the distribution, installation and use of products.

Thus, Rexel encourages its suppliers to create PEPs in order to have the information needed to inform

customers and guide them towards the most environmentally-friendly products, and to incite manufacturers to initiate eco-design initiatives for their products.

Compliance and product safety for customers and end-users

As a non-manufacturing distributor, Rexel's responsibility is to ensure that the products selected comply with the health and safety standards in force.

Rexel's commitment focuses on two areas:

- Compliance with environmental regulations: a responsible person is identified within each subsidiary in question to ensure compliance with European regulations related to the RoHS directive for restricted chemical substances and the REACH regulation for the declaration of chemical substances. Assessment questionnaires are sent to suppliers at the request of customers. The Group also ensures compliance with the conflict minerals regulation; and
- Information about the safety of products and solutions: installers are trained and made aware of the safety rules related to the on-site handling of products and equipment.

Conflict minerals

Rexel is committed to responsible sourcing and does not wish to fuel armed conflict through its purchasing practices or those of its suppliers. The Group requires its suppliers to ensure the compliance of their logistics chains and, in particular, the absence of conflict minerals in their supplies.

Rexel formalized this commitment in its Declaration on conflict minerals, available on its website www.rexel.com/en.

Results and performance

(in million euros)

	2022	2021
PV sales	842.8	449.3
EV sales	122.4	81.1

4.5.3 Customer relations

Strategy and policies

It is Rexel's responsibility as a distributor to guide customers toward the best products and the solutions best suited for them and support them in an industry in constant transformation. To go beyond their expectations and support them in a responsible way, the Group's primary concern is to provide them with excellent services, which are the foundation of the legitimacy and trust it enjoys with its customers.

At the heart of the value chain, Rexel plays a key role in connecting suppliers and customers. It is

Rexel's responsibility to inform suppliers of the needs, uses, and constraints of customers and end-consumers. It is also Rexel's role to inform customers and end-users about the specific features of products and prepare markets for future innovations. Rexel can thus assure its customers that the products it selects are manufactured under good conditions and meet environmental and social standards. This helps to develop and sustain a climate of trust within the energy value chain.

Procedures and action plans

Proximity and customer satisfaction

Product quality and availability are two essential vectors for customer satisfaction. Customer knowledge, the technical and financial expertise of sales teams, product innovation, and logistics excellence are among the levers and competitive advantages that contribute to customer loyalty and satisfaction.

Rexel has built a customer-focused structure based on an omnichannel model. The range of points of contact continues to grow and now includes branches, call centers, outside sales reps, technical expertise centers, EDI (Electronic Data Interchange), the web shop, the web configurator, new automated models of the Autostore types, and even mobile applications.

This organization relies on daily relationships of trust, a guarantee of shared and lasting value creation. In this context, Rexel is committed to providing its customers with complete and sincere information on the products and services offered.

The Group offers, for example, a product visual recognition web application for the immediate placement of orders. From one photo taken on-site, an installer can access all the specifications of a product and check its price and availability in a few seconds.

The extensiveness of the Group's distribution network is also a real competitive advantage. Its 1,936 branches (including Mayer's branches) are constantly adapting to changing needs and

lifestyles. The establishment of mobile branches on construction sites or provision of supplies through counters open day and night, as in Finland, are but a few examples.

This model makes it possible to maintain continuous contact with electricians. Electricians can go to a branch in the morning before going on-site and go to the web shop in the evening to place an order, which will be delivered the next day, either at the branch via Click & Collect, or directly at the site.

Because reliable provision of supplies is also a key factor in customer satisfaction, Rexel makes the optimization of logistics flows a priority. Our logistics system is committed to delivering the widest possible range on D+1 to all our worldwide (for instance, more than 30,000 references delivered the next day everywhere in France). Customized tools such as kitting (preassembly of orders) keep customers continuously supplied and improve their productivity. Beyond its role as a distributor, the Group is positioned to be a facilitator for its customers.

Rexel's subsidiaries are constantly listening to customers. They request their feedback and assess their satisfaction through questionnaires and surveys. In 2022, 17 out of 21 countries regularly measured their customers' satisfaction rate using a common indicator, the Net Promoter Score. Surveys are also occasionally conducted in the other countries of the Group.

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Installer training

New environmental regulations, financing offers backed by energy-efficient products, products with a strong technological or technical component, the installer and electrician professions and the skills required for them are changing.

To encourage customers to improve their skills, the Group focuses on advice, financial and technical assistance. Customers thus receive support to better sell, design, and install the new solutions safely on sites.

Training suited to the installer's needs is most often provided in branches by expert employees, external partners, or manufacturers. They are supplemented by tools (websites, installation tutorials, telephone hotline, and documentation) that enable customers to continuously train and maintain their expertise.

In 2020, Rexel France launched its training platform to enable professionals to develop their skills and strengthen their know-how (<https://formation.rexelservices.fr/home>). The training offered, either remotely or face-to-face, mainly concerns connected housing, electric mobility and electrical safety.

Rexel's CSR performance: a trusted partner for its clients

Rexel's goal is to be a trusted partner in the energy value chain. The Group regularly responds to CSR assessment requests from its customers. With an EcoVadis score of 71/100, Rexel retained its Gold level and ranks in the top 3% of companies assessed by EcoVadis worldwide, all business sectors combined, and in the top 1% of its business sector.

Results and performance

In 2022, Rexel continued to deploy the NPS measurement effectively, since almost all countries have a rating.

Key performance indicator

INDICATOR	2022	2021
Percentage of countries monitoring the Net Promoter Score	17/21	22/24

4.5.4 Commitment to innovation and energy progress

Following the update of the identification and prioritization of the main extra-financial risks for the 2022 financial year, the issue associated with the fight for energy progress and the risk associated with it has not been retained. Nevertheless, Rexel maintains its commitment in this area as innovation and energy progress are major future challenges. This commitment is mainly supported by the Foundation's actions.

Since 2013, Rexel has been committed through its Foundation for energy progress to working alongside associations, non-governmental organization, and partners to support solidarity projects and improve access for the most disadvantaged to energy efficiency. In doing so, it brings innovative solutions that meet today's societal challenges:

- Economically, energy efficiency reduces energy dependence on fossil fuels;

- Environmentally, it responds to the need to reduce greenhouse gas emissions; and
- Socially, it facilitates access for everyone to energy and is a tool in the fight against fuel poverty.

Since its creation, the Rexel Foundation has had three main missions:

- Providing support for solidarity projects of general interest led by NGOs, associations, and partners to improve the access of disadvantaged populations to energy efficiency;
- Promoting and supporting innovative solutions and models through an innovation platform and support for social entrepreneurship. This platform focuses on energy efficiency; and

- Developing knowledge and awareness of energy efficiency by building a shared knowledge base through studies, conferences, workshops, and applied research programs.

In 2018, the Rexel Foundation added a fourth mission by deciding to act as an “operating” Foundation in order to fight against energy precariousness with a first project in Roubaix.

The Rexel Foundation also set up partnerships with Centre Français des Fonds et des Fondations, Entreprises pour la Cité, and Cercle Grand Paris de l'Investissement Durable.

In 2023, the Foundation will celebrate its 10th anniversary.

Inclusion of people experiencing fuel poverty in Roubaix

In 2018, the Foundation decided to take direct action on fuel poverty through a new collaborative approach that puts forward the voices of vulnerable people. For five years now, local non-profit organizations, local authorities, business partners and employees have been meeting regularly in Roubaix, to address residents facing fuel poverty. Collaborative workshops involving residents, local actors and experts allow us to think together on these life paths, in order to collectively find solutions to leave energy precariousness.

This approach was summarized in a booklet and the methodology was documented. These documents are available on the Rexel Foundation website in open source to strengthen the social impact of the project and transfer it to other territories.

Solutions emerged from the various collaborative workshops and their implementation by the collective, initiated in 2020, and continued this year. In particular, the inhabitants set up weekly reception services and monthly DIY-café and wrote a building guide.

In 2022, several awareness-raising actions took place, including the development of an educational model. An electrical cabinet that simulates consumption and facilitates the understanding of the use of energy-consuming equipment was financed by the Rexel Foundation.

Social entrepreneurship project in France

Since 2020, the Rexel Foundation has supported the “A roof towards employment” project implemented by Entrepreneurs du Monde. Based in Rouen, this program aims to offer a social and economic

reintegration pathway to homeless people, based on two pillars:

- A range of small wooden mobile homes (“Tiny houses”);
- Support for socio-economic integration.

The objective is also to ensure the local production of approximately forty eco-friendly houses by these individuals in precarious situations. Four pilot houses were made available in 2020.

In 2021, a first tiny house prototype came out of the workshop created for the economic integration of people living on the street. At the end of 2021, a total of eight people were able to benefit from this form of alternative housing and five of them found work.

In 2020, Rexel France employees contributed their expertise in order to add a photovoltaic solution with energy storage. The photovoltaic solution fed by free solar energy, without CO₂ emissions in use, and built with recyclable panels, makes it possible to provide a clean and autonomous energy source that respects the environment and the comfort of occupants.

Social entrepreneurship project in India

Since 2018, LP4Y has implemented a social entrepreneurship project based in India, enabling young people from poor rural areas with a low level of education to have access to stable and decent jobs. The methodology consists of enrolling young individuals in a three-month training program located in a “Green Village” where they can learn how to create and manage micro-enterprises to develop their non-technical employability skills. The Rexel Foundation has supported this initiative since it was launched. The pilot project is a success and has been replicated in five other countries. The Rexel Foundation wishes to continue its support to help increase the impact of the Green Village project.

Patronage for disadvantaged households in general interest projects

In 2022, a project was designed by Rexel Austria employees and is currently being carried out with the NGOs ARGE and Caritas. The project aims to develop energy consulting courses for households suffering poverty, and they are being extended to Rexel employees in Austria. Rexel Austria stated that it will continue to support this project, which plans to provide training for women refugees in energy efficiency and help people in need in their native language.

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Employee and partner involvement

The Foundation also encourages the Group's employees to get involved in the Foundation through the following initiatives:

- Being an ambassador in their country to support the Foundation's teams; and
- Sponsoring a project by submitting a solidarity project in line with the Foundation's positioning.

Several entities of the Rexel Group have also supported joint solidarity initiatives by making products, equipment, or skill-based sponsorship available free of charge.

Group involvement with disaster victims

In 2022, the Foundation renewed its commitment alongside the French State's Crisis and Support Center, *Electriciens Sans Frontières* and other companies and foundations in the electricity sector, to jointly mobilize their resources and respond to natural or humanitarian disasters. In emergency situations, access to energy is essential to meet the essential needs of security, communication, drinking water and healthcare.

Commitment to technological innovation

In 2022, the Rexel Group continued to support technological innovation through Hi ! Paris. This interdisciplinary research center brings together the Institute Polytechnique and HEC, two French prestigious high schools and bringing together the best students and researchers in the fields of new technologies, artificial intelligence, data analysis and social sciences.

As a founding member of Hi ! In Paris, Rexel is part of the jury of its annual Hi!ckhathon. This competition aims to bring together students from different backgrounds on topics related to data science, sustainable development and the business world. For the 2022 edition, Rexel's Group Strategy Director was a member of the jury, for the Innovation category.

In addition, students who participate in the Hi!ckhathon also attend the "AI & Sustainability Talks", which are seminars led by the founding members. In 2022, some members of Rexel's AI team gave a conference on the theme of AI and customer satisfaction, where sustainable development is an increasingly essential expectation. The team shared its experience in the development and deployment of an artificial intelligence solution.

This sponsorship also contributes to financing engineers and researchers working on data analysis and artificial intelligence and participates in the development of cutting-edge French techniques, as well as new solutions useful to industry. At the same time, it will strengthen the attractiveness of French schools and research centers on an international scale.

In 2022, an amount of €1.0 million was paid for sponsorship partnerships with the *Fondation de l'École Polytechnique* and the HEC Foundation.

The total amount of the Rexel Group's donations, including the funds paid by the Rexel Foundation, amounted to 1,320,000 euros in 2022.

The Rexel Foundation is present in 20 countries. It has supported more than 75 projects for around 175,000 beneficiaries since its creation in 2013.

4.6 Sustainable development indicators

ETHICS						
INDICATOR	2022	SCOPE	CURRENT SCOPE			
			2022	2021	VARIATION	SCOPE
Queries received by ethics officers						
Number of queries received by ethics officers	60	100%	60	49	22.4%	100%
Training						
Business ethics training penetration rate within Rexel						
Competition law training	89%	100%	89%	80%	+9 pts	100%
Anti-corruption training	92%	100%	92%	90%	+2 pts	100%
Personal data protection training penetration rate within Rexel European subsidiaries	84%	100%	84%	86%	-2 pts	100%
SOCIAL						
INDICATOR	2022	SCOPE	CURRENT SCOPE		VARIATION	SCOPE
			2021			
Total headcount on December 31						
Total headcount			26,897	100%	25,185 (26,418*)	+6.8%
TALENT ATTRACTION AND RETENTION						
Talent attraction						
Total number of external hires			5,422	100%	4,452	+21.8%
Number of external hires on indefinite term contracts (ITC)			4,757	100%	3,811	+24.8%
Number of external hires with fixed term contracts			665	100%	641	,+3.7%
Number of external hires of manager in ITC			421	100%	325	+29.5%
Number of external hires of non managers in ITC			4,336	100%	3,486	+24.4%
Number of women recruited in ITC			1,059	100%	823	+28.7%
Number of men recruited in ITC			3,698	100%	2,988	+23.8%
Employee integration						
Medium term integration rate of new employees in ITC			68.9%	100%	76%	-7.1 pts
Short term integration rate of new employees in ITC			85.3%	100%	88.3%	-3 pts
Retain talent						
Performance review						
% of formal annual review completed			83.7%	100%	81.6%	+2.1 pts
Mobility						
% mobility of the total workforce			11.9%	100%	12.9%	-1 pt
% of horizontal mobility of employees on permanent contracts			5.4%	100%	6.3%	-0.9 pt
% of vertical mobility (promotions) of employees on permanent contracts			6.6%	100%	6.6%	0 pt
% of non-managers promoted managers			20.5%	100%	19%	+1.5 pts

* Including Mayer (USA).

SOCIAL				
INDICATOR	2022	SCOPE	CURRENT SCOPE	
			2021	VARIATION
Compensation and Benefits				
% of employees on permanent contracts eligible for individual variable remuneration	56.6%	100%	56%	+0.6 pt
% of employees receiving a bonus based on collective results (e.g. profit-sharing and/or participation plan)	66.3%	100%	74.4%	-8.1 pts
Employment dynamics				
Number of departures of employees on permanent contracts	4,368	100%	3,813	+14.6%
Number of redundancies	62	100%	169	-63.3%
Number of dismissals for other reasons	565	100%	536	+5.4%
Number of retirements or early retirements	343	100%	348	-1.4%
Number of departures due to sale of business	0	100%	10	-100%
Number of other departures	357	100%	346	+3.2%
Number of resignations	3,041	100%	2,404	+26.5%
Workforce Rotation on permanent contracts				
Turnover rate	17.5%	100%	15.6%	+1.9 pts
Entry rate	18.2%	100%	15.6%	+2.6 pts
Departure rate	16.7%	100%	15.6%	+1.1 pts
EMPLOYEES DEVELOPMENT				
Training				
Number of employees trained (including safety training)	25,725	100%	24,231	+6.2%
Number of employees trained (excluding safety training)	24,126	100%	22,104	+9.1%
% of employees trained during the year/Total number of employees (excluding safety training)	89.7%	100%	87.8%	+1.9 pts
Total number of hours of training (including safety training)	399,363	100%	352,408	+13.3%
Total number of hours of training (excluding safety training)	327,250	100%	292,242	+12.0%
Among them, number of hours of online training	185,661	100%	197,172	-5.8%
Among them, number of hours of physical training	141,589	100%	95,071	+48.9%
Average number of hours of training per employee trained	13.6	100%	13.2	+2.9%
Training of managers				
% of managers trained out of total people trained	20.5%	100%	20.1%	+0.4 pt
EMPLOYEE ENGAGEMENT				
Absenteeism				
Absenteeism rate	5.7%	100%	4.9%	+0.8 pt
Seniority				
Ancienneté moyenne des collaborateurs	10 years	100%	10 years	0%
Social Dialogue				
Number of hours of strikes	1,231	100%	1,052	+17.0%
% of employees involved at representative body level	1.1%	100%	1.4%	-0.3 pt
% of employees designated to represent a trade union	0.3%	100%	0.5%	-0.2 pt
% of employees covered by a collective agreement	41.7%	100%	45%	-3.3 pt

SOCIAL				
INDICATOR	2022	SCOPE	CURRENT SCOPE	
			2021	VARIATION
Engagement				
Engagement*	80%	100%	74%	+6 pt
DIVERSITY, INCLUSION AND EQUAL OPPORTUNITY				
Diversity and gender equality				
Representation of women				
Number of women	6,120	100%	5,722	+7.0%
% of women among the total workforce	22.8%	100%	22.7%	+0.1 pt
Promotion by gender				
% of men promoted to managers	1.7%	100%	1.6%	+0.1 pt
% of women promoted to managers	1.4%	100%	1.5%	-0.1 pt
Recruitment by gender				
% of women recruited on permanent contracts	22.3%	100%	21.6%	+0.7 pt
% of men recruited on permanent contracts	77.7%	100%	78.4%	-0.7 pt
Increase of salary by gender				
% of women on permanent contracts who received an increase with one year of seniority	80.8%	100%	79.7%	+1.1 pts
% of men on permanent contracts who received an increase with one year of seniority	74.1%	100%	75.4%	-1.3 pts
Training by gender				
% of women trained	22.1%	100%	22%	+0.1 pt
% d'hommes ayant reçu une formation	77.9%	100%	78%	-0.1 pt
Generational diversity				
Average age of employees (permanent and fixed-term contracts)	44	100%	44	0%
% of employees >30 years of the total workforce	17.8%	100%	16.4%	+1.4 pt
% of employees >50 years of the total workforce	33.2%	100%	33.3%	-0.1 pt
% of employees >60 years of the total workforce	7.7%	100%	7.7%	0 pt
Employees with disabilities				
% de collaborateurs déclarant un handicap	1.9%	100%	2.3%	-0.4 pt
% de collaborateurs recrutés qui déclaraient un handicap	1.4%	100%	2.4%	-1 pt
EMPLOYEES HEALTH, SAFETY AND WELL-BEING				
Number of accidents				
Number of fatal accidents	1	100%	0	+100%
Number of accidents leading to a sick leave	259	100%	251	+3.2%
Number of accidents not leading to a sick leave	493	100%	591	-16.6%
Frequency rate	5.8	100%	6.0	-3.3%
Severity rate	0.20	100%	0.17	+17.6%
Number of recognized occupational diseases	2	100%	2	0%
Health and safety training				
% of employees trained to health and safety	82.4%	100%	69.4%	+13 pts
Number of hours of training related to safety	72,113	100%	60,166	+19.9%

* Favorable response rate to the question "I am proud to be associated with my company".

ENVIRONMENT

INDICATOR	UNIT	2022	SCOPE	CONSTANT SCOPE			
				2022	2021	VARIATION	SCOPE
CONSUMPTION OF RESOURCES							
On-site energy consumption	MWh	275,226	100.0%	259,685	274,492	-5.4%	100.0%
Of which electricity consumption	MWh	136,085	100.0%	126,657	129,414	-2.1%	100.0%
Of which natural gas consumption	MWh	124,252	100.0%	118,151	132,051	-10.5%	100.0%
Of which domestic fuel oil consumption	MWh	4,402	100.0%	4,390	3,681	19.3%	100.0%
Of which butane, propane and other energies consumption	MWh	360	100.0%	360	436	-17.5%	100.0%
Of which heat consumption	MWh	9,876	100.0%	9,876	8,771	12.6%	100.0%
Of which biomass consumption	MWh	143	100.0%	143	139	3.5%	100.0%
Energy consumption from internal fleet	MWh	201,102	100.0%	167,430	143,126	14.5%	100.0%
Of which transportation of products by the internal fleet	MWh	111,360	100.0%	87,640	70,632	24.1%	100.0%
Of which commercial fleet	MWh	89,743	100.0%	79,791	72,494	10.1%	100.0%
Water consumption	m³	497,073	100.0%	470,461	507,460	-7.3%	100.0%
Packaging consumption	Tons	18,595	100.0%	17,877	15,762	13.4%	100.0%
Of which cardboard	Tons	4,698	100.0%	4,564	4,148	10.0%	100.0%
Of which plastics	Tons	1,310	100.0%	1,264	830	52.3%	100.0%
Of which wood	Tons	11,911	100.0%	11,390	10,188	11.8%	100.0%
Of which reusable plastic boxes	Tons	89	100.0%	89	90	0.0%	100.0%
Of which other packaging	Tons	587	100.0%	571	507	12.6%	100.0%
Paper consumption	Tons	2,089	100.0%	2,045	1,905	7.4%	100.0%
Of which commercial paper	Tons	1,285	100.0%	1,274	1,153	10.6%	100.0%
Of which office paper	Tons	803	100.0%	771	752	2.5%	100.0%
WASTE							
Waste generated	Tons	34,823	100.0%	31,952	31,860	0.3%	100.0%
Of which waste recovered	Tons	21,244	100.0%	20,210	20,153	0.3%	100.0%
Recovery rate	%	61.0%	100.0%	63.3%	63.3%	0 pts	100.0%
GREENHOUSE GAS EMISSIONS							
Scope 1 direct emissions	tCO ₂ e	76,208	100.0%	66,584	63,370	4.9%	100.0%
Emissions related to on-site energy combustion	tCO ₂ e	26,405	100.0%	25,169	27,796	-9.5%	100.0%
Emissions related to the transportation of products by the internal fleet	tCO ₂ e	27,818	100.0%	21,810	17,640	23.6%	100.0%
Emissions related to business travel by company cars	tCO ₂ e	21,985	100.0%	19,605	17,934	9.3%	100.0%

ENVIRONMENT

INDICATOR	UNIT	2022	SCOPE	CONSTANT SCOPE			
				2022	2021	VARIATION	SCOPE
Scope 2 indirect emissions	tCO₂e	22,958	100.0%	19,704	22,983	-14.3%	100.0%
Emissions related to the production of purchased and consumed electricity	tCO ₂ e	22,061	100.0%	18,807	22,125	-15.0%	100.0%
Emissions related to the production of purchased and consumed heat	tCO ₂ e	897	100.0%	897	858	4.6%	100.0%
Scopes 1 and 2 emissions	tCO₂e	99,166	100.0%	86,288	86,353	-0.1%	100.0%
Scope 3 indirect emissions (estimate)	MtCO ₂ e	38	100.0%	38	32.74	16%	100.0%
ENVIRONMENTAL MANAGEMENT SYSTEM							
Sites covered by an internal environmental management system	%	24%	100.0%	25%	43%	18 pts	100.0%
Sites covered by a certified environmental management system	%	24%	100.0%	25%	25%	0 pt	100.0%
Sites couverts par un système de gestion de l'énergie certifié	%	15%	100.0%	15%	1%	0 pt	100.0%

VALUE CHAIN

INDICATOR	UNIT	2022	SCOPE	CONSTANT SCOPE			
				2022	2021	VARIATION	SCOPE
SUPPLIERS EVALUATION							
Direct purchases having received a request to assess their performance in terms of sustainable development	%	85%	100%	85%	77.4%	8 pts	100%
Direct purchases evaluated on sustainable development criteria	%	82%	100%	82%	80%	2 pts	100%
PRODUCT SAFETY							
European subsidiaries having implemented a management system for REACh and RoHS	%	100%	100%	100%	100%	–	100%
SALES OF ENERGY EFFICIENCY AND RENEWABLE ENERGY SOLUTIONS							
Sales of energy efficiency solutions	Millions of euros	122.4	100.0%	122.4	81.1	50.9%	100.0%
Sales of photovoltaic solutions	Millions of euros	842.8	100.0%	842.8	449.3	87.5%	100.0%

4.7 Methodology

4.7.1 Reporting principles

Quality reporting

The main goals of environmental and social reporting are to feed the dashboards of the Sustainable Development Department and the Human Resources Department on an annual basis in order to steer the deployment of the strategy, facilitate information sharing and the detection of good practices at the Rexel Group and meet external reporting requirements, notably the "Statement of Non-Financial Performance" (SNFP) mechanism pursuant to Articles L.225-102-1, L.22-10-36, R.225-105 and R.225-105-1 of the French Commercial Code, and also to respond to the requests of stakeholders (customers, investors, suppliers, rating agencies, etc.).

The Rexel Group is therefore committed to providing environmental and social reporting that meets the following requirements: consistency (ensuring that data is comparable and established according to standard rules), exhaustiveness and accuracy (reported data provides a true image of reality), materiality (the data reflects the most significant issues), transparency and verifiability (the data sources, calculation and assumption methods are available and easy to access).

In each entity, two pairs are formed, one for the environment and the other for social matters, including:

- A contributor responsible for collecting all the data; and
- A validator who checks the relevance and consistency of the data across the reporting scope.

To ensure the quality of the data and therefore of reporting, checks are also carried out during the collection of information (automatic checks carried out by the collection and consolidation tool) and subsequently by the Sustainable Development Department and the Human Resources Department.

- Some information indicated in Articles L.225-102-1, L.22-10-36, R.225-105 and R.225-105-1 of the French

Commercial Code is not covered in this Universal Registration Document. The analysis of non-financial risks, as well as the materiality analysis, show that the following topics are not relevant or do not present significant risks in view of the Rexel Group's activities:

- Food waste;
- Societal commitments promoting the fight against food insecurity, respect for animal welfare, and responsible, fair and sustainable nutrition; and
- actions to promote the practice of physical and sports activities.

Since 2008, a dedicated reporting software tool in the form of a secure internet platform has enabled the Rexel Group to make its data collection more reliable.

Based on international standards

The reporting standards notably draw on Version 4 of the GRI (Global Reporting Initiative) sustainable development reporting guidelines: an internationally recognized framework, it defines a shared framework of performance indicators and reporting procedures. Rexel partially applies the GRI guidelines, focusing on performance indicators relating to the most material sustainable development challenges, in line with regulations on the SNFP.

For climate-related indicators, Rexel relies on the definitions and recommendations proposed by the GHG Protocol, on the one hand, and by the TCFD, on the other.

External verification

All of the material social and environmental information, including qualitative and quantitative data, is subject to external verification by one of the appointed Statutory Auditors, in order to increase stakeholder confidence in this information and in compliance with the "SNFP" mechanism and its implementing decree.

4.7.2 Social reporting protocol

Update of the protocol

In 2022, the Human Resources Department continued its efforts to make the collection process more reliable and ensure the correct application of the rules defined in its reporting protocol, accessible in English and French. This social reporting protocol defines:

- The social reporting objectives;
- The reporting scope;
- The procedures to collect and report information;
- The indicators selected and their definition, in order to ensure a due and uniform understanding thereof by all employees; and
- The formulas used to calculate certain indicators.

Reporting scope

The employee-related scope of reporting includes all fully consolidated legal entities having at least one employee. Acquired or newly created entities are included in the scope of reporting:

- In the year of acquisition if before November 1 (inclusive); or
- As from January 1 of year N+1 if after November 1.

The analysis of social data was carried out at current scope for 2021 and 2022.

The Rexel Group organizes social data into the following regions for analysis:

- North America: Canada and USA;
- Asia-Pacific: Australia, China, India and New Zealand; and
- Europe: Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Slovenia, Sweden, Switzerland and the UK.

Mayer, acquired on November 8, 2021, was included in the social reporting scope for the first time this year. This company was integrated into the Rexel USA entity as part of the social reporting campaign.

Entities that were sold or discontinued during the year were not included in the scope. For this reporting, this concerns the entities of Spain and Portugal which were sold on November 8, 2022 and

Russia which was sold on March 23, 2022. Similarly, data relating to the United Arab Emirates has not been included in the reporting (0.05% of the workforce), as the subsidiary is in the process of being liquidated.

Employment indicators are collected and consolidated *via* Enablon, to which all reporting entities have access.

It should be noted that:

- The registered workforce is defined by the number of employees with an employment contract with the company (open-ended or fixed-term contract), registered in the payroll system as of December 31 and regardless of the activity rate (full-time, part-time). Employees on extended leave (for example parental leave, sabbatical leave or leave of absence to start a business) are included in the reported workforce.

The following are excluded:

- Interns (paid or unpaid);
- Temporary employees;
- Subcontractors;
- End-of-career employees (early retirement, pre-pensioners, persons having an effective working contract until their date of actual retirement); and
- Employees who fall under the VIE scheme (International Volunteering Abroad);

- The inclusion of new employees is reported by reason:

- External hires on fixed-term or open-ended contracts, regardless of the activity rate (full-time or part-time);
- Integration of employees of acquired entities; and
- Other reasons: for example, Group mobility (internal transfers of employees on open-ended contracts, from one entity/company to another within the Rexel Group).

The following are excluded:

- Promotions;
- Changes in function or level within the same entity;

- Intern hires;
- VIE scheme hires;
- Managers are defined as persons with at least one employee under their responsibility, or according to the application of local definitions such as the inclusion of any employee with cadre status for certain countries;
- In countries such as China and the USA where permanent employment (open-ended contract) is not common practice, the term “permanent employee” applies to any employee who is not hired for a specific project having a set period;
- The number of training hours is based in part on follow-up by Rexel Academy. This tool does not allow for an exhaustive review. This is why another part is based, for certain entities, on estimates (for example, on the basis of an average number of training hours per employee);
- The absenteeism rate is calculated by reference to the number of calendar days in accordance with the protocol, based on the total number of

days of absence (all types of absence combined) and the number of days in the year;

- The frequency rate only takes into account work accidents leading to at least one lost day (excluding the day of the accident);
- The severity rate is calculated on the basis of lost days as a result of work accidents and of the number of hours worked. The number of hours worked corresponds to the actual duration of working time during which employees are exposed to the risk of an accident.

In 2022, a process to improve the reliability of data on work accidents was put in place, which led to a review of the frequency rate of work accidents for the year 2021.

As part of the reporting process, one employee identified himself as non-binary. In 2022, the social indicators present a distinction by gender. For the sake of consistency of calculation, it was necessary not to include this employee in the data for 2022.

4.7.3 Environmental reporting protocol

Update of the protocol

In 2022, the Sustainable Development Department continued its efforts to make the collection process more reliable and ensure the correct application of the rules defined in its reporting protocol, accessible in English and French. This environmental reporting protocol defines:

- The environmental reporting objectives;
- The reporting scope;
- The procedures to collect and report information;
- The indicators selected and their definition, in order to ensure a due and uniform understanding thereof by all employees; and
- The formulas used to calculate certain indicators, such as conversion factors.

Reporting scope

The scope covered by the environmental reporting process aims to be identical to that selected to prepare the consolidated financial statements, as defined by Rexel Group’s Financial Department.

Entities acquired after November 1 of the current year are not included in the scope of consolidation because of the difficulty of obtaining certain information in the year of acquisition.

Mayer, acquired on November 8, 2021, was included in the environmental reporting scope for the first time this year. This company was integrated into the Rexel USA entity as part of the environmental reporting campaign.

Entities that were sold or discontinued during the year were not included in the scope. For this reporting, this concerns the entities of Spain and Portugal which were sold on November 8, 2022 and Russia which was sold on March 23, 2022. Similarly, data relating to the United Arab Emirates has not been included in the reporting (0.05% of the workforce), as the subsidiary is in the process of being liquidated.

Finally, Horizon and Trilec, acquired on August 1 and July 4, 2022 respectively, were not included in the scope of environmental reporting.

Calculation of the indicator coverage scopes

Exceptionally, and if their reliability is not considered satisfactory, certain data of certain entities may be excluded from the reporting. This year, no entity was excluded from the reporting scope, whatever the indicator considered, all entities having reliable and verifiable data in 2021 and 2022.

However, it should be noted that the Rexel USA entity used estimates to be able to provide reliable data covering all of its sites. These estimates were necessary for the "Waste" section.

The exclusions are taken into account in the calculation of the coverage scopes. The coverage scopes for each indicator are indicated in the text and in the summary table in Section 4.6 "Summary of indicators" of this Universal Registration Document. They correspond to the ratio of the total sales of entities that have reported the indicator to the total sales of Rexel Group excluding entities acquired during the financial year.

Restatement of 2021 data

Some 2021 data required correction to be applied retroactively.

INDICATOR	RESTATEMENT
Energy consumption	The 2021 data was revised upwards following corrections applied a posteriori to the figures of the Australian entity in terms of electricity consumption. Equally, a downward correction was made to the natural gas consumption figures for the Gigamedia entity.
Environmental management	The 2021 data concerning the number of sites applying an environmental management system was revised downwards following corrections applied a posteriori to the figures of the French entity Rexel Développement SAS.
Product transportation	The 2021 data was revised downwards following changes applied a posteriori to the figures of the French entity Gigamedia in terms of the GHG emissions provided by its service providers.

Calculation of constant scope

To analyze changes from one year to another, the environmental indicators are also presented at constant scope. Data is restated as follows:

- Data from year N-1 does not include: the deconsolidated entities (due to divestment) as well as entities for which data has been partially excluded in year N; and
- Data from year N does not include: the newly consolidated entities (due to acquisition or scope widening) as well as entities for which data has been partially excluded in year N-1.

These restatements do not correct variations due to growth or reduction in activity within the entities.

Accounting for greenhouse gas emissions

Methodology and references

The methodology used by the Rexel Group to quantify its greenhouse gas emissions is based on the GHG Protocol framework.

Scope 1 represents direct GHG emissions, from sources held or controlled by Rexel. Thus, the Group has chosen to include emissions from vehicles on long term lease contracts over which it exercises operational control.

Scope 2 accounts for indirect GHG emissions resulting from the production of electricity and heat purchased by the Rexel Group. Rexel calculates its Scope 2 emissions according to both market-based and location-based methods. Unless indicated, Scope 2 emissions are expressed in market-based method.

Scope 3 accounts for indirect GHG emissions resulting from the Rexel Group activities, but which come from sources that do not belong to the Group or over which the Group only exercises operational control or has a limited impact. The product consumption data is derived from a study carried out by an external cabinet and is based on product sheets from 2018.

Emission factors used

In 2022, emission factors relating to Scope 1 were taken from the GHG Protocol ("Emission Factors from Cross-Sector Tools 2014") with the exception of the "other energies" categories.

The emission factors associated with network electricity consumption used in the reporting software are those published by the IEA (International Energy Agency).

In accordance with the GHG Protocol, the emission factor for specific contracts related to the consumption of electricity from renewable sources was set at 0 for all Group entities.

Calculation of emissions related to transport

To obtain the most reliable data based on available activity data, the emissions due to transport are calculated:

- From fuel consumption, by applying an emissions factor for each fuel type (diesel, gasoline or LPG); and
- If this is not possible, on the basis of distances traveled by applying an average emissions factor per kilometer, and by distinguishing between three vehicle categories: cars, light utility vehicles such as vans (weight less than or equal to 3.5 tonnes) and heavy vehicles (weight over 3.5 tonnes).

4.8 Positive impact sales

In order to align itself with the best practices observed in its sector, since 2020, Rexel has published information on the share of its sales stemming from products and services that directly contribute to environmental efficiency among its customers, without however having a major harmful impact on the environment. This indicator, initially called "green sales", was renamed in 2022 to become "positive impact sales", in order to avoid confusion with the new terminology established by the European green taxonomy.

Thus, the information presented hereinafter was established by Rexel on the basis of the following information and does not constitute information required to be published pursuant to, or compiled in accordance with the principles set forth in, Regulation (EU) 2020/852 and Delegated Regulation (EU) 2021/2178 on the European green taxonomy.

In 2022, positive impact sales represented approximately 50.1% of the Group's activity. The latter include revenues earned from:

- The offering linked to energy efficiency, including eco-efficient lighting, control systems,

measurement systems and eco-efficient power systems;

- The offering linked to electric mobility;
- The offering linked to the production of renewable energy;
- The heating and ventilation offering which provides comfort and energy efficiency to the end customer;
- The offering linked to the transport of electricity and data which provides energy efficiency, including industrial and local network cables;
- White and brown products with at least an A energy label or its equivalent in other countries.

Positive impact sales do not include tools, racks and cabinets, accessories, sanitary, oil heating, alarms, access controls, safety blocks, video surveillance, systems opening and emergency lighting.

4.9 Taxonomy

The European green taxonomy, provided for by EU Taxonomy Regulation 2020/852 of June 18, 2020, is a system for classifying economic activities considered as environmentally sustainable by the European Commission on the basis of scientific criteria. This regulation stems from the action plan for sustainable finance launched in 2018 by the European Commission in order to direct capital flows towards the activities it identified as priorities according to their capacity to contribute to one of the following six environmental objectives:

- Climate change mitigation;
- Adaptation to climate change;
- Protection and sustainable use of water and marine resources;
- Transition to a circular economy, waste prevention and recycling;
- Pollution prevention and control;
- Protection of healthy ecosystems.

The reporting for 2022 covers the first two objectives of climate change mitigation and adaptation.

An activity is considered “eligible” when it is described in the corresponding delegated regulations (concerning the two climate objectives, in Annexes I and II of Delegated EU Regulation 2021/2139 of June 4, 2021 published on December 9, 2021). An activity can contribute to the climate objectives:

- Through its intrinsic performance;
- When it directly enables other sustainable activities. In this case it is classified as an enabling activity;
- If it promotes the transition to a carbon-neutral economy and cannot be replaced by technically

and economically feasible low-carbon alternatives. In this case it is classified as transient.

Then, to be considered sustainable within the meaning of the taxonomy, an “eligible” activity must be “aligned”. To be so, it must be demonstrated that said activity meets the requirements set out in Article 3 of the Taxonomy Regulation:

- It makes a substantial contribution to one of the six environmental objectives, *i.e.* meets the technical criteria specified in the delegated regulations;
- It does not hinder the other five objectives (principle of Do No Significant Harm);
- It complies with minimum social standards.

Pursuant to the Taxonomy Regulation and in accordance with the terms defined by the “Article 8” delegated act, three indicators based on the Group’s consolidated financial statements are published below: the share of the sales, the share of capital expenditure (“CAPEX”) and the share of operating expenditure (“OPEX”), associated with the economic activities considered, on the one hand, as eligible and, on the other, as eligible and aligned with the technical criteria of the Taxonomy. For the second year of application of these provisions, non-financial companies must publish:

- The share of their activities which are Taxonomy eligible and ineligible for the three aforementioned indicators;
- The share of their eligible activities which are Taxonomy aligned and non-aligned for the three aforementioned indicators;
- Indicators relating to data for the 2022 financial year.

4.9.1 Analysis of the Group’s activities with regard to their eligibility

Turnover

The Rexel Group is committed to an energy transition through the distribution of energy solutions and equipment. However, its distribution activities were not included in the delegated climate act. The European Commission prioritized

the activities with the highest Scope 1 and 2 emissions having a potential for transformation and did not cover all sectors of the economy with the first delegated regulations. Thus, after an in-depth review, it was concluded that the Rexel Group’s economic activity, the distribution of electrical equipment, does not constitute an

activity eligible for the taxonomy. Therefore, the share of Taxonomy-eligible economic activities in the total sales of the Rexel Group (KPI related to sales) is nil.

However, the Group believes that distribution, and in particular the distribution of electrical and energy equipment, plays a fundamental role in achieving the European Union's sustainable growth objectives. Rexel, at the heart of the value chain, has the capacity to support and above all accelerate the energy transformation of industry and buildings:

- By providing its customers with environmental information on products, making it possible to provide the best technical, environmental and social solutions;
- By reducing its own environmental footprint; and
- By encouraging all of its stakeholders to commit to being an actor in the transition to a zero-carbon economy.

Capital Expenditure ("CapEx")

The eligible "CapEx" ratio referred to in the Taxonomy Regulation is calculated by taking into account:

- **In the denominator:** capital expenditure including increases in property, plant and equipment and intangible assets and right-of-use assets for the year (before revaluation, impairment and depreciation & amortization and excluding changes in fair value), as well as increases related to business combinations. These are capital expenditures and increases in right-of-use assets covered by the following IFRS standards: IAS 16

"Property, plant and equipment", IAS 38 "Intangible assets", and IFRS 16 "Leases";

- **In the numerator,** capital expenditure:

- Related to an eligible activity, *i.e.* CapEx related to assets or processes associated with a commercial economic activity eligible for the taxonomy;
- Related to assets or processes which are targeted by a plan to develop the economic activities aligned with the taxonomy or to enable eligible economic activities to become aligned (hereinafter referred to as the "CapEx plan"); and
- "Individual" capital expenditure enabling target activities to become low-carbon or leading to greenhouse gas reductions, including economic activities listed in the delegated regulations provided that these measures are implemented and operational within 18 months.

In the absence of eligible sales, the Group concluded that: The amount of CapEx that is related to assets or processes corresponding to Taxonomy-eligible economic activities is nil; Furthermore, in the absence of a CapEx plan, the amount of capital expenditure that is part of a plan to expand Taxonomy-eligible economic activities or enable Taxonomy-eligible economic activities to become Taxonomy-aligned is nil.

Thus, the analysis of the Group's eligibility regarding investments and operating expenses focused on "individually sustainable measures", as defined by the Taxonomy Regulation aimed at reducing greenhouse gas emissions. These individual measures concern the activities listed below:

ACTIVITY	DESCRIPTION OF THESE ACTIVITIES AT REXEL
Activity 6.5 – Transport by motorcycles, passenger cars and light commercial vehicles	For the head office and its subsidiaries, the Group has its own vehicles as well as long-term leasing contracts for light commercial vehicles.
Activity 6.6. – Road freight transport	For its logistics operations, the Group has its own vehicles as well as long-term leasing contracts for category N1, N2 and N3 vehicles for road transport.
Activity 7.7 – Acquisition and ownership of buildings	Real estate purchases and exercise of the ownership of said real estate.

These individual sustainable measures are part of Rexel's strategy to reduce its greenhouse gas (GHG) emissions on scopes 1 and 2. Strategic actions are being taken to improve the energy

efficiency of the Group's buildings and to reduce GHG emissions from the internal fleet (commercial and goods transport).

Eligibility analysis methodology

The methodology applied to the analysis of eligible activities remains the same as in 2021.

Thus, Rexel has adopted an approach whereby capital expenditures related to buildings, goods vehicles and company cars acquired or leased during the year, including those resulting from business combinations, are considered as "eligible" within the meaning of the European regulation, provided that they can be considered as participating in the objectives set out in the European regulation.

As regards to leased assets, in accordance with IFRS 16 "Leases", new contracts, renewals, remeasurements and extensions have been included in the calculation of the numerator.

Further on, eligible flows were allocated to activities 6.5, 6.6 and 7.7 as follows:

- The right of use expenditures of buildings within the meaning of IFRS16 have been allocated to activity 7.7. Acquisition and exercise of ownership;
- The right-of-use expenditures of company vehicles have been allocated to activity 6.5. Transport by motorbikes, passenger cars and light commercial vehicles;
- The right of use expenditures of freight transport vehicles have been allocated to activity 6.6. Road freight transport;
- Of the flows monitored as owned commercial and logistical transport equipment, 68% correspond to activity 6.5. Transport by motorbikes, passenger

cars and light commercial vehicles, and 42% to activity 6.6.

Operating Expenditures ("OpEx")

The eligible "OpEx" ratio referred to in the Taxonomy Regulation is calculated by taking into account:

- **In the denominator:** Operating expenses retained by the Taxonomy are defined as direct non-capitalisable costs and include research and development costs, building renovation costs, maintenance and repair costs, rents reported in the income statement and any other expenses related to the day-to-day maintenance of assets.
- **In the numerator, operating expenditure:**
 - Related to an aligned activity, i.e. OpEx related to assets or processes associated with an economic activity eligible for the taxonomy;
 - Related to activities being aligned; and
 - Related to "individual" measures enabling the target activities to become low-carbon or leading to reductions in greenhouse gas emissions.

Due to the non-eligibility of its activities, Rexel's eligible OpEx does not include OpEx directly related to its activities and only concerns OpEx implemented under "individually sustainable measures", as defined by the Taxonomy Regulation. Based on Rexel's analysis of OpEx as defined in the Taxonomy, these represent a maximum amount of €134 million, which is considered immaterial as it represents 3% of total consolidated OpEx. The group has therefore opted for the materiality exemption provided by the Regulation.

4.9.2 Analysis of the Group's activities with regard to their alignment

Results

As the Group's turnover is non-eligible and its OpEx are considered as non-material in the sense of the Taxonomy, these latter aggregates have not been subject to an alignment analysis.

Thus, the Group's alignment rate concerns only CapEx and amounts to 2.8% of total CapEx, i.e. 4.5% of eligible CapEx.

Description of the method used for the alignment analysis

Flow analysis method

Based on an analysis by expenditure, it was concluded that certain flows were non-aligned, for the following reasons:

- For the 2022 business combinations, the flow generated by the acquisition of the acquired entity's real estate was considered as non-aligned as the necessary documentation was not available to reasonably conclude that the investments were aligned;

- Similarly, eligible CapEx expenditures generated under IFRS16 in the event of lease renewals and price changes on existing leases have been excluded as they relate to old buildings for which the probability of meeting the alignment criteria on energy efficiency is low;
- Flows related to freight vehicles have been considered unaligned based on environmental reporting information which indicates the absence of material investments in a fleet of electric vehicles to date;
- Renewals of private vehicles to electric vehicles have been carried out, but as the necessary documentation is not available, it was decided to consider these leases as non-aligned.

The exercise therefore focused mainly on expenditures related to the acquisition or rental of buildings within the meaning of IFRS 16.

Analysis of The Substantial Contribution

Based on the selection made as described above, the technical review criteria were analyzed by the countries concerned.

CapEx related to activity 7.7 were considered to meet the substantial contribution criterion once a detailed study was provided to demonstrate that the substantial contribution criteria had been met.

Analysis of the Do No Significant Harm (DNHS) criteria

The generic DNSH are the criteria mentioned in appendices A, B, C and D of annex 1 to the regulation Taxonomy for the climate change mitigation objective. Under a transitional regime, the adaptation analysis has been carried out only on operations that already comply with the other technical alignment criteria.

For the 2022 financial year, the Group is only concerned by the DNSH mentioned in Appendix A, which corresponds to the generic criteria of the "do not cause significant harm" principle for climate change adaptation.

To meet this criterion, the Group has carried out a study (EcoAct) on physical climate risks. This is a climate diagnosis consisting of assessing the exposure of a large majority of Rexel's sites to the future impacts of climate change (by 2030 and 2050) and according to the IPCC's climate scenario 8.5

(Business As Usual). Climate risks relevant to Rexel were considered in the study: coastal and river flooding, extreme precipitation, cyclones, water stress, cooling degree days and heat waves and allowed the identification of sites most exposed to climate hazards. For the most exposed sites, a vulnerability analysis was conducted taking into account the following elements: insured value of the site and assets, typical Natural Disaster losses, revenues by country and concentration of the distribution network. For vulnerable sites, we obtained confirmation that the managers of the exposed facilities had defined an adaptation plan.

Note that a building in the United Kingdom considered aligned is not part of this study but was subject to an individual climate risk study for its construction, specified in the basic construction specification. The building was then constructed according to adaptation criteria in line with this study.

Analysis of Minimum guarantees

For this exercise, the scope of the minimum safeguards ("Minimum Safeguards" or MS) was specified by the publication in October 2022 of a report of the European Platform on Sustainable Finance: "Final Report on Minimum Safeguards", which refers to a set of international regulations.

The analysis of compliance with minimum safeguards was carried out at the Rexel Group level by the Sustainable Development Department, in consultation with the General Secretariat, the Human Resources Department and the Purchasing Department.

• Human rights

Pursuant of the Sapin II law (see sections 4.2 "Business ethics" and 4.10 "Vigilance plan" of the Universal Registration Document) and the Duty of Care (see section 4.10 "Vigilance plan" of the Universal Registration Document), the Group complies with the minimum human rights guarantees. This is complemented by awareness-raising of all employees on the broader subject of ethics through training (see section 4.2 on "Employee training in business ethics" of the Universal Registration Document) and the Responsible Supplier Charter. In addition, in accordance with its Ethics Guide, Rexel respects the principles and rights set forth in the conventions cited in the International Labour Organization's declaration.

- Fair competition

Pursuant of the Sapin II law (see sections 4.2 “Business ethics” and 4.10 “Vigilance plan” of the Universal Registration Document) and the Duty of Vigilance (see section 4.10 “Vigilance plan” of the Universal Registration Document), the Group meets the minimum guarantees regarding fair competition. This is complemented by awareness-raising of all employees on the broader subject of ethics through training (see section 4.2 “Business ethics” on “Employee training in business ethics” of the Universal Registration Document) and the Competition Law Guide.

- Corruption

Pursuant of the Sapin II law (see sections 4.2 “Business ethics” and 4.10 “Vigilance plan” of the Universal Registration Document), the Group complies with the minimum guarantees on corruption. This is complemented by raising awareness among all employees on the broader topic of ethics through training (see section 4.2 “Business ethics” the paragraph on “Employee training in business ethics” of the Universal Registration Document) as well as the Anti-Bribery Code of Conduct. In addition, corruption-related risks are identified through the Group’s risk mapping and an internal whistleblowing mechanism is in place (see section 4.2 “Business ethics” of the Universal Registration Document).

- Tax

The procedures that the Group puts in place to comply with minimum tax safeguards include, among others, the United Nations Sustainable Development Goals framework (see Section 4.1.2.2 “A sustainable development approach throughout the value chain” of the Universal Registration Document), the mapping and publication of risk factors inherent to Rexel’s business, in particular with respect to tax policies and the implementation of an internal alert mechanism (see section 4.2 “Business ethics” of the Universal Registration Document). In addition, in order to combat tax evasion, intra-group transactions are governed by a transfer pricing policy based on the principles and recommendations of the OECD (see section 4.2 “Business ethics” of the Universal Registration Document).

- Absence of conviction and liability of Rexel

To date, there are no actual convictions against the Group. Rexel has also implemented a regular monitoring of legal proceedings with quarterly reports by country.

Outlook

Rexel is committed to strengthening its position and efforts to improve the energy efficiency of its buildings and reduce emissions from its internal fleet.

Work will begin in 2023 to improve the process of collecting the data necessary for alignment. To this end, the following actions will be undertaken:

- Extensive workshops with the different countries will be organized in order to clarify the expectations of the alignment and to set up a systematic data collection system;
- A data reporting system will be set up and harmonized throughout the Group and will also allow for a better differentiation of the flows associated with eligible and aligned activities in the taxonomy;
- Checkpoints will be organised every three months to verify, at central level, the elements reported by the subsidiaries concerning compliance with the substantial contribution criteria.

In addition, the Group’s environmental and social policy, and in particular the objectives of reducing GHG emissions related to the energy consumption of buildings, is intended to consolidate these Taxonomy figures, particularly with regard to alignment. Rexel has recently committed to reducing 60% of scopes 1 and 2 emissions by 2030, compared to 2016, and this target has been validated by the SBTi. With this in mind, the Group is keen to improve the energy performance of its buildings in the coming years and continues to encourage thermal renovation and the measurement and management of energy consumption in buildings. Rexel also aims to reduce the carbon footprint of its internal fleet by increasingly using electric and hybrid vehicles or by giving preference to transporters who meet these requirements when logistics flows are subcontracted. Finally, a Responsible Purchasing policy is being rolled out within the Group to involve suppliers more closely in environmental and ethical issues.

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ECONOMIC ACTIVITIES TURNOVER <i>(The amounts presented below are in millions of euros)</i>				SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA (DO NO SIGNIFICANT HARM)										
	CODES (2)	ABSOLUTE TURNOVER (3)	PROPORTION OF TURNOVER (4)	CLIMATE CHANGE MITIGATION (5)	CLIMATE CHANGE ADAPTATION (6)	WATER AND MARINE RESOURCES (7)	CIRCULAR ECONOMY (8)	POLLUTION (9)	BIODIVERSITY AND ECOSYSTEMS (10)	CLIMATE CHANGE MITIGATION (11)	CLIMATE CHANGE ADAPTATION (12)	WATER AND MARINE RESOURCES (13)	CIRCULAR ECONOMY (14)	POLLUTION (15)	BIODIVERSITY AND ECOSYSTEMS (16)	MINIMUM SAFEGUARDS (17)	TAXONOMY ALIGNED PROPORTION OF TURNOVER, YEAR N (18)	TAXONOMY ALIGNED PROPORTION OF TURNOVER, YEAR N+1 (19)	CATEGORY (ENABLING ACTIVITY) (20)	CATEGORY (TRANSITIONAL ACTIVITY) (21)

A. ELIGIBLE ACTIVITIES**A.1. Eligibles Taxonomy-aligned activities**

Turnover of eligible Taxonomy-aligned activities (A.1)	N/A	0.00	0.0%	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.0 %	N/A	N/A	N/A
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A.2. Eligible not Taxonomy-aligned activities

Turnover of eligible not Taxonomy-aligned activities (A.2)	N/A	0.00	0.0%																	
Total (A.1 + A.2)	N/A	0.00	0.0%																	

B. NON-ELIGIBLE ACTIVITIES

Turnover of non-eligible activities (B)	N/A	18,700	100%																	
Total (A+B)	N/A	18,700	100%																	

ECONOMIC ACTIVITIES	CODES (2)	ABSOLUTE CAPEX (3)	PART OF THE CAPEX (4)	SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA (DO NO SIGNIFICANT HARM)						MINIMUM SAFEGUARDS (17)	SHARE OF REVENUE ALIGNED WITH TAXONOMY, YEAR N (18)	SHARE OF REVENUE ALIGNED WITH TAXONOMY, YEAR N+1 (19)	CATEGORY (ENABLING ACTIVITY) (20)	CATEGORY (TRANSITIONAL ACTIVITY) (21)
				CLIMATE CHANGE MITIGATION (5)	CLIMATE CHANGE ADAPTATION (6)	WATER AND MARINE RESOURCES (7)	CIRCULAR ECONOMY (8)	POLLUTION (9)	BIODIVERSITY AND ECOSYSTEMS (10)	CLIMATE CHANGE MITIGATION (11)	CLIMATE CHANGE ADAPTATION (12)	WATER AND MARINE RESOURCES (13)	CIRCULAR ECONOMY (14)	POLLUTION (15)	BIODIVERSITY AND ECOSYSTEMS (16)					
CAPEX																				
(The amounts presented below are in millions of euros)																				

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A. ACTIVITIES ELIGIBLE TO TAXONOMY

A.1. Environmentally sustainable activities (aligned with taxonomy)

7.7 Acquisition and exercise of ownership of buildings	7.7	14.61	2.8%	100%	0.0%	N/A	N/A	N/A	N/A	N/A	YES	N/A	N/A	N/A	N/A	YES	2.8%	N/A	N/A	N/A
CapEx of eligible Taxonomy-aligned activities (A.1.)	N/A	14.61	2.8%	100%	0.0%	N/A	N/A	N/A	N/A	N/A	YES	N/A	N/A	N/A	N/A	YES	2.8%	N/A	N/A	N/A

2

A.2. Activities eligible to taxonomy but not environmentally sustainable (not aligned with taxonomy)

6.5 Transport by motorbikes, passenger cars and light commercial vehicles	6.5	23.16	4.5%																	
6.6 Road freight transport	6.6	18.45	3.6%																	
7.7 Acquisition and ownership of buildings	7.7	268.42	52.2%																	
Capital expenditure of activities eligible to Taxonomy but not environmentally sustainable (not aligned) (A.2.)	N/A	310.03	60.3%																	
Total (A.1 + A.2)	N/A	324.64	63.1%																	

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ACTIVITIES NOT ELIGIBLE TO TAXONOMY

CapEx of activities not eligible to taxonomy (B)	N/A	189.94	36.9%																	
Total (A+B)	N/A	514.58	100%																	

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ECONOMIC ACTIVITIES	CODES (2)	ABSOLUTE OPEX (3)	PART OF THE OPEX (4)	SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA (DO NO SIGNIFICANT HARM)						MINIMUM SAFEGUARDS (17)	SHARE OF REVENUE ALIGNED WITH TAXONOMY, YEAR N (18)	SHARE OF REVENUE ALIGNED WITH TAXONOMY, YEAR N+1 (19)	CATEGORY (ENABLING ACTIVITY) (20)	CATEGORY (TRANSITIONAL ACTIVITY) (21)
				CLIMATE CHANGE MITIGATION (5)	CLIMATE CHANGE ADAPTATION (6)	WATER AND MARINE RESOURCES (7)	CIRCULAR ECONOMY (8)	POLLUTION (9)	BIODIVERSITY AND ECOSYSTEMS (10)	CLIMATE CHANGE MITIGATION (11)	CLIMATE CHANGE ADAPTATION (12)	WATER AND MARINE RESOURCES (13)	CIRCULAR ECONOMY (14)	POLLUTION (15)	BIODIVERSITY AND ECOSYSTEMS (16)					
OPEX																				
(The amounts presented below are in millions of euros)																				

A. ACTIVITIES ELIGIBLE TO TAXONOMY

A.1. Environmentally sustainable activities (aligned with taxonomy)

OpEx of environmentally sustainable operations	N/A	0.00	0.0%	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.0%	N/A	N/A	N/A
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A.2. Activities eligible to taxonomy but not environmentally sustainable (not aligned with taxonomy)

OpEx of activities eligible to taxonomy but not sustainable in terms of environmental (not aligned with taxonomy) (A.2)	N/A	0.00	0.0%																
Total (A.1 + A.2)	N/A	0.00	0.0%																

B. ACTIVITIES NOT ELIGIBLE TO TAXONOMY

OpEx of activities not eligible to taxonomy (B)	N/A	134.06	100%																	
Total (A+B)	N/A	134.06	100%																	

4.10 Vigilance plan

4.10.1 Overview of the vigilance plan

Law No. 2017-399 of March 27, 2017 on the duty of care of parent companies and contracting companies, requires large companies to implement vigilance measures to identify and prevent serious infringements of human rights and fundamental freedoms, as well as of the health and safety of people and the environment, that may result from the activities of their group and value chain.

Companies must implement a vigilance plan comprising five measures:

1. Risk mapping with a view to their identification, analysis and prioritization (Section 4.10.2.2 "Risk

mapping with a view to their identification, analysis and prioritization" of this Universal Registration Document);

2. Regular assessment procedures to assess the position of subsidiaries, subcontractors or suppliers with whom an established commercial relationship is maintained with regard to risk mapping (Section 4.10.2.2 "Regular assessment procedures to assess the position of subsidiaries, subcontractors or suppliers with whom an established commercial relationship is maintained with regard to risk mapping" of this Universal Registration Document);

3. Appropriate actions to mitigate risks or prevent serious harm (Section 4.10.2.3 “Appropriate actions to mitigate risks or prevent serious harm” of this Universal Registration Document);
4. A whistleblowing and reporting mechanism relating to the existence or emergence of risks prepared in consultation with the representative trade union organizations in said company (Section 4.10.2.4 “Whistleblowing and reporting mechanism relating to the existence or emergence of risks prepared in consultation with the representative trade union organizations within the Group” of this Universal Registration Document); and
5. A system for monitoring the measures implemented and assessing their effectiveness (Section 4.10.2.5 “System for monitoring the measures implemented and assessing their effectiveness” of this Universal Registration Document).

To comply with French Law and preserve the Group’s values, Rexel adopted the vigilance plan

described below in 2017. It is based in particular on a process to identify major risks throughout the value chain, taking into account all upstream and downstream activities of Rexel and its stakeholders (employees, suppliers, users of products and services), as well as to review existing assessment procedures and mitigation measures at the Group and subsidiary levels.

At the same time, Rexel has set up its whistleblowing and reporting mechanism to comply with various applicable regulations. This vigilance plan reinforces the actions that have been in place for several years to identify and prevent serious infringements of human rights and fundamental freedoms and the health and safety of individuals and the environment in subsidiaries and throughout the value chain.

The vigilance plan involves the Group Sustainable Development Department, the General Secretariat, the Group Purchasing and Supplier Relations Department, the Group Human Resources Department, the Group Finance Department, and external experts.

4.10.2 Measures of the vigilance plan

4.10.2.1 Risk mapping for identification, analysis and prioritization

Rexel has implemented a process to identify and assess its major risks related to human rights and fundamental freedoms, health and safety, and the environment. The methodology is summarized below. In 2018, this analysis was conducted at Group level throughout its value chain for all Rexel product families. It is updated regularly.

The methodology used to perform this mapping makes it possible to assess the risks specific to Rexel’s activities and value chain. This risk mapping was conducted using statistical tools which made it possible to assess risks by product family and by country, supplemented by library research and interviews with internal and external experts for the types of risks most specific to Rexel, along with certain internal procedures, namely:

- Group risk mapping;
- Materiality analysis of sustainable development challenges;

- Risk mapping related to the Statement of Non-Financial Results;
- Reporting of environmental, social, and societal impacts;
- Whistleblowing procedures; and
- Any regulation that requires the identification, assessment, or mapping of risks that may be considered non-financial (including the French “Sapin 2” Law, the French “Energy Transition for Green Growth” Law, and the EU “General Data Protection Regulation”).

The meetings that are held regularly with suppliers on sustainable development topics, in particular the results of supplier CSR assessments and presentation of the Responsible Supplier Charter, make it possible to keep this risk mapping up to date.

Subsequently, a group of internal experts selected the most relevant risks in relation to the Rexel Group's activities during working groups organized by the Sustainable Development Department.

Representatives of the European Works Council take part in these meetings.

Finally, the risk selection in the vigilance plan was made in close cooperation with the risk analysis carried out pursuant to the Law on Statements of Non-Financial Performance. Risks relating to the Duty of Care are summarized in the table of non-financial risk factors in Section 4.1.3 "Main non-financial risks" of this Universal Registration Document.

4.10.2.2 Regular assessment procedures to assess the position of subsidiaries, subcontractors or suppliers with whom an established commercial relationship is maintained with regard to risk mapping

Rexel Group subsidiaries

The Rexel Group wants to set standards and, for several years, it has put in place measures to identify and prevent serious infringements of human rights and fundamental freedoms and the health and safety of individuals and the environment in its subsidiaries.

The Rexel Group and its network of branches are a decentralized structure that relies on the empowerment of the entire chain of command (see Section 2.3.3 "Steering and monitoring of the internal control system" of this Universal Registration Document). The Internal Control Guidelines, which were revised in 2016, incorporate controls related to ethics, employee health and safety, and compliance with environmental, Human Rights laws and Fundamental Freedoms. The assessment system is based on the annual self-assessment of these controls by the subsidiaries

and the implementation of action plans to improve their control.

To guide the Rexel Group's ethics strategy, a network of Ethics Officers has been established. They are appointed by the General Manager in each country and perform this function in addition to their other activities. They ensure that the Ethics Guide is distributed to all employees, take the initiative in implementing Rexel Group principles and ethical practices, and answer any questions that are submitted to them.

In addition to the self-assessment performed by the subsidiaries, risk mitigation actions are conducted by the internal audit and/or external audit and the functional departments of the head office, which assist the entities in the implementation of those controls. This system is managed and overseen by the Rexel Audit and Risk Committee.

Supplier and subcontractor evaluation

Strategy

In 2015, the Rexel Group deployed a global platform to gather information about and assess its suppliers' and subcontractors' performance in terms of sustainable development.

Since then, evaluation campaigns have been launched regularly thanks to this global platform. At the end of 2022, 473 suppliers, representing 85% of

the Rexel Group's direct purchases, received an evaluation request.

The questionnaire covers 120 criteria divided into four categories: environment, social and human rights, ethics, and responsible purchasing. Suppliers and subcontractors must provide evidence that long-term procedures are being implemented and that results are being monitored for all criteria. The questionnaires are assessed by an external expert, who assigns a score for each of the four themes.

Beyond the platform, the assessment process follows a structured methodology and timetable that guarantee its success. To support its partners in this process, for each supplier, Rexel has set up a two-person team that includes one person from the Group's Sustainable Development Department, who guarantees compliance with the method, and a purchaser responsible for the supplier, who is responsible for explaining the process and involving the supplier and for communicating developments to all purchasing teams.

Each request for assessment is accompanied by information explaining the approach, the methodology to be followed, and the contact details of the persons in charge for Rexel. The Group sends numerous reminders, makes several telephone calls, and mobilizes its management to encourage its main suppliers to get involved.

At the end of each campaign, suppliers receive individualized feedback. A detailed report on CSR performance and areas of progress is distributed to all suppliers who participated in the campaign. Those who have declined, however, despite the Group's efforts, receive a personalized letter restating Rexel's commitments and warning of the consequences of a refusal.

Supplier audits

In addition to these assessments, and based on the risk mapping, in particular the cross-referencing of product-specific risks with country-specific risks, Rexel conducts on-site audits for certain targeted suppliers. In 2018, as part of the implementation of the vigilance plan, the Group undertook two actions:

- Extend the scope of on-site audits to ensure that they cover all Duty of Care themes; and
- Increase the number of on-site audits by focusing on the countries that are most at risk.

As part of its vigilance plan, Rexel incorporates additional controls relating to social, environmental and Human Rights performance into its on-site

Engagement

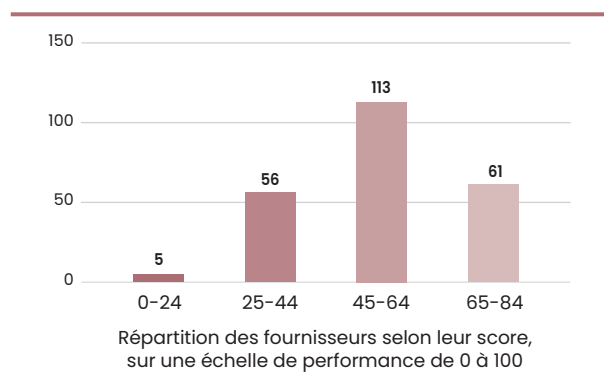
Since 2020, the Group has set itself the target of assessing the CSR performance of 80% of its direct purchasing volume (in terms of value). This volume was not attained in 2020 and 2021.

Results

Since the beginning of the process, 473 suppliers representing 85% of the Group's direct purchases have received a request to assess their performance in terms of sustainable development.

As of December 31, 2022, 235 single suppliers, representing 64% of the Rexel Group's direct purchases (in value), responded to the assessment questionnaire.

The results are presented below:



supplier and subcontractor audits. Due to the pandemic, on-site audits could not be carried out in 2020. They resumed in 2021, in a context that remains complicated as regards travel to production sites. Eight on-site audits were carried out in 2022, at suppliers mainly located in Asia, but also in Europe.

Following these audits, progress plans are put in place. If the level of compliance is not satisfactory and the corrective measures requested are not implemented, collaboration with the supplier is terminated. In 2022, no audits were conducted to monitor progress plans and to ensure their implementation.

4.10.2.3 Appropriate actions to mitigate risks or prevent serious harm

In addition to the supplier assessments described above, Rexel requires its suppliers and subcontractors to comply with the principles set out in its Ethics Guide and, through contracts, with the general terms and conditions of purchase, which include clauses that mandate compliance with the fundamental conventions of the International Labor Organization and local legislation, especially with respect to minimum wages, working time, environment, health, and safety.

To strengthen the relationships of trust established between Rexel and its partners, a Responsible Supplier Charter was drafted in 2020 and rolled out in 2021 to the suppliers and employees concerned. The Charter is available in 13 languages and accessible on the website dedicated to ethics (<https://ethics.rexel.com>). This charter formalizes the commitments expected by Rexel from its suppliers, service providers and subcontractors in terms of ethics, respect for human rights, protection of employee rights, respect for the environment and compliance with applicable laws and regulations. It also recalls Rexel's commitments to them. By subscribing to this charter, suppliers undertake to respect and implement, and to have their own suppliers, subcontractors and service providers respect and implement, all of the principles set out therein, in compliance with their contractual commitments and applicable laws and regulations. Committed to a formalized progress approach, in particular through its Ethics Guide and its Environmental Charter, the Rexel Group wishes to support its suppliers whenever possible in a process of continuous improvement of their sustainable development performance. This Responsible Supplier Charter completes this support system. As of December 31, 2022, the Responsible Supplier Charter had already been

endorsed by suppliers representing 77% of the Group's direct purchases. Supplier commitment must continue as part of the discussions on contractual commitments for 2023.

Internally, compliance with the rules of ethics implies continuous mobilization of employees. For this reason, team training and information sessions are essential. These special sessions focus on competition, anti-corruption, data protection and trade restrictions. They are available in the Group's languages. Special face-to-face programs are also offered to the employees who are most exposed to certain risks.

The integration of the Group's values and ethical principles in behaviors is a key factor for the strategy's success. This requirement is supported by a network of Compliance Correspondents and a network of Ethics Officers who work closely with local management. The establishment of a collaborative and decentralized structure enables the understanding of the ethical principles and the deployment of the action plans in the various countries where the Group operates.

The efficiency of this organization is reflected in the results of the last Satisfaxion internal engagement survey of 2022, which indicates that 91% of employees believe that Rexel acts with integrity in its relations with its third parties and that 83% believe that Rexel acts with integrity in its internal relations.

However, no control system, regardless of how old or well tested it is, can guarantee the absence of risk, and it is the responsibility of the Group and its subsidiaries to develop collaboration and control systems with suppliers and subcontractors to minimize risk and implement corrective action in cases where non-compliance is identified.

4.10.2.4 Whistleblowing and reporting mechanism for the existence or emergence of risks prepared in consultation with the representative trade union organizations within the Group

Rexel has whistleblowing procedures for employees, external and temporary workers, suppliers, customers, and stakeholders in all countries. It allows incidents to be reported in all Group languages. The whistleblowing procedures are available on the dedicated website (<https://ethique.rexel.com/en>). It is centralized and confidential. Each alert is handled by the Ethics Committee, an *ad hoc* committee composed of the General Secretariat, the Human Resources Director and the Compliance Officer. This new whistleblowing line takes into account the requirements of French laws relating to transparency, the fight against corruption and the modernization of the economy, on the one hand, and the duty of care of parent companies and contracting companies, on the other. The system meets legal requirements, notably as regards the rights of whistleblowers.

The Compliance Officer and the Ethics Officers, who are local relays, also answer questions concerning the Rexel Group's ethical practices that may be addressed to them. Whether or not they are an employee, anyone can ask questions with full confidentiality.

The table below summarizes the questions received in 2022 by the Compliance Officer and all Ethics Officers according to their type, author, subject, and geographical area.

In 2022, 60 ethics queries were made. This increase was due to a better understanding and use of the whistleblowing mechanism. All queries were processed, verified (by means of an audit or investigation led by the management of the country in question or by HQ) and dealt with through preventive and/or corrective measures as appropriate.

		NUMBER OF QUERIES RECEIVED BY THE COMPLIANCE OFFICER AND ETHICS OFFICERS IN 2022	NUMBER OF QUERIES RECEIVED BY ETHICS OFFICERS IN 2021
Type of query	Information	10	14
	Complaint	49	33
	Legal dispute	1	0
	Other packaging	0	2
Source of query	Customers	7	5
	Rexel employees	46	38
	Suppliers	3	0
	Local authorities	0	0
	Employee representatives / trade unions	0	0
	Anonymous	3	3
	Other packaging	1	3
Subject of query	Customer relations	9	6
	Supplier relations	2	0
	Relations between employees	10	17
	Discrimination	14	4
	Working conditions	13	9
	Anti-corruption	3	1
	Tax evasion	0	0
	Anti-fraud and anti-theft	9	12
	Environmental protection	0	0
Type of measures implemented	Preventive	16	12
	Corrective	44	18
Region	Europe	6	7
	North America	40	26
	Asia-Pacific	14	16

4.10.2.5 System for monitoring the measures implemented and assessing their effectiveness

Rexel established a Steering Committee tasked with the implementation of the Duty of Care. The Committee coordinates and verifies the risk mapping as well as the action plan and its implementation. The Steering Committee assesses the relevance of risk mitigation actions and establishes action plans, notably:

- Launching campaigns for the CSR assessment of suppliers in 2020, 2021 and 2022 making it possible to cover, at the end of 2022, 85% of the Group's direct purchases (see Section 4.10.2.2 "Regular assessment procedures to assess the position of subsidiaries, subcontractors or suppliers with whom an established commercial relationship is maintained with regard to risk mapping" of this Universal Registration Document);
- Drawing up a Responsible Supplier Charter in 2020 and rolling it out in 2021 among the suppliers and employees concerned, suppliers representing 77% of the Group's direct purchases having endorsed the Charter at the end of 2022 (see Section 4.10.2.3 "Appropriate actions to mitigate risks or prevent serious harm");
- Updating the whistleblowing mechanism (see Section 4.10.2.4 "Whistleblowing and reporting mechanism for the existence or emergence of risks prepared in consultation with the representative trade union organizations within the Group" of this Universal Registration Document); and
- Reviewing the scope of supplier and subcontractor audits to incorporate sustainable development criteria (see Section 4.10.2.2 "Regular assessment procedures to assess the position of subsidiaries, subcontractors or suppliers with whom an established commercial relationship is maintained with regard to risk mapping" of this Universal Registration Document).
- Updating of the Ethics Guide

The Ethics Guide is regularly updated. Thus, the anti-corruption commitments were reviewed in 2018, notably in the French context of the December 9, 2016 law on transparency, the fight against corruption and the modernization of economic life. This key support was enriched with specific documents such as the Anti-Corruption Code of Conduct, the Competition Law Guide,

and the Environmental Charter, which clarify the Group's more specific commitments.

- Continued deployment of the anti-corruption program

Rexel continues to strengthen its program to detect and prevent corruption with its Anti-Corruption Code of Conduct. This code meets the requirements of French Law. It defines and illustrates the different types of behavior to be avoided. The code is appended to the rules of procedure, and it invites employees to tell all stakeholders (customers, suppliers, and partners) about the company's commitment to corruption prevention and the anti-corruption rules themselves. This document is available on the ethics and compliance website <https://ethique.rexel.com/en>.

- New guidelines relating to business gifts and travel

The Group is a key link in the value chain between electrical equipment suppliers, customers, and end-users. The proximity of 16,000 salespeople to their suppliers and customers is an advantage. This commercial proximity must remain exemplary so that lasting business relationships can be maintained in a climate of trust and mutual respect. To provide a clear and structured framework for all its employees, the Group has put in place specific rules relating to business travel and gifts and invitations offered and received.

- Stronger personal data protection

The Group has an internal personal data charter that defines a set of rules to be respected within the framework of Rexel's activities. This charter incorporates the major personal data protection principles and consists of several policies and procedures to support Rexel's employees and partners in the performance of their activities.

Various training and information sessions are offered to employees, in particular e-learning modules and special poster campaigns.

More targeted presentations are planned for the teams that process personal data more specifically, such as the human resources, e-commerce, IT, and general services departments.

Rexel's suppliers and service providers may process personal data on behalf of the Group. Rexel must ensure that its partners and suppliers apply adequate data protection levels. This involves reviewing and updating contractual commitments and the security policies put in place by those service providers.

In a general manner, the risks identification process will be reviewed regularly to incorporate potential

changes in the Group's supply chain as well as changes in the assessment of impacts or probability of occurrence.

Rexel will ensure that the vigilance plan follows developments that affect the Group, particularly in the event of a change in strategy, significant external growth transactions, or the acquisition of new markets with new risks.

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4.11 Independent verifier's report

This is a free English translation of the report by one of the Statutory Auditors issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

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Report of one of the Statutory Auditors, appointed as independent third party, on the verification of the consolidated non-financial statement

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(Year ended December 31, 2022)

Rexel S.A.

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13, boulevard du Fort de Vaux 75838 Paris Cedex 17

In our capacity as Statutory Auditor of the company Rexel S.A. (hereinafter the "Entity"), appointed as independent third party ("third party") and accredited by the French Accreditation Committee (Cofrac), (Cofrac Inspection Accreditation, n°3-1862, scope available at www.cofrac.fr), we have undertaken a limited assurance engagement on the historical information (observed or extrapolated) in the consolidated non-financial

statement, prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), for the year ended December 31, 2022 (hereinafter the "Information" and the "Statement", respectively), presented in the group management report pursuant to the legal and regulatory provisions of Articles L.225-102-1, R.225-105 and R.225-105-1 of the French Commercial Code (*Code de commerce*).

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Conclusion

Based on the procedures we have performed as described under the "Nature and scope of procedures" and the evidence we have obtained, nothing has come to our attention that cause us to believe that the consolidated non-financial

statement is not prepared in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

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Preparation of the non-financial performance statement

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques

that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, summarized in the Statement.

Inherent Limitations in preparing the Information

The Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of

methodology and the assumptions or estimates used for its preparation and presented in the Statement.

Responsibility of the Entity

Management is responsible for:

- selecting or establishing suitable criteria for preparing the Information;
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators and the information set-

out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);

- preparing the Statement by applying the Entity's "Guidelines" as referred above; and
- implementing internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by the Board of directors.

Responsibility of the Statutory Auditor appointed as independent third party

Based on our work, our responsibility is to express a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R.225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections I and II of Article R.225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information".

As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved

in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to report on:

- the Entity's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy), the French duty of care law and against corruption and tax evasion);
- the fairness of information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- the compliance of products and services with the applicable regulations.

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A. 225-1 *et seq.* of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to such engagement, in particular the professional guidance issued by the *Compagnie Nationale des Commissaires aux*

Comptes, Intervention du commissaire aux comptes – Intervention de l'OTI – déclaration de performance extra-financière, and acting as the verification programme and with the international standard ISAE 3000 (revised) – *Assurance engagements other than audits or reviews of historical financial information*.

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Independence and quality control

Our independence is defined by the provisions of Article L. 822-II of the French Commercial Code and French Code of Ethics for Statutory Auditors (*Code de déontologie*) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures

aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

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Means and resources

Our work engaged the skills of 9 people between December 2022 and February 2023 and took a total of 6 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social

responsibility. We conducted 15 interviews with people responsible for preparing the Statement, representing Sustainable Development direction, Compliance and Conformity direction, Human resources direction.

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Nature and scope of procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information, we:

- obtained an understanding of all the consolidated entities' activities and the description of the main risks associated;
- assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices within the sector;

- verified that the Statement includes each category of social and environmental information set out in article L.225 102 I III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- verified that the Statement provides the information required under Article R.225-105 II of the French Commercial Code where relevant with respect to the main risks, and includes, where applicable, an explanation for the absence of the information required under Article L.225-102-1 III, paragraph 2 of the French Commercial Code;
- verified that the Statement presents the business model and a description of the main risks associated with of all the consolidated entities' activities, including where relevant and

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proportionate, the risks associated with its business relationships, its products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators associated to the main risks;

- referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented, and
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix; concerning social and societal risks, our work was carried out on the consolidating entity. For other risks, our work was carried out on the consolidating entity and on a selection of sites: Rexel Canada, Rexel UK, Rexel Belgium, Rexel Luxembourg, Gigamédia, Cordia, Francofa, Rexel Slovenia, Rexel India et Rexel Australia.
- verified that the Statement covers the consolidated scope, *i.e.* all the entities within the consolidation scope in accordance with Article L.233-16 of the French Commercial Code within the limitations set out in the Statement;
- obtained an understanding of internal control and risk management procedures the Entity has implemented and assessed the data collection

process aimed at ensuring the completeness and fairness of the Information;

- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix, implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
 - tests of details, using sampling techniques, in order to verify the proper application of definitions and procedures and reconcile the data with supporting documents. This work was carried out on a selection of contributing sites: Rexel Canada, Rexel UK, Rexel Belgium, Rexel Luxembourg, Gigamédia, Cordia, Francofa, Rexel Slovenia, Rexel India et Rexel Australia and covers 27% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;
- assessed the overall consistency of the Statement in relation to our knowledge of all the consolidated entities

The procedures performed in a limited assurance review are less in extent than for a reasonable assurance opinion in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*); a higher level of assurance would have required us to carry out more extensive procedures.

Neuilly-sur-Seine, February 17, 2023

One of the Statutory Auditors,

PricewaterhouseCoopers Audit

Amélie Wattel

Partner

Aurélien Castellino-Cornetto

Sustainable Development Director

Appendix: List of the information we considered most importantKey performance indicators:

- Percentage of independent Directors;
- Percentage of women on the Board of Directors;
- Employees considered as sensitive who completed the training sessions:
 - Competition law;
 - Anticorruption;
- Number of annual ethic queries;
- Proportion of Rexel European subsidiaries employees who were trained in the protection of personal data and in the operation data implantation of the European GDPR;
- Medium term new employees integration rate;
- Average hours of training per employee trained;
- Engagement rate (favorable response rate regarding the engagement category of Satisfaxion survey);
- Percentage of women recruited on open-ended contracts;
- Frequency rate of work accidents leading to work stoppage;
- Sites covered by an internal environmental management system;
- Sites covered by a certified environmental management system;
- Sites covered by a certified energy management system;
- Scope 1 and 2 emissions (tCO₂e);
- Scope 3 indirect emissions (tCO₂e);
- Packaging consumption (t);
- Waste generated (excluding WEEE and batteries) (t);
- Waste recovery rate;
- Proportion of direct purchases covered by the Responsible Supplier Charter;
- Proportion of direct purchases having received a request to assess their performance in terms of sustainable development;
- Proportion of suppliers reassessed during the year who maintained or improved their environmental performance;
- Annual turnover related to photovoltaic products;
- Annual turnover related to electronic vehicles charging points;
- Percentage of countries monitoring the Net Promoter Score.

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Other quantitative results:

- Resignation rate;
- Proportion of employees trained;
- Number of hires;
- Consumption (l) of carburant for Rexel commercial fleet and for Rexel product transportation;
- Number of employees promoted;
- Number of departures for employees on permanent contract, per reason;
- Total number of overtime hours;
- Total number of training dedicated to safety;
- Employees breakdown by age and by nature of contract;
- Proportion of employees reporting a disability
- Proportion of employees who received a performance review.

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Qualitative information (actions and results):

- ESG missions carried out in 2022 by the Executive committee;
- Mentoring program;
- Environmental informations on product based on environmental profiles of products.

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Financial and accounting information



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Financial and accounting information



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5.1

Consolidated results



5.1	Consolidated results			292	
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This document is a free translation from French to English of Rexel's original financial information for the year ended December 31, 2022 and is provided solely for the convenience of English speaking readers. In the event of any ambiguity or discrepancy between this unofficial translation and the original financial information for the year ended December 31, 2022, the French version will prevail.

Pursuant to Article 19 of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, the following information is incorporated by reference in this Universal Registration Document:

- the operating and financial review of the Rexel Group for the year ended December 31, 2021, the consolidated financial statements (as well as the related report of the Statutory Auditors) and the annual financial statements (as well as the related report of the Statutory Auditors) which are respectively included in pages 268 to 287, in pages 288 to 350, and 352 to 369, respectively, of the French version of the Universal Registration Document filed with the *Autorité des marchés financiers* on March 10, 2022, under number D.22-0083; and
- the operating and financial review of the Rexel Group for the year ended December 31, 2020, the consolidated financial statements (as well as the related report of the Statutory Auditors) and the annual financial statements (as well as the related report of the Statutory Auditors) which are respectively included in pages 246 to 265, in pages 266 to 337, and 338 to 359, respectively, of the French version of the Universal Registration Document filed with the *Autorité des marchés financiers* on March 11, 2021, under number D.21-0111.

The information in these documents that is not incorporated by reference is either irrelevant for the investor or is covered in another section of this Universal Registration Document.

5.1 Consolidated results

5.1.1 Operating and financial review and prospects

Rexel was incorporated on December 16, 2004. Shares of Rexel were admitted to trading on the Eurolist market of Euronext Paris on April 4, 2007. The group consists of Rexel and its subsidiaries (herein after referred to as “the Group” or “Rexel”).

The activity report is presented in euros and all numbers are rounded to the nearest tenth of a million, except where otherwise stated. Totals and

sub-totals presented in the activity report are first computed in thousands of euros and then rounded to the nearest tenth of a million. Thus, the numbers may not sum precisely due to rounding.

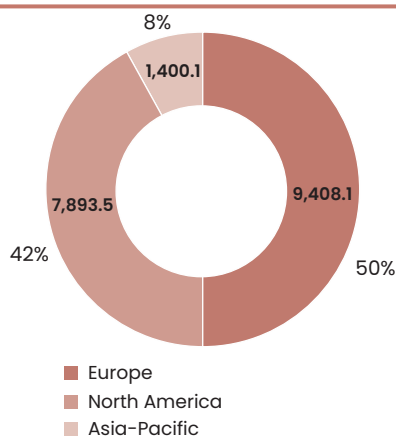
The activity report analyzes the financial results, liquidity and financial resources of the Group for the year ended December 31, 2022.

5.1.1.1 Financial position of the Group

5.1.1.1.1 Group Overview

Rexel is a worldwide expert in the professional distribution of low and ultra-low voltage electrical products, based on sales and number of branches. The Group principally operates in three geographic areas: Europe, North America and Asia-Pacific. This geographic segmentation is based on the Group's financial reporting structure.

In 2022, the Group recorded consolidated sales of €18,701.6 million in the following geographies:



The Group's activities in Europe (50% of Group sales) are in France (37% of Group sales in this region), the United Kingdom, Germany, Sweden, Switzerland, Belgium, Austria, the Netherlands, Norway, Finland, Ireland, Italy, Slovenia and Luxembourg.

The Group's activities in North America (42% of Group sales) are in the United States and Canada representing 81% and 19% of Group sales respectively in this region.

The Group's activities in Asia-Pacific (8% of Group sales) are in Australia (43% of Group sales in this region), China (42%), New Zealand, India and Middle East.

5.1.1.1.2 Significant events of the reporting period

In 2022, Rexel recorded highest year ever sales, EBITA and free cash flow before interests and tax performance. The market was driven by both price

inflation and volume growth in a context of electrification and energy transition.

In 2022, Rexel presented its updated strategic roadmap for the four years 2022–2025 (“Power Up 2025”) and unveiled its financial, environmental medium term targets, and its capital allocation strategy.

As part of the active management of its portfolio of operations, Rexel also completed the following transactions:

- Two acquisitions to reinforce its local footprint in the US (Horizon Solutions) and Belgium (Trilec); and
- Three divestments of operations in Spain, Portugal and Russia.

5.1.1.1.3 Seasonality

Despite the low impact of seasonality on sales, changes in the Group’s working capital requirements lead to variations in cash flows over the course of the

year. As a general rule, the Group’s EBITA and cash flows are the strongest in the fourth quarter while relatively lower in the three other quarters.

5.1.1.1.4 Impact of changes in copper price

The Group is indirectly exposed to fluctuations in copper price in connection with its distribution of cable products. Cables represent approximately 17% of the Group’s sales and copper accounts for approximately 60% of the composition of cables. This exposure is indirect since cable prices also reflect suppliers’ commercial policies and the competitive environment of markets the Group operates in. Changes in copper price have an estimated “recurring” and “non-recurring” effect on the Group’s performance, assessed as part of the monthly internal reporting process of the Rexel Group:

- The recurring effect related to the change in copper-based cable prices corresponds to the change in the value of the copper included in the sales price of cables from one period to another. This effect mainly relates to sales;
- The non-recurring effect related to the change in copper-based cable prices corresponds to the effect of copper price variations on the sales price of cables between the time they are purchased and the time they are sold, until such inventory has been rebuilt (direct effect on gross

profit). In practice, the non-recurring effect on gross profit is determined by comparing the historical purchase price for copper-based cable and the supplier price effective at the date of the sale of the cables by the Rexel Group. Additionally, the non-recurring effect on EBITA corresponds to the non-recurring effect on gross profit, which may be offset, where appropriate, by the non-recurring portion of changes in distribution and administrative expenses (principally the variable portion of compensation of sales personnel, which accounts for approximately 10% of the change in gross profit).

The impact of these two effects is assessed for as much of the Group’s total cable sales as possible over each period, and in any case covering at least a majority of sales. Group procedures require entities that do not have information systems capable of such comprehensive calculation to estimate these effects based on a sample representing at least 70% of sales during the period. The results are then extrapolated to all cables sold during the period for that entity. On the basis of the sales covered, the Rexel Group considers such estimates as reasonable to measure the two effects.

5.1.1.1.5 Comparability of the Group’s operating results and adjusted EBITA

The Group undertakes acquisitions and disposals that may alter its scope of consolidation from one period to another. Currency exchange rates may also fluctuate significantly. In addition, the number of working days in each period also has an impact on the Group’s consolidated sales. Lastly, the Group is exposed to fluctuations in copper price. For these

reasons, a comparison of the Group’s reported operating results over different periods may not provide a meaningful comparison of its underlying business performance. Therefore, in the analysis of the Group’s consolidated results presented below, financial information is also restated to give effect to the following adjustments.

Effects of acquisitions and disposals

The Group adjusts its prior year results to give effect of the acquisitions & disposals of the current year. Generally, the Group includes the results of an acquired company in its consolidated financial statements at the date of the acquisition and ceases to include the results of a divested company at the date of its disposal. To neutralize the effects of

acquisitions and disposals on the analysis of its operations, the Group compares the results of the current year against the results of the preceding financial year, as if the preceding financial year had the same scope of consolidation for the same periods as the current year.

Accordingly, the comparable results of 2021 have been mainly adjusted for:

ACQUISITIONS	OPERATING SEGMENT	EFFECTIVE DATE	ADJUSTED PERIOD
Horizon Solutions	North America	August 2022	August 1, 2021 - December 31, 2021
Trilec	Europe	July 2022	July 1, 2021 - December 31, 2021
Mayer	North America	November 2021	January 1, 2021 - November 30, 2021

DISPOSALS	OPERATING SEGMENT	EFFECTIVE DATE	ADJUSTED PERIOD
Spanish and Portuguese businesses	Europe	November 2022	November 1, 2021 - December 31, 2021
Russian business	Europe	March 2022	March 1, 2021 - December 31, 2021
Rexel Arabia	Asia-Pacific	October 2021	January 1, 2021 - September 30, 2021
DIY business in France (Dismo)	Europe	March 2021	January 1, 2021 - February 28, 2021

Effects of exchange rate fluctuations

Fluctuations in currency rates against the euro affect the value of the Group's sales, expenses and other balance sheet items as well as the income statement. By contrast, the Group has relatively low exposure to currency transaction risk, as cross-border transactions are limited. To neutralize the currency translation effect on the comparability of its results, the Group restates its comparative period results at the current year's exchange rates.

Non-recurring effect related to changes in copper price

To analyze the financial performance on a constant adjusted basis, the estimated non-recurring effect related to changes in copper-based cable prices, as described in paragraph 1.1.4 Impact of changes in copper price above, is excluded from the information presented for both the current and the previous periods. Such information is referred to as "adjusted" throughout this activity report.

Effects of different numbers of working days in each period on sales

The Group's sales in a given period compared with another period are affected by the number of working days, which changes from one period to another. In the analysis of its consolidated sales, the Group neutralizes this effect by proportionally adjusting the comparative sales number of the comparative period to match with the current period's number of working days. No attempt is made to adjust any line items other than sales for this effect, as it is not considered relevant.

Accordingly, in the following discussion of the Group's consolidated results, some or all of the following information is provided for comparison purposes:

- On a constant and actual number of working days basis, which means excluding the effect of acquisitions and disposals and the effect of fluctuations in exchange rates. Such information is used for comparison of sales;
- On a constant and same-day basis, which means on a constant basis (as described above) and restated for the effect of different numbers of working days in each period. Such information is used only for comparisons related to sales; and

- On a constant basis, adjusted, which means on a constant basis (as described above) and adjusted for the estimated non-recurring effect related to changes in copper-based cable prices. Such information is used for comparisons of gross profit, distribution and administrative expenses, and EBITA. This information is not generated directly by the Group's accounting

systems but is an estimate of comparable data in accordance with the principles explained above.

The Group uses the "EBITA" and "Adjusted EBITA" measures to monitor its performance. Neither EBITA nor Adjusted EBITA is an accepted accounting measure under IFRS. The table below reconciles reported operating income before other income and other expenses to Adjusted EBITA on a constant basis.

	YEAR ENDED DECEMBER 31	
	2022	2021
<i>(in millions of euros)</i>		
Operating income before other income and other expenses	1,330.9	956.4
Changes in scope of consolidation	—	68.0
Foreign exchange effects	—	44.7
Non-recurring effect related to copper	23.7	(68.0)
Amortization of the intangible assets ⁽¹⁾	13.9	7.3
Adjusted EBITA on a constant basis	1,368.5	1,008.4

(1) Amortization of the intangible assets recognized as part of the allocation of the purchase price of acquisitions.

Rexel also uses the recurring-net-income measure to determine the level of dividends to be distributed according to its dividend policy: Rexel has committed to pay dividends representing at

least 40% of the recurring net income. The table below presents the reconciliation of net income with net recurring income:

	YEAR ENDED DECEMBER 31	
	2022	2021
<i>(in millions of euros)</i>		
Net income (as reported)	922.3	597.6
Non-recurring copper effect	23.7	(57.8)
Other expense & income	(12.1)	44.6
Financial expense	—	22.6
Tax expense	(22.1)	(32.1)
Recurring net income	911.8	575.0
Weighted average number of common shares adjusted for dilutive potential shares (in thousands)	303,671	304,019
Fully diluted earnings per share (in euros)	3.00	1.89

5.1.1.2 Comparison of financial results as of December 31, 2022 and as of December 31, 2021

5.1.1.2.1 Rexel Group's consolidated financial results

The following table sets out Rexel's consolidated income statement for 2022 and 2021, in millions of euros and as a percentage of sales.

In addition, the table below sets out the net effect of acquisitions and disposals and the effect of

exchange rate fluctuation on prior year comparative figures. This table also presents comparable data adjusted for copper price fluctuation according to paragraph 1.1.4.

	YEAR ENDED DECEMBER 31					
	2022	2021	Δ %	2022	2021	Δ %
	Reported			Adjusted	On a constant basis, adjusted	
<i>(in millions of euros)</i>						
Sales	18,701.6	14,690.2	27.3%	18,701.6	16,440.1	13.8%
<i>Same-day basis</i>						14.1%
Gross profit	4,868.6	3,871.6	25.8%	4,892.2	4,213.5	16.1%
<i>as a % of sales</i>	26.0%	26.4%		26.2%	25.6%	
Operating expenses	(3,187.8)	(2,607.1)	22.3%	(3,187.8)	(2,879.4)	10.7%
Depreciation	(335.9)	(300.7)	11.7%	(335.9)	(325.7)	3.1%
Distribution and administrative expenses before amortization of intangible assets	(3,523.8)	(2,907.8)	21.2%	(3,523.7)	(3,205.1)	9.9%
<i>as a % of sales</i>	(18.8)%	(19.8)%		(18.8)%	(19.5)%	
EBITA	1,344.8	963.7	39.5%	1,368.5	1,008.4	35.7%
<i>as a % of sales</i>	7.2%	6.6%		7.3%	6.1%	
Amortization of intangible assets ⁽¹⁾	(13.9)	(7.3)	90.0%			
Operating income before other income and expenses	1,330.9	956.4	39.2%			
Other income and expenses	12.1	(44.6)	n.a.			
Operating income/(loss)	1,343.0	911.8	47.3%			
Net financial expenses	(119.4)	(133.1)	(10.3)%			
Share of profit / (loss) in associates	(0.1)	(0.3)	(75.8)%			
Pre tax income/(loss)	1,223.5	778.4	57.2%			
Income taxes	(301.2)	(180.8)	66.6%			
<i>Effective tax rate</i>	24.6%	23.2%				
Net income/(loss)	922.3	597.6	54.3%			

(1) Amortization of the intangible assets recognized as part of the allocation of the purchase price of acquisitions.

Sales

In 2022, Rexel's consolidated sales amounted to €18,701.6 million, as compared to €14,690.2 million in 2021.

On a reported basis, sales were up 27.3% year-on-year, including:

- A positive net scope effect of €1,081.1 million (7.4% of the 2021 sales) resulting from the acquisitions

of Mayer and Horizon Solutions in the US, Trilec in Belgium and offset by the disposals of several businesses including in Spain and Portugal; and

- A positive currency effect of €668.8 million (4.6% of the 2021 sales), mainly due to the appreciation of the US and Canadian dollars against the euro.

On a constant and actual number of working days basis, sales increased by 13.8%.

The table below summarizes the impact on sales evolution of the number of working days, changes in scope and in currency effects:

	Q1	Q2	Q3	Q4	YEAR ENDED DECEMBER 31, 2022
Growth on a constant and same-days basis	16.0%	12.0%	16.3%	12.3%	14.1%
Number of working days effect	3.1%	0.1%	(0.8)%	(3.1)%	(0.3)%
Growth on a constant and actual-day basis	19.1%	12.1%	15.5%	9.2%	13.8%
Changes in scope effect	7.2%	7.9%	10.7%	4.0%	7.4%
Foreign exchange effect	3.1%	4.7%	6.6%	3.7%	4.6%
Total scope and currency effect	10.3%	12.7%	17.3%	7.8%	11.9%
Growth on a reported basis ⁽¹⁾	31.4%	26.3%	35.5%	17.8%	27.3%

(1) Growth on a constant basis and actual number of working days compounded by the scope and currency effects.

On a constant and same-day basis, sales increased by 14.1%, driven by selling price increase (9.8%) and volume rise (4.3%).

By geography area, North America increased by 16.3%, Europe increased by 13.9% and Asia-Pacific increased by 3.9%.

Same-day sales growth benefited from the electrification trends, emphasized by the sales of four categories of products ("electrification products"), including Solar, Electric Vehicle charging infrastructure (EV), Heating, Ventilation and Air-Conditioning (HVAC), and Industrial Automation.

Sales of electrification products amounted to €3,466.2 million in 2022, up 24.6%, on a constant basis, as compared to €2,786.7 million in 2021.

Digital sales representing 25.2% of Group sales in 2022, as compared to 22.8% in 2021, on a constant basis.

Gross profit

In 2022, gross profit amounted to €4,868.6 million, up 25.8%, on a reported basis, as compared to €3,871.6 million in 2021.

On a constant basis, adjusted gross margin improved by 53 basis points ("bps") in 2022, to reach 26.2% of sales and adjusted gross profit increased by 16.1%.

Distribution & administrative expenses before amortization of intangible assets

In 2022, distribution and administrative expenses before amortization of intangible assets amounted to €3,523.8 million, up 21.2% on a reported basis, as compared to €2,907.8 million in 2021 and by 9.9% on a constant and adjusted basis.

Distribution and administrative expenses before amortization of intangible assets and represented 18.8% of sales in 2022 as compared to 19.5% of sales in 2021, reflecting a better absorption of fixed costs.

EBITA

In 2022, EBITA stood at €1,344.8 million, up 39.5%, on a reported basis, as compared to €963.7 million in 2021 including a positive net scope effect of €68.0 million and a positive foreign exchange currency impact of €44.7 million.

On a constant basis, adjusted EBITA increased by 35.7% to €1,368.5 million and adjusted EBITA margin stood at 7.3% of sales, up 118 bps year-on-year including:

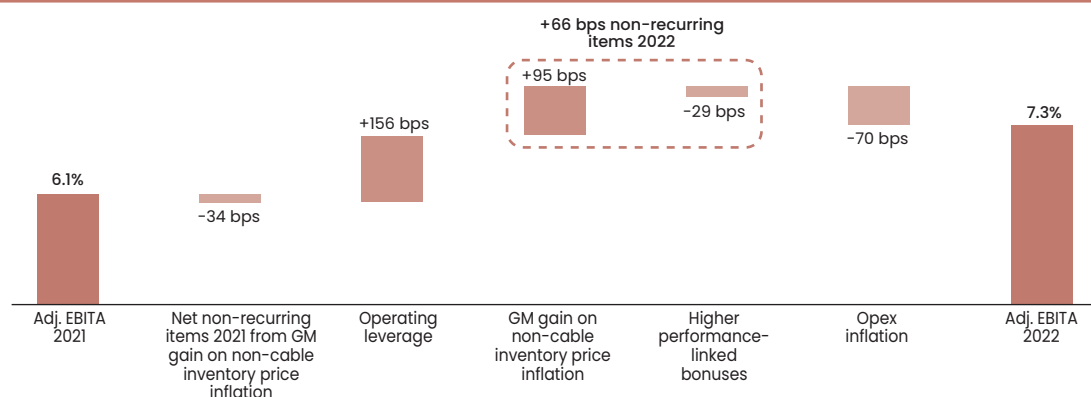
- A positive operating leverage impact of 156 bps, largely from the capacity to pass through price increases;

- A net positive non-recurring effect of circa 66 bps as a result of:
 - A positive one-off gross margin gain on non-cable inventory price inflation for 95 bps;
 - A negative 29 bps one-off effect from higher performance linked bonuses, in a context of better-than-anticipated activity; and
- An operating expenses degradation of 70 bps due to overall inflation of 4.1% including 3.7% in

Salaries and Benefits and 6.1% from other operating expenses notably from increased energy and fuel prices.

Restated for non-recurring items in both 2021 and 2022, adjusted EBITA margin was up circa 91 bps, supported by robust activity coupled with a more efficient organization. Those tailwinds more than offset overall operating expenses inflation.

The graph below details the +118 bps improvement in adjusted EBITA margin:



Other income and expenses

In 2022, other expense and income represented a €12.1 million gain, of which:

- €42.7 million net disposal gain, after transaction costs, associated with the sale of operations in Spain, Portugal and Russia;
- €(10.9) million of acquisition and integration costs;
- €(8.3) million costs related to abandoned IT developments; and
- €(4.1) million of wind-up costs in United Arab Emirates.

In 2021, other income and expenses represented a net expense of €44.6 million, consisting mainly of:

- €(23.4) million of impaired trade receivables in connection with the discontinuation of a non-core contract in China;
- €(10.5) million acquisition and integration costs;
- €(7.3) million write-down of right-of-use and other fixed assets in Spain; and
- €(5.6) million of restructuring costs.

Net financial expenses

Net financial expenses were €119.4 million in 2022 and €133.1 million in 2021, out of which:

- €46.5 million related to lease interest expenses (€40.4 million in 2021); and
- a €22.6 million one-off expense in 2021 related to two senior notes early redemption.

Excluding the above one-off effect, net financial expenses stood at €72.9 million in 2022, up €2.8 million year-on-year. Higher gross debt due to increasing utilization of securitization programs was partly offset by the effect of the senior notes refinancing at lower cost in November 2021.

As a result, effective interest rate of the gross financial debt stood at 2.29% down 13 bps, year-on-year.

Income tax

Income tax expense increased to €301.2 million from €180.8 million in 2021, mainly resulting from higher pre-tax income. In 2022, income tax expense benefited from a €12.8 million positive effect of the non-taxable gain on the disposal of Rexel Spain and Portugal while 2021 income tax expense was impacted by a €26.5 million one-off gain related to

the deferred tax asset recognition mainly on the UK and Germany tax losses carried forward.

Effective tax rate stood at 24.6% in 2022 (25.7% excluding the above 2022 one-off) compared to 23.2% (26.6% excluding the above 2021 one-off). The decrease in effective tax rate adjusted for one-offs mainly reflects the drop of the French tax rate.

Net income

As a result of the above items, net income stood at €922.3 million in 2022, as compared to €597.6 million in 2021.

Recurring net income stood at €911.8 million in 2022, up +58.6% compared to last year, resulting in earnings per share of €3.00 (€1.89 in 2021).

5.1.1.2.2 Europe (50% of Group sales)

	YEAR ENDED DECEMBER 31					
	2022	2021	Δ %	2022	2021	Δ %
	Reported			Adjusted	On a constant basis, adjusted	
<i>(in millions of euros)</i>						
Sales	9,408.1	8,273.8	13.7%	9,408.1	8,284.9	13.6%
<i>Same-day basis</i>						13.9%
Gross profit	2,600.8	2,308.9	12.6%	2,605.9	2,280.9	14.2%
<i>as a % of sales</i>	27.6%	27.9%		27.7%	27.5%	
Operating expenses	(1,704.9)	(1,516.5)	12.4%	(1,704.9)	(1,517.5)	12.4%
Depreciation	(176.4)	(170.6)	3.4%	(176.4)	(171.2)	3.1%
Distribution and administrative expenses before amortization of intangible assets	(1,881.4)	(1,687.1)	11.5%	(1,881.3)	(1,688.6)	11.4%
<i>as a % of sales</i>	(20.0)%	(20.4)%		(20.0)%	(20.4)%	
EBITA	719.5	621.8	15.7%	724.6	592.3	22.3%
<i>as a % of sales</i>	7.6%	7.5%		7.7%	7.1%	

Sales

In 2022, sales in Europe amounted to €9,408.1 million, up 13.7% on a reported basis, as compared to €8,273.8 million in 2021, including:

- A foreign exchange currency effect of €21.8 million (0.3% of the 2021 area sales), mainly due to the appreciation of the Swiss franc and the British pound against the euro, offset by the depreciation of the Swedish krona against the euro; and
- A net negative effect of change in scope of €10.6 million ((0.1)% of the 2021 area sales) mainly due to disposals of Spanish and Portuguese businesses, partly offset by the acquisition of Trilec in Belgium.

On a constant and actual-day basis, sales increased by 13.6%, impacted by a slight unfavorable calendar impact of circa 30 bps.

On a constant and same-day basis, sales increased by 13.9% as compared to 2021, driven by selling price increase (10.2% of which 2.0% on copper-based prices and 8.2% on non-cable prices) and rise in volumes (3.8%) particularly in the second half of 2022, resulting from strong demand in electrification product categories (Solar, HVAC, EV stations) and efforts to improve the countries' energy independence, in the backdrop of energy crisis.

Sales of electrification products amounted to €1,489.0 million in 2022, up 47.0%, on a constant basis, as compared to €1,015.8 million in 2021. The rise is mainly driven by the sales of solar products, up 176.2% year-on-year.

Digital sales represented 35.6% of Europe sales in 2022 (up 143 bps year-on-year), resulting in an increase in volume of 18.3% as compared to 2021.

In **France**, sales amounted to €3,503.8 million in 2022, an increase of 10.8% as compared to 2021 on a constant and same-day basis, in an environment of price inflation. Sales performance was also driven by active customer gains and favorable trends in all end-markets. Digital penetration improved to 28.8% of sales from 26.3% in 2021.

In **Scandinavia**, sales amounted to €1,203.7 million in 2022, an increase of 13.9% from 2021 on a constant and same-day basis driven by all end-markets along with a strong demand in solar products.

In **Benelux**, sales amounted to €1,098.6 million in 2022, an increase of 20.9% from 2021 on a constant and same-day basis, with market out-performance in the Netherlands thanks to a strong growth in solar products.

In **Germany**, sales amounted to €979.6 million in 2022, an increase of 20.2% from 2021 on a constant and same-day basis, gaining further market share. The increase also reflected a strong demand in solar products.

In **the United Kingdom**, sales amounted to €809.6 million in 2022, an increase of 11.7% from 2021 on a constant and same-day basis, driven by a

strong selling price contribution to compensate for currency depreciation on imported products.

Gross profit

In 2022, on a constant basis, adjusted gross profit increased by 14.2% and adjusted gross margin increased by 17 bps to 27.7% of sales, from pricing power.

Distribution & administrative expenses before amortization of intangible assets

On a constant basis, adjusted distribution and administrative expenses before amortization of intangible assets increased by 11.4% in 2022, representing 20.0% of sales in 2022, a 39 bps improvement as compared to 2021, benefiting from robust sales despite higher operating expenses, especially linked to additional headcount and inflation.

EBITA

In 2022, as a result, on a reported basis, EBITA amounted to €719.5 million, up 15.7% as compared to €621.8 million in 2021, including a positive foreign exchange currency impact of €1.9 million.

On a constant basis, adjusted EBITA increased by 22.3% as compared to 2021 and adjusted EBITA margin increased by 55 bps to 7.7% of sales, including 75 bps of non-recurring impact from inventory price inflation on non-cable products, net of higher performance-linked bonuses.

5.1.1.2.3 North America (42% of Group sales)

	YEAR ENDED DECEMBER 31					
	2022	2021	Δ %	2022	2021	Δ %
	Reported			Adjusted	On a constant basis, adjusted	
(in millions of euros)						
Sales	7,893.5	5,122.6	54.1%	7,893.5	6,801.6	16.1%
Same-day basis						16.3%
Gross profit	2,000.4	1,331.4	50.2%	2,019.0	1,692.1	19.3%
as a % of sales	25.3%	26.0%		25.6%	24.9%	
Operating expenses	(1,261.2)	(891.7)	41.4%	(1,261.2)	(1,156.3)	9.1%
Depreciation	(108.9)	(82.4)	32.2%	(108.9)	(105.9)	2.9%
Distribution and administrative expenses before amortization of intangible assets	(1,370.1)	(974.1)	40.7%	(1,370.1)	(1,262.1)	8.6%
as a % of sales	(17.4)%	(19.0)%		(17.4)%	(18.6)%	
EBITA	630.4	357.3	76.4%	648.9	430.0	50.9%
as a % of sales	8.0%	7.0%		8.2%	6.3%	

Sales

In 2022, sales in North America amounted to €7,893.5 million, up 54.1%, on a reported basis, as compared to €5,122.6 million in 2021, including:

- A positive foreign exchange currency effect of €577.2 million (11.3% of the 2021 area sales), due to the appreciation of the US and Canadian dollars against the euro; and
- A positive effect of change in scope of €1,101.7 million (21.5% of the 2021 area sales), associated to the acquisitions of Mayer and Horizon Solutions in the US.

On a constant and same-day basis, sales increased by 16.3% as compared to 2021.

Sales performance included a positive impact of 9.3% from the change in non-cable prices. Volume effect was positive at 6.6%.

Digital sales represented 16.5% of North America's sales (including Mayer), up 381 bps year-on-year, resulting in an increase of 51.0% in volume as compared to 2021.

Sales of electrification products amounted to €1,404.1 million in 2022, up 14.1%, on a constant basis, as compared to €1,231.4 million in 2021. The rise is mainly driven by the sales of industrial-automation products.

In the **United States**, sales stood at €6,425.4 million in 2022, a 16.8% increase from 2021 on a constant and same-day basis. The performance was particularly sustained in Gulf Central (Industrial

automation and Oil & Gas), Mountain Plains (Commercial segment in large cities) and California (Commercial business). All three-end markets posted robust performance despite a declining trend in the fourth quarter of 2022 in residential. Backlog remained important thanks to a growth acceleration in project activities and a steady level of order intake.

In **Canada**, sales amounted to €1,468.0 million in 2022, a 14.2% increase from 2021 on a constant and same-day basis, notably thanks to robust performance driven by industrial end-markets (Oil & Gas and mining especially), while residential end-market demand remained stable.

Gross profit

On a constant basis, adjusted gross profit increased by 19.3% and adjusted gross margin increased by 70 bps to 25.6% of sales, illustrating the benefits from Mayer's integration as well as the Group's capacity to pass through price increases.

Distribution & administrative expenses before amortization of intangible assets

On a constant basis, adjusted distribution and administrative expenses before amortization of intangible assets increased by 8.6%, representing 17.4% of sales in 2022, a 120 bps improvement as compared to 2021, despite higher performance-linked bonuses and headcount to support the volume effect on sales in North America.

EBITA

In 2022, as a result, EBITA amounted to €630.4 million, up 76.4%, on a reported basis, as compared to €357.3 million in 2021, including a positive foreign exchange currency impact of €41.2 million.

On a constant basis, adjusted EBITA increased by 50.9% from 2021 and adjusted EBITA margin increased by 190 bps to 8.2% of sales, benefiting from rising digital sales and Mayer's integration synergies. EBITA margin included 62 bps of non-recurring impact from inventory price inflation on non-cable products, net of higher performance-linked bonuses.

5.1.1.2.4 Asia-Pacific (8% of Group sales)

	YEAR ENDED DECEMBER 31					
	2022	2021	Δ %	2022	2021	Δ %
	Reported			Adjusted	On a constant basis, adjusted	
<i>(in millions of euros)</i>						
Sales	1,400.1	1,293.8	8.2%	1,400.1	1,353.6	3.4%
<i>Same-day basis</i>						3.9%
Gross profit	267.3	231.3	15.6%	267.3	240.5	11.2%
<i>as a % of sales</i>	19.1%	17.9%		19.1%	17.8%	
Operating expenses	(211.7)	(172.9)	22.5%	(211.7)	(179.6)	17.9%
Depreciation	(29.2)	(27.6)	5.7%	(29.2)	(28.6)	2.1%
Distribution and administrative expenses before amortization of intangible assets	(240.9)	(200.5)	20.2%	(240.9)	(208.1)	15.7%
<i>as a % of sales</i>	(17.2)%	(15.5)%		(17.2)%	(15.4)%	
EBITA	26.4	30.8	(14.2)%	26.4	32.4	(18.4)%
<i>as a % of sales</i>	1.9%	2.4%		1.9%	2.4%	

Sales

In 2022, sales in Asia-Pacific amounted to €1,400.1 million, up 8.2%, on a reported basis, as compared to €1,293.8 million in 2021, including:

- A positive foreign exchange currency effect of €69.8 million (5.4% of the 2021 area sales), mainly due to the appreciation of the Australian dollar and the yuan against the euro; and
- A negative effect of change in scope of €10.1 million ((0.8)% of the 2021 area sales) from divestments in 2021.

On a constant and same-day basis, sales increased by 3.9% as compared to 2021, despite Covid situation in China. Sales performance included a positive impact of 7.6% from the change

in non-cable prices, offsetting a negative volume effect of 4.6%, mainly due to Covid-related lockdowns in China in 2022.

Digital sales represented 5.1% of Asia-Pacific sales (up 40 bps year-on-year), resulting in an increase of 12.2% as compared to 2021.

Sales of electrification products amounted to €573.2 million in 2022, up 6.4%, on a constant basis, as compared to €539.4 million in 2021.

In **Australia**, sales amounted to €598.5 million in 2022, up +7.0%, on a constant and same-day basis thanks to the commercial and industrial end-markets, a favorable comparable base related to lockdown in the third quarter of 2021, despite a slow start to the year due to difficult weather conditions.

In **China**, sales amounted to €589.2 million in 2022, a 0.7% increase compared to 2021, on a constant and same-day basis. Volumes were down 9.2%, impacted by lockdowns in the second quarter of 2022 and Covid outbreak in December.

Gross profit

In 2022, on a constant basis, adjusted gross profit increased by 11.2% and adjusted gross margin by 132 bps to 19.1% of sales, driven by both Pacific and Asia improving performance.

Distribution & administrative expenses before amortization of intangible assets

On a constant basis, adjusted distribution and administrative expenses before amortization of

intangible assets increased by 15.7% as compared to 2021, representing 17.2% of sales in 2022, a 183 bps deterioration as compared to 2021 due to bad debt deterioration in China, in a context of tougher credit conditions along with Covid outbreak-related disruptions.

EBITA

In 2022, as a result, EBITA amounted to €26.4 million, down 14.2%, on a reported basis, as compared to €30.8 million in 2021.

On a constant basis, adjusted EBITA decreased by 18.4% from 2021 and adjusted EBITA margin decreased by 50 bps to 1.9% of sales, offset by a better profitability in Pacific as compared to 2021.

5.1.1.2.5 Other operations

(in millions of euros)	YEAR ENDED DECEMBER 31		
	2022	2021	Δ %
Sales	—	—	—
Gross profit	—	—	—
Operating expenses	(10.0)	(26.1)	(61.7)%
Depreciation	(21.5)	(20.1)	6.6%
Distribution and administrative expenses	(31.5)	(46.2)	(31.9)%
EBITA	(31.5)	(46.2)	(31.9)%

This segment mostly includes unallocated centrally-hosted expenses and projects. In 2022, EBITA was negative by €31.5 million compared to

€46.2 million in 2021, mainly due to lower centrally-hosted projects.

5.1.2 Liquidity and capital resources

5.1.2.1 Cash flow

The following table sets out Rexel's cash flow statement for 2022 and 2021 together with a

reconciliation of free cash flow before and after interest and income tax paid.

(in millions of euros)	YEAR ENDED DECEMBER 31		
	2022	2021	Change
Operating cash flow before interest and taxes	1,602.6	1,181.8	420.8
Financial interest on borrowings paid ⁽¹⁾	(59.9)	(56.1)	(3.8)
Income tax paid	(310.8)	(199.0)	(111.9)
Operating cash flow before change in working capital	1,231.9	926.7	305.2
Change in working capital requirements	(391.8)	(209.0)	(182.8)
Net cash flow from operating activities	840.1	717.7	122.4
Net cash flow from investing activities	(182.1)	(542.3)	360.2
<i>o.w. Operating capital expenditures ⁽²⁾</i>	<i>(125.4)</i>	<i>(103.2)</i>	<i>(22.2)</i>
Net cash flow from financing activities ⁽³⁾	(286.6)	(299.7)	13.2
Net cash flow	371.4	(124.3)	495.7
Operating cash flow before interest and taxes	1,602.6	1,181.8	420.8
Repayment of lease liabilities	(212.1)	(188.9)	(23.2)
Change in working capital requirements	(391.8)	(209.0)	(182.8)
Operating capital expenditures	(125.4)	(103.2)	(22.2)
Free cash flow before interest and taxes	873.3	680.6	192.7
Financial interest on borrowings paid	(59.9)	(56.1)	(3.8)
Income tax paid	(310.8)	(199.0)	(111.9)
Free cash flow after interest and taxes	502.6	425.5	77.1

(1) Excluding interest on lease liabilities.

(2) Net of disposals.

(3) Including lease liabilities repayment.

5.1.2.1.1 Cash flow from operating activities

Rexel's net cash flow from operating activities was an inflow of €840.1 million in 2022 compared to €717.7 million in 2021.

Operating cash flow

Operating cash flow before interest, income tax and changes in working capital requirements increased from €1,181.8 million in 2021 to €1,602.6 million in 2022 as the result of EBITA improvement driven by sales growth and digital transformation.

Interest and taxes

Net interest paid stood at €59.9 million in 2022, up from €56.1 million in 2021 reflecting higher average gross debt in 2022 (rise in trade receivables sold under securitization programs) as compared to 2021.

Income tax paid increased by €111.9 million from €199.0 million in 2021 to €310.8 million in 2022 mainly as a result of surge of pre-tax income.

Change in working capital requirements

Change in working capital requirements reflected mainly sales growth and accounted for an outflow of €391.8 million in 2022, as compared to €209.0 million in 2021.

- Net inventories contributed for a €228.4 million outflow (€349.3 million in 2021);
- Net trade receivables contributed for a €332.4 million outflow (€158.7 million in 2021);

- Net trade payables contributed for a €214.1 million inflow (€183.9 million in 2021); and
- Change in non-trade working capital represented an outflow of €45.2 million (€115.5 million inflow in 2021), mostly due to higher performance bonuses and guarantee paid under judicial investigation in France.

Working capital requirements

	AS OF DECEMBER 31	
	2022	2021
Working capital requirements as a % of sales ⁽¹⁾ at: constant basis	11.7%	11.1%
of which Trade Working capital	14.0%	13.9%
	NUMBER OF DAYS	NUMBER OF DAYS
Net inventories	57.9	57.5
Net trade receivables	47.9	45.3
Net trade payables	53.1	52.6

(1) Working capital requirements, end of period, divided by last 12-month sales.

As a percentage of sales over the last 12 months, on a constant basis, working capital requirements amounted for 11.7% as of December 31, 2022, a 60 bps deterioration as compared to December 31, 2021, due to non-trade working capital (receivable

related to the guarantee paid under judicial investigation in France in 2022).

Increase in DSO is mainly due to an unfavorable calendar effect in collection at year-end 2022.

5.1.2.1.2 Cash flow from investing activities

Cash flow from investing activities consisting of acquisitions and disposals of fixed assets, as well as financial investments, amounted to a €182.1 million

outflow in 2022, as compared to €542.3 million outflow in 2021.

(in millions of euros)	YEAR ENDED DECEMBER 31	
	2022	2021
Acquisitions of operating fixed assets	(148.4)	(103.0)
Proceed from disposal of operating fixed assets	5.9	6.1
Net change in debts and receivables on fixed assets	17.1	(6.3)
Net cash flow from capital expenditures	(125.4)	(103.2)
Acquisition of subsidiaries, net of cash acquired	(150.0)	(426.3)
Proceeds from disposal of subsidiaries, net of cash disposed of	97.4	(9.6)
Net cash flow from financial investments	(52.6)	(435.9)
Net change in long-term investments	(4.0)	(3.1)
Net cash flow from investing activities	(182.1)	(542.3)

Acquisitions and disposals of operating fixed assets

Acquisitions of operating fixed assets, net of disposals, accounted for an outflow of €125.4 million in 2022, as compared to €103.2 million in 2021.

In 2022, gross capital expenditures represented 0.8% of sales and stood at €148.4 million (€103.0 million in 2021). The increase is mainly due to investments in logistic centers (up €34.8 million year-on-year). IT and Digital projects represented €57.2 million in 2022 (€52.2 million in 2021). Disposals of fixed assets were €5.9 million (€6.1 million in 2021).

Acquisitions and disposals of subsidiaries

Net cash flow from financial investments accounted for an outflow of €52.6 million in 2022, reflecting mainly:

- Acquisitions of which Horizon and Trilec for a total of €148.4 million; offset by
- Proceeds received from the divestments of the Spanish and Portuguese businesses (€96.6 million) in November 2022.

In 2021, net cash flow from financial investments accounted for an outflow of €435.9 million mainly in connection with the acquisition of Mayer and a utility distribution business in Canada.

5.1.2.1.3 Cash flow from financing activities

In 2022, net cash flow from financing activities represented a net cash outflow of €286.6 million, mainly resulting from the:

- €212.1 million lease liabilities repayment;
- €230.1 million dividend distribution;
- €65.5 million stock repurchase program; and
- Partly offset by higher recourse to securitization programs commitments for €275.9 million.

In 2021, net cash flow from financing activities represented a net cash outflow of €299.7 million, mainly resulting from the:

- €188.9 million lease liabilities repayment;
- €139.6 million dividend distribution; and
- Partly offset by the effect of the senior notes refinancing.

5.1.2.2 Sources of financing

In addition to the cash from operations, the Group's main sources of financing are bond issuances, securitization programs and multilateral credit lines. As of December 31, 2022, Rexel's consolidated net

debt amounted to €1,458.4 million, up €92.7 million as compared to December 31, 2021, consisting of the following items:

(in millions of euros)	AS OF DECEMBER 31					
	2022			2021		
	CURRENT	NON-CURRENT	TOTAL	CURRENT	NON-CURRENT	TOTAL
Senior notes	—	953.2	953.2	—	999.5	999.5
Securitization	360.0	823.5	1,183.5	605.0	300.0	905.0
Bank loans	62.3	0.2	62.5	36.7	0.3	37.0
Commercial paper	45.0	—	45.0	125.5	—	125.5
Bank overdrafts and other credit facilities	75.1	—	75.1	68.7	—	68.7
Accrued interests	2.4	—	2.4	5.1	—	5.1
Less transaction costs	(2.3)	(8.4)	(10.7)	(3.6)	(9.2)	(12.9)
Total financial debt and accrued interest	542.4	1,768.6	2,311.0	837.5	1,290.5	2,128.0
Cash and cash equivalents			(895.4)			(573.5)
Accrued interest receivable			(3.5)			(1.4)
Debt hedge derivatives			46.3			(2.0)
Net financial debt			1,458.4			1,551.2

As of December 31, 2022, the Group's liquidity amounted to €1,662.8 million (€1,264.6 million at

December 31, 2021), consisting of the following items:

(in millions of euros)	AS OF DECEMBER 31	
	2022	2021
Cash and cash equivalents	895.4	573.5
Bank overdrafts	(75.1)	(68.7)
Commercial paper	(45.0)	(125.5)
Undrawn Senior credit agreement	850.0	850.0
Bilateral facilities	37.5	35.3
Liquidity	1,662.8	1,264.6

Senior Credit Facility Agreement

Under the Senior Credit Facility Agreement, Rexel must maintain a leverage ratio below 3.50 times as of June 30 and December 31 of each year. The leverage ratio, as calculated under the terms of the agreement, stood at 0.96x as of December 31, 2022 (1.37x as of December 31, 2021).

As of December 31, 2022, Rexel's ratings by the financial rating agencies were as follows:

As of DECEMBER 31, 2022		
Rating agency	Moody's	Standard & Poor's
Long-term rating	Ba1	BB+
Short-term rating	—	B
Outlook	Stable	Stable

5.1.3 Outlook

5.1.3.1 Comparison between the Rexel Group 2022 forecasts and achievements

For 2022, Rexel had expressed the following forecast, on the basis of the assumptions set forth in the Universal Registration Document filed with the *Autorité des marchés financiers* on March 10, 2022, under number D.22-0083. Rexel targeted, at comparable scope of consolidation and exchange rates:

- Same day sales growth of between 4% and 6%;
- Adjusted EBITA margin above 6%; and
- Free cash flow conversion above 60%.

On June 16, 2022, Rexel unveiled its upgraded 2022 financial targets, following a better-than-expected start to the year in all geographies and higher inflation, in an environment that remained uncertain:

- Same day sales growth of between 7% and 9%;
- Adjusted EBITA margin of circa 6.7% including 50 bps of non-recurring items; and

- Free cash flow conversion above 60%.

On October 27, 2022, following stronger-than-projected activity, Rexel raised for the second time its guidance for the full-year 2022:

- Same day sales growth of circa 12.0%;
- Adjusted EBITA margin of circa 7.2%, including 70 bps of non-recurring items; and
- Free cash flow conversion above 60% (unchanged as compared to initial guidance).

On February 16, 2023, Rexel released its 2022 full year results, above its objectives:

- Same day sales increased by 14.1% in full-year 2022;
- Adjusted EBITA margin stood at 7.3%, including 66 bps of non-recurring items; and
- Free cash flow conversion reached 61.4%.

5.1.3.2 Rexel 2023 forecasts

Leveraging its transformation and enhanced efficiency, Rexel targets for 2023, at comparable scope of consolidation and exchange rates:

- Same day sales growth of between 2% and 6%;

- An adjusted EBITA⁽¹⁾ margin of between 6.3% and 6.7%; and
- Free cash flow conversion⁽²⁾ above 60%.

5.1.3.3 Rexel medium-term objectives

On June 16, 2022, Rexel also unveiled its 2022-2025 medium-term objectives.

2022-2025 four-year targets: Robust medium-term objectives

- Same-day sales growth of c. 4%-7% on a Compound Annual Growth Rate basis;

- Adjusted EBITA margin of between 6.5% and 7% in 2025;
- A well-balanced capital allocation with:
 - Capex to sales of c. 0.9% over the period;
 - A yearly payout to shareholders of at least 40% of recurring net income;

(1) Excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cable prices.

(2) FCF Before interest and tax/EBITDAaL.

- Bolt-on acquisitions adding up to €2 billion in sales over the period;
- Share buyback of around €400m over the period.
- An indebtedness ratio of around 2x.

The above forecasts were prepared on the basis of the accounting principles adopted by the Group to prepare its consolidated financial statements for the financial year ended December 31, 2022. Furthermore, these forecasts, and the underlying assumptions, were also established in application of the provisions of Delegated Regulation (EU) No 2019/980 and the ESMA recommendations relating to

forecasts. They have been determined on the basis of data, assumptions and estimates that are considered reasonable by the Rexel Group's management. These data, assumptions and estimates may change as a result of uncertainties relating to, among other things, the economic, financial, accounting, competitive and regulatory environment, or other factors that are currently unknown to the Rexel Group on the date of recording of this Universal Registration Document. In addition, the occurrence of some of the risks described in Chapter 2 "Risk factors" could have an impact on the Group's ability to achieve these objectives. The Rexel Group can give no assurances and provide no guarantee that the above forecasts will be met.

5.1.4 Dividend policy

The Board of Directors may propose a dividend distribution to the Shareholders' Meeting. Dividends that have not been claimed within five years after their payment date are transferred to the French State.

Rexel's medium-term objective is to generate a solid available cash flow before interest and taxes, thanks to a low capital intensity and a tight management of the working capital requirement, allowing for, *inter alia*, the funding of an attractive

dividend representing at least 40% of the recurring net result.

In respect of the financial year ended on December 31, 2022, the Board of Directors will submit a proposal to the Shareholders' Meeting to be held on April 20, 2023, to distribute an amount of €1.20 per share, deducted from premium, payable in cash in early May 2023, in order to enable Rexel to comply with its commitments as regards the distribution of dividends to the shareholders.

Rexel has distributed the following amounts in respect of the last three financial years:

YEAR	TOTAL AMOUNTS DISTRIBUTED	AMOUNT DISTRIBUTED PER SHARE
2022	€363,429,430	€1.20 ^(*)
2021	€230,061,984	€0.75
2020	€139,577,760	€0.46

(*) Amount subject to the approval of the shareholders upon the Shareholders' Meeting.

5.1.5 Significant changes in the issuer's financial or commercial position

At the presentation date of the consolidated financial statements there have been no subsequent events to December 31, 2022, that would have a significant impact on Rexel's financial situation other than two acquisitions in North America and a divestment of Rexel's activities in Norway, further strengthening the Group's portfolio.

The acquisition of Buckles Smith Electric Company in the USA was signed and closed on January 5,

2023. A recognized industrial automation player and authorized reseller of Rockwell automation solutions, Buckles Smith reinforces Rexel's expertise, footprint and customer relationship capabilities in the San Francisco Bay area. The combination of both companies will allow them to accelerate development in a high growth and technology-oriented area. Buckles Smith operates 6 branches and generated 2022 sales of circa USD 150 million.

The acquisition of Lineman's Testing Laboratories in Canada was signed and closed on January 17, 2023. This company expands Rexel Canada's footprint in the attractive utility market with a set of services, products and solutions that will be a valuable complement to Rexel's portfolio. Lineman's Testing Laboratories operates 2 branches and generated sales of circa CAD 25 million in 2022.

Rexel also announced the signing of the divestment of its operations in Norway to Kesko on January 27, 2023. Rexel's activities in Norway, generating sales of approximately €250 million in 2022, were less profitable than Group average and presented less strategic and value creation potential for the future. The completion of the transaction is subject to the approval of Norway's competition authority.

5.1.6 Information on payments terms granted to suppliers and customers of Rexel S.A.

■ Invoices received or issued, unpaid or overdue as of December 31, 2022 (article D.441-4 I of the French Commercial Code)

	ARTICLE D.441-4 I. 1°: INVOICES RECEIVED, UNPAID AS OF DECEMBER 31, 2022	ARTICLE D.441-4 I. 2°: INVOICES ISSUED, UNPAID AS OF DECEMBER 31, 2022
(A) Overdue invoices		
Number of invoices concerned	1	1
Total amount of invoices concerned (including taxes) (in thousands of euros)	1	31
Percentage of total purchases for the year (excluding taxes)	—%	
Percentage of sales for the year (excluding taxes)		1.9%
(B) Invoices excluded from (A) relating to payables and receivables in dispute or not recognized		
Number of excluded invoices	2	
Total amount of excluded invoices (including taxes) (in thousands of euros)	7	
(C) Benchmark payment terms used (contractual or statutory terms – article L.441-6 or article L.443-1 of the French Commercial Code)		
Payment terms used to calculate overdue payments	Contractual terms: 30 days average Statutory terms: NA	Contractual terms: 30 days Statutory terms: NA

5.1.7 Company results over the last five years (as required by article R.225-102 of the French commercial decree)

(in euros)	JANUARY 1 TO DECEMBER 31				
	2018	2019	2020	2021	2022
SHARE CAPITAL AT YEAR END					
a) Share capital	1,519,944,495	1,520,510,065	1,522,125,530	1,528,582,455	1,517,066,325
b) Number of issued shares	303,988,899	304,102,013	304,425,106	305,716,491	303,413,265
c) Number of convertible bonds	—	—	—	—	—
INCOME STATEMENT INFORMATION					
a) Sales, excluding sales taxes	2,234,707	1,256,921	1,437,674	4,027,503	1,668,824
b) Net income before taxes, depreciation and provisions	(27,864,731)	(74,281,399)	(44,758,027)	(84,032,760)	10,532,400
c) Income taxes	(54,447,774)	(58,111,590)	(46,428,531)	(22,918,786)	(11,238,176)
d) Net income	26,018,952	(14,542,954)	(6,783,866)	(53,245,790)	22,789,276
e) Amount distributed	132,965,266	—	139,577,760	230,061,984	363,429,430 ⁽¹⁾
EARNINGS PER SHARE					
a) Earnings per share after taxes but before depreciation and provisions	0.09	(0.05)	0.01	(0.02)	0.14
b) Earnings per share after taxes, depreciation and provisions	0.09	(0.05)	(0.02)	(0.17)	0.08
c) Amount paid per share	0.44	—	0.46	0.75	1.20 ⁽¹⁾
EMPLOYEE					
a) Number of employees	—	—	—	—	—
b) Total remuneration	—	—	—	—	—
c) Total social charges and other employee related expenses	—	—	—	—	—

(1) Proposed distribution to be voted at the Annual General Meeting April 20, 2023.

5.2

Consolidated financial statements



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Pursuant to Article 19 of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, the following information is incorporated by reference in this Registration Document:

- the consolidated financial statements and the audit report for the financial year ended December 31, 2021, set out on pages 288 to 350 of the French version of the Universal Registration Document for the financial year ended December 31, 2021, filed with the AMF on March 10, 2022, under number D.22-0083; and
- the consolidated financial statements and the audit report for the financial year ended December 31, 2020, set out on pages 266 to 337 of the French version of the Universal Registration Document for the financial year ended December 31, 2020, filed with the AMF on March 11, 2021, under number D.21-0111.

5.2 Consolidated financial statements

5.2.1 Consolidated financial statement as of December 31, 2022

Consolidated Statement of Profit or Loss

(in millions of euros)	Note	FOR THE YEAR ENDED DECEMBER 31,	
		2022	2021
Sales	5	18,701.6	14,690.2
Cost of goods sold		(13,833.0)	(10,818.6)
Gross profit	6	4,868.6	3,871.6
Distribution and administrative expenses	7	(3,537.7)	(2,915.2)
Operating income before other income and expenses		1,330.9	956.4
Other income	8	54.1	12.4
Other expenses	8	(42.0)	(57.0)
Operating income		1,343.0	911.8
Financial income		5.2	3.3
Interest expense on borrowings		(51.2)	(52.4)
Non-recurring redemption gain (loss)		—	(22.6)
Other financial expenses		(73.4)	(61.4)
Net financial expenses	9	(119.4)	(133.1)
Share of profit / (loss) of associates		(0.1)	(0.3)
Net income before income tax		1,223.5	778.4
Income tax	10	(301.2)	(180.8)
Net income		922.3	597.6
Portion attributable:			
to the equity holders of the parent		922.3	597.2
to non-controlling interests		—	0.5
Earnings per share:			
Basic earnings per share (in euros)	11	3.04	1.97
Fully diluted earnings per share (in euros)	11	3.04	1.96

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

(in millions of euros)	Note	FOR THE YEAR ENDED DECEMBER 31,	
		2022	2021
Net income		922.3	597.6
Items to be reclassified to profit or loss in subsequent periods			
Net gain / (loss) on net investment hedges		(22.4)	(26.8)
Income tax	10.3	5.8	7.6
Net gain / (loss) on net investment hedges, net of tax		(16.7)	(19.2)
Foreign currency translation adjustment		60.1	188.2
Income tax	10.3	(3.1)	(4.1)
Foreign currency translation adjustment, net of tax		57.0	184.1
Net gain / (loss) on cash flow hedges		23.5	12.0
Income tax	10.3	(6.1)	(3.4)
Net gain / (loss) on cash flow hedges, net of tax		17.4	8.6
Items not to be reclassified to profit or loss in subsequent periods			
Net gain/ (loss) on remeasurements of net defined benefit liability	18.3	24.8	122.6
Income tax	10.3	(10.0)	(11.1)
Net gain/ (loss) on remeasurements of net defined benefit liability, net of tax		14.8	111.5
Other comprehensive income / (loss) for the period, net of tax		72.5	285.0
Total comprehensive income / (loss) for the period, net of tax		994.8	882.7
Portion attributable:			
to the equity holders of the parent		994.8	882.4
to non-controlling interests		—	0.3

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Balance Sheet

(in millions of euros)

ASSETS	Note	AS OF DECEMBER 31,	
		2022	2021
Goodwill	12.1	3,454.5	3,401.7
Intangible assets	12.1	1,167.4	1,159.0
Property, plant and equipment	12.3	306.8	271.9
Right-of-use assets	12.4	1,123.1	1,047.1
Long-term investments	12.5	66.5	56.6
Deferred tax assets	10.3	63.5	63.9
Total non-current assets		6,181.8	6,000.2
Inventories	13.1	2,275.4	2,057.2
Trade accounts receivable	13.2	2,617.0	2,353.2
Current tax assets		9.9	10.5
Other accounts receivable	13.3	743.3	559.2
Assets held for sale	14	186.8	—
Cash and cash equivalents	19.1	895.4	573.5
Total current assets		6,727.9	5,553.5
Total assets		12,909.7	11,553.7

(in millions of euros)

EQUITY AND LIABILITIES	Note	AS OF DECEMBER 31,	
		2022	2021
Share capital	15	1,517.1	1,528.6
Share premium	15	1,015.8	1,289.8
Reserves and retained earnings		2,748.9	1,741.9
Total equity attributable to equity holders of the parent		5,281.8	4,560.4
Non-controlling interests		0.1	0.5
Total equity		5,281.8	4,560.8
Interest bearing debt (non-current part)	19.1	1,768.6	1,290.5
Lease liabilities (non-current part)	12.4	1,039.5	975.1
Net employee defined benefit liabilities	18.2	164.1	208.9
Deferred tax liabilities	10.3	232.4	229.9
Provisions and other non-current liabilities	17	79.4	35.0
Total non-current liabilities		3,284.0	2,739.5
Interest bearing debt (current part)	19.1	540.0	832.4
Accrued interest	19.1	2.4	5.1
Lease liabilities (current part)	12.4	203.6	193.7
Trade accounts payable		2,371.8	2,170.0
Income tax payable		50.1	44.6
Other current liabilities	20	1,088.3	1,007.5
Liabilities directly associated with the assets held for sale	14	87.6	—
Total current liabilities		4,343.9	4,253.4
Total liabilities		7,627.8	6,992.9
Total equity and liabilities		12,909.7	11,553.7

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

(in millions of euros)

		FOR THE YEAR ENDED DECEMBER 31,	
	Note	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income		1,343.0	911.8
Depreciation, amortization and impairment of assets and assets write off	7 - 8	353.4	315.6
Employee benefits		(25.6)	(11.3)
Change in other provisions		2.9	(6.5)
Other non-cash operating items		(24.5)	12.5
Financial interest paid on borrowings		(59.9)	(56.1)
Interest on lease liabilities	12.4	(46.5)	(40.4)
Income tax paid		(310.8)	(199.0)
Operating cash flows before change in working capital requirements		1,231.9	926.7
Change in inventories		(228.4)	(349.3)
Change in trade receivables		(332.4)	(158.7)
Change in trade payables		214.1	183.9
Change in other working capital items		(45.2)	115.1
Change in working capital requirements		(391.8)	(209.0)
Net cash from operating activities		840.1	717.7
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of tangible and intangible assets		(131.4)	(109.3)
Proceeds from disposal of tangible and intangible assets		5.9	6.1
Acquisitions of businesses or affiliates, net of cash acquired	4.1	(150.0)	(426.3)
Proceeds from disposal of businesses or affiliates, net of cash disposed of	4.1	97.4	(9.6)
Change in long-term investments		(4.0)	(3.1)
Net cash from investing activities		(182.1)	(542.3)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Purchase) / Disposal of treasury shares	15.2	(66.3)	3.8
Issuance of senior notes net of transaction costs	19.2	—	989.9
Early repayment of senior notes	19.2	—	(1,119.6)
Net change in credit facilities, commercial papers, other financial borrowings	19.2	(54.1)	108.0
Net change in securitization	19.2	275.9	46.7
Repayment of lease liabilities	12.4	(212.1)	(188.9)
Dividends paid	16	(230.1)	(139.6)
Net cash from financing activities		(286.6)	(299.7)
Net (decrease) / increase in cash and cash equivalents		371.4	(124.3)
Cash and cash equivalents at the beginning of the period	19.1	573.5	685.4
Effect of exchange rate changes on cash and cash equivalents		(48.0)	12.4
Cash and cash equivalents reclassified to assets held for sale		(1.6)	—
Cash and cash equivalents at the end of the period	19.1	895.4	573.5

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

<i>(in millions of euros)</i>										
FOR THE YEAR ENDED DECEMBER 31, 2021	NOTE	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	FOREIGN CURRENCY TRANSLATION	CASH FLOW HEDGE RESERVE	REMEASUREMENT OF NET DEFINED BENEFIT LIABILITY	TOTAL ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT	NON- CONTROLLING INTERESTS	TOTAL EQUITY
Balance at January 1, 2021		1,522.1	1,450.5	1,148.7	(79.7)	(9.1)	(237.5)	3,795.2	(0.4)	3,794.8
Net income		—	—	597.2	—	—	—	597.2	0.5	597.6
Other comprehensive income		—	—	—	165.1	8.6	111.5	285.2	(0.2)	285.0
Total comprehensive income for the period		—	—	597.2	165.1	8.6	111.5	882.4	0.3	882.7
Cash dividends	16	—	(139.6)	—	—	—	—	(139.6)	—	(139.6)
Share premium transfer to retained earnings		—	(21.3)	21.3	—	—	—	—	—	—
Allocation of free shares and free shares cancelled		6.5	0.2	(6.6)	—	—	—	—	—	—
Share-based payments	7	—	—	18.4	—	—	—	18.4	—	18.4
Disposal of subsidiaries		—	—	—	(0.2)	—	—	(0.2)	0.6	0.3
(Purchase) / Disposal of treasury shares		—	—	4.1	—	—	—	4.1	—	4.1
Balance at December 31, 2021		1,528.6	1,289.8	1,783.3	85.2	(0.4)	(126.1)	4,560.4	0.5	4,560.8

FOR THE YEAR ENDED DECEMBER 31, 2022	NOTE	SHARE CAPITAL	SHARE PREMIUM	RETAINED EARNINGS	FOREIGN CURRENCY TRANSLATION	CASH FLOW HEDGE RESERVE	REMEASUREMENT OF NET DEFINED BENEFIT LIABILITY	TOTAL ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT	NON- CONTROLLING INTERESTS	TOTAL EQUITY
Balance at January 1, 2022		1,528.6	1,289.8	1,783.3	85.2	(0.4)	(126.1)	4,560.4	0.5	4,560.8
Net income		—	—	922.3	—	—	—	922.3	—	922.3
Other comprehensive income		—	—	—	40.3	17.4	14.8	72.5	—	72.5
Total comprehensive income for the period		—	—	922.3	40.3	17.4	14.8	994.8	—	994.8
Cash dividends	16	—	(230.1)	—	—	—	—	(230.1)	—	(230.1)
Cancellation of Rexel shares	15	(17.4)	(38.8)	—	—	—	—	(56.2)	—	(56.2)
Allocation of free shares, net of forfeitures		5.9	(5.1)	(0.8)	—	—	—	—	—	—
Share-based payments	7	—	—	20.0	—	—	—	20.0	—	20.0
Disposal of subsidiaries		—	—	—	0.9	—	—	0.9	—	0.9
(Purchase) / Disposal of treasury shares		—	—	(8.4)	—	—	—	(8.4)	—	(8.4)
Other changes ⁽¹⁾		—	—	0.4	—	—	—	0.4	(0.4)	—
Balance at December 31, 2022		1,517.1	1,015.8	2,716.8	126.4	17.0	(111.3)	5,281.8	0.1	5,281.8

(1) "Other changes" include changes in Group structure and transactions with non-controlling interests.

The accompanying notes are an integral part of these consolidated financial statements.

Accompanying Notes

1. General information

Rexel was incorporated on December 16, 2004. Shares of Rexel were admitted to trading on the Eurolist market of Euronext Paris on April 4, 2007. The group consists of Rexel SA and its subsidiaries (hereafter referred to as “the Group” or “Rexel”).

The Group, headquartered in Paris, France, is mainly involved in the business of the distribution of low and ultra-low voltage electrical products to professional customers. It serves the needs of a large variety of customers and markets in the fields of construction, industry, and services. The product offering covers electrical installation equipment,

conduits and cables, lighting, security and communication, climate control, tools, renewable energies and energy management, and white and brown goods. The principal markets in which the Group operates are in Europe, North America (the United States and Canada) and Asia-Pacific (mainly in China, Australia and New Zealand).

These consolidated financial statements cover the period from January 1 to December 31, 2022 and were authorized for issue by the Board of Directors on February 15, 2023.

2. Significant events of the reporting period

In 2022, Rexel completed the following transactions as part of the management of its portfolio of operations:

- Two acquisitions to reinforce its local footprint in the US (Horizon Solutions) and Belgium (Trilec); and

- Three divestments relating to the operations in Spain, Portugal and Russia.

See notes 4.1 and 4.2 for detailed information on acquisitions and divestments.

3. Basis of preparation

3.1 Basis of preparation of the financial statements

The consolidated financial statements (hereafter referred to as “the financial statements”) such as reported for the year ended December 31, 2022 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, as well as the standards of the International Accounting Standards Board (IASB) which are in force at December 31, 2022.

IFRS as adopted by the European Union can be consulted on the European Commission’s website (www.efrag.org).

The financial statements are presented in euros and all values are rounded to the nearest tenth of a million, unless otherwise stated.

3.2 Basis of Consolidation

The consolidated financial statements include the financial statements for Rexel S.A., parent company of the Group, its direct and indirect subsidiaries.

3.2.1 Foreign currency translation

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

The functional currency of Rexel and the presentation currency of the Group’s financial statements are the euro.

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency at the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into the functional currency at the foreign exchange rate prevailing at that date.

Exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at the closing date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Non-monetary assets and liabilities that are measured at cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation are translated into euro at foreign exchange rates prevailing at the balance

sheet date. The revenues and expenses of foreign operations are translated into euro at rates approximating the foreign exchange rates ruling at the dates of the transactions. All resulting translation differences are recognized as a separate component of equity (foreign currency translation reserve).

Net investment in foreign operations

Exchange differences arising from the translation of the net investment in foreign operations are taken to the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognized in the income statement as part of the gain or loss on disposal.

3.2.2 Use of judgements and estimates

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed frequently, and thus the effect of changes in accounting estimates is accounted for from the date of the revision.

Main estimates and judgments made by the Group which have significant effect on the financial statements are described in the following notes:

- Business combinations (notes 4.1 and 12.1);
- Impairment of goodwill and intangible assets (note 12.2);
- Measurement of share-based payments (note 7);
- Employee benefits (note 18);
- Provisions and contingent liabilities (notes 17 and 23);

- Supplier rebates (notes 6 and 13.3);
- Lease contracts (note 12.4);
- Recognition of deferred tax assets (note 10.3);
- Climate change risk.

Climate change risks result both from more frequent extreme climatic event exposures and energy transitioning. The Group believes that financial impacts due to direct damages from extreme climatic events to its facilities remain limited due to its decentralized organization and its widespread geographic footprint.

Energy transitioning requires the adoption of low-carbon economic model. Rexel, as a distributor of electrical equipment and a player of energy efficiency, should benefit from steady increasing electrical usages fostered by regulatory changes, public investment plans and high level of energy pricing.

4. Changes in Group structure

A business combination is a transaction or other event in which the Group obtains control of one or more businesses. A business is defined as an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends and interests) or generating other income from ordinary activities. Business combinations are accounted for using the acquisition method:

- Identifiable assets acquired and liabilities assumed are measured at their acquisition-date fair value;
- The Group measures the non-controlling interests either at fair value, or at the proportionate share of the acquiree's identifiable net assets. This option is available for all business combinations based on a case-by-case analysis of each transaction.

Goodwill is determined at the acquisition date as the difference between:

- The fair value of the consideration transferred, including any contingent consideration (earn-out), plus the amount of any non-controlling interests; and
- The net of the acquisition-date fair value amounts of the identifiable assets acquired and the liabilities assumed.

The subsidiaries are fully consolidated from the date on which control is obtained.

Costs attributable to the acquisition are expensed within "other expenses" in the period in which they are incurred.

Any contingent considerations (earn out) is recognized at acquisition-date fair value and remeasured within "other income or expenses" in the income statement at each reporting date.

Initial estimates of consideration transferred, fair values of assets acquired and liabilities assumed are finalized within twelve months after the date of acquisition and any adjustments are accounted for as retroactive adjustments to goodwill. Beyond this twelve-month period, any adjustment is directly recognized in the income statement.

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4.1 Acquisitions

4.1.1 Entities acquired in 2022

Horizon Solutions LLC (USA)

On August 1, 2022, the Group acquired Horizon Solutions LLC ("Horizon Solutions"), an industrial automation distributor specialist with 10 branches in the east of the USA.

As of December 31, 2022, the purchase price allocation was recognized on a provisional basis: fair value measurement of inventories and trade receivable is in progress and should be finalized in the first half of 2023.

As part of the purchase price allocation, the Group recognized:

- customer relationships and customer contracts of €6.8 million with a useful life of 9 years;

- distribution networks of €13.7 million with indefinite useful life;
- distribution agreement of €30.3 million with a useful life of 10 years;
- residual preliminary goodwill of €30.7 million.

Trilec (Belgium)

On July 4, 2022, Rexel Belgium closed the acquisition of Trilec, a Belgian family-owned electrical distributor operating mostly in Flanders.

As part of the purchase price allocation, the Group recognized a goodwill of €15.6 million.

The table below shows the purchase price allocation to identifiable assets acquired and liabilities assumed for the entities acquired in 2022:

<i>(in millions of euros)</i>	HORIZON SOLUTIONS	TRILEC	OTHER	TOTAL
Net assets acquired and consideration transferred				
Customer relationships and distribution agreement	37.1	—	0.3	37.4
Distribution networks	13.7	—	—	13.7
Right-of-use assets	10.7	9.9	3.3	23.8
Other fixed assets	1.1	0.8	0.2	2.1
Other non current assets	0.3	—	—	0.3
Current assets	52.7	24.5	7.4	84.7
Net financial debt	1.4	11.4	(0.5)	12.3
Other non current liabilities	—	—	0.5	0.5
Lease liabilities	(10.7)	(9.9)	(3.3)	(23.8)
Current liabilities	(20.7)	(7.9)	(2.2)	(30.8)
Net asset acquired (except goodwill acquired)	85.6	28.9	5.7	120.2
Goodwill acquired	30.7	15.6	3.7	50.0
Consideration transferred	116.2	44.6	9.5	170.3
Cash acquired	(1.4)	(11.4)	—	(12.8)
2021 payments for acquisition of a group of net assets consolidated in 2022	—	—	(8.4)	(8.4)
Other deferred payments	—	—	0.9	0.9
Net cash paid for acquisitions	114.9	33.1	2.0	150.0

Acquired entities contributed for €119.1 million to the sales and €7.0 million to the EBITA from their acquisition date until the reporting date as of

December 31, 2022. On an annual basis, sales of acquired entities represented circa €266 million.

4.1.2 Entities acquired in 2021

Mayer – final purchase price allocation

On November 8, 2021, the Group acquired Mayer Electrical Supply Company, Inc. (hereafter referred

to as “Mayer”), an important distributor of electrical products and services operating 68 branches located in 12 states in the Eastern part of the USA. Mayer posted 2021 sales of €1.1 billion.

In 2022, Rexel finalized the purchase price allocation of Mayer as follows:

<i>(in millions of euros)</i>	AS OF DECEMBER 31, 2021	ADJUSTMENTS OF THE PERIOD	AS OF DECEMBER 31, 2022
Net assets acquired and consideration transferred			
Customer relationships and customer contracts	55.6	—	55.6
Distribution networks	70.0	—	70.0
Right-of-use assets	91.6	—	91.6
Other intangible or fixed assets	16.8	—	16.8
Other non-current assets	3.4	(0.5)	2.9
Current assets (1)	330.0	(2.7)	327.4
Net financial debt	2.2	0.4	2.6
Other non-current liabilities	(33.6)	—	(33.6)
Lease liabilities	(91.6)	—	(91.6)
Current liabilities	(146.9)	0.1	(146.8)
Net asset acquired (except goodwill acquired)	297.5	(2.6)	294.9
Goodwill acquired	66.1	2.6	68.7
Consideration transferred	363.6	—	363.6

(1) Current assets remeasurement included mainly inventory obsolescence reserve of €6.7 million and an adjustment of prior year supplier rebates of €4.7 million.

Other acquisitions

In 2021, the Group acquired:

- a Canadian utility distribution business;
- an electrical vehicle charging station operator in France (Freshmile Services);
- an electrical distributor specialized in industrial automation in the North-East of the US (Winkle Electric);

- minority interest (25%) in a french company specialized in software development solutions for commercial buildings (Trace Software International).

The overall consideration paid for these acquisitions was €62.7 million.

4.2 Divestments

In 2022, two sales transactions were closed down by the Group.

Spain and Portugal

Effective on November 8, 2022, Rexel sold to Sonepar its operations in Spain and Portugal in a single transaction for an overall consideration of €58.4 million. As part of the transaction, Rexel also received €48.7 million in relation with the repayment by the acquirer of intercompany financial loans due by Rexel Spain and Portugal to the Group. The Group recognized a disposal gain of €45.6 million, net of transaction costs (see note 8). In 2021, the combined entities generated revenues of €173 million.

Russia

Rexel had limited exposure to Russia (€12.3 million of sales in 2021). Moreover, following the invasion of Ukraine and international sanctions taken against Russia, Rexel took the decision to fully dispose of this activity through a Management Buy Out that was effective on March 23, 2022. A €2.9 million disposal loss was recognized (see note 8).

In 2021, the Group divested from:

- an electrical equipment distributor to DIY customers in France and
- its activities in the Kingdom of Saudi Arabia.

Disposal gains were recognized for €2.8 million (see note 8).

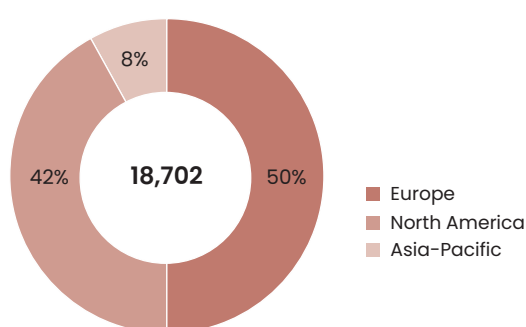
5. Segment reporting

Segment information is presented by geographic segment (Europe, North America and Asia-Pacific) consistently with the Group's management reporting structure.

The Group's financial reporting is reviewed monthly by the Chief Executive Officer and the Chief Financial Officer acting together as Chief operating decision maker within the meaning of IFRS 8 "Operating Segments".

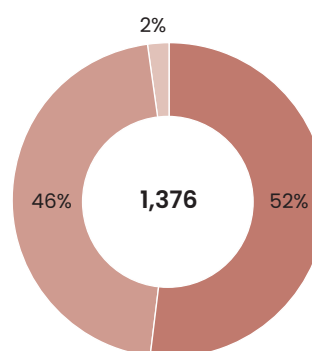
2022 SALES (in millions of euros)

by operating segment



2022 EBITA (in millions of euros)

by operating segment



(in millions of euros)	2022				
	EUROPE	NORTH AMERICA	ASIA-PACIFIC	TOTAL OPERATING SEGMENTS	CORPORATE OVERHEAD AND OTHER RECONCILING ITEMS
FOR THE YEAR ENDED DECEMBER 31,					
Warehouse sales	8,994.9	5,330.9	1,356.3	15,682.1	—
Direct sales	681.2	2,611.9	44.8	3,337.8	—
Rebates, discount and services	(268.0)	(49.3)	(1.0)	(318.3)	—
Sales to external customers	9,408.1	7,893.5	1,400.1	18,701.6	—
EBITA ⁽¹⁾	719.5	630.4	26.4	1,376.3	(31.5)
AS OF DECEMBER 31,					
Working capital	794.8	1,166.7	162.0	2,123.5	38.7
Goodwill	1,908.3	1,446.0	100.1	3,454.5	—

(1) EBITA is defined as operating income before amortization of intangible assets recognized upon purchase price allocation and before other income and other expenses.

	2021				
	EUROPE	NORTH AMERICA	ASIA-PACIFIC	TOTAL OPERATING SEGMENTS	CORPORATE OVERHEAD AND OTHER RECONCILING ITEMS
(in millions of euros)					TOTAL GROUP
FOR THE YEAR ENDED DECEMBER 31,					
Warehouse sales	7,894.1	3,530.6	1,219.3	12,644.1	—
Direct sales	622.3	1,629.4	75.7	2,327.4	—
Rebates, discount and services	(242.7)	(37.4)	(1.2)	(281.3)	—
Sales to external customers	8,273.8	5,122.6	1,293.8	14,690.2	—
EBITA ⁽¹⁾	621.8	357.3	30.8	1,010.0	(46.2)
AS OF DECEMBER 31,					
Working capital	748.8	894.8	145.0	1,788.6	(2.7)
Goodwill	2,030.3	1,295.1	76.3	3,401.7	—

(1) EBITA is defined as operating income before amortization of intangible assets recognized upon purchase price allocation and before other income and other expenses.

The reconciliation of EBITA with the Group's consolidated net income before tax breakdown as follows:

	FOR THE YEAR ENDED DECEMBER 31,	
	2022	2021
(in millions of euros)		
EBITA	1,344.8	963.7
Amortization of intangible assets recognized upon allocation of the acquisition price of acquired entities	(13.9)	(7.3)
Other income and other expenses	12.1	(44.6)
Net financial expenses	(119.4)	(133.1)
Net income before tax	1,223.5	778.4

The reconciliation of the total allocated assets and liabilities with the Group's consolidated total assets is presented in the following table:

	AS OF DECEMBER 31,	
	2022	2021
(in millions of euros)		
Working capital	2,162.2	1,785.9
Goodwill	3,454.5	3,401.7
Total allocated assets & liabilities	5,616.7	5,187.7
Liabilities included in allocated working capital	3,459.3	3,174.7
Other non-current assets	2,663.8	2,534.6
Deferred tax assets	63.5	63.9
Current tax assets	9.9	10.5
Other current assets	4.6	3.3
Assets classified as held for sale	186.8	—
Derivatives	9.6	5.5
Cash and cash equivalents	895.4	573.5
Group total assets	12,909.7	11,553.7

6. Gross profit

Sales

Rexel's performance obligations consist mainly of delivery of electrical products and associated transportation services to ship the products to the customer's site. Due to the nature of its business, contracts with customers are generally entered into for a period of less than one year.

Sales are recognized at the point in time when the control of the goods is transferred to the customer generally on delivery or shipment of the products.

Rexel's performance obligations are fulfilled through warehouse sales or direct sales:

- Warehouse sales consist in goods delivered directly from Rexel's inventory locations to customers.
- Direct sales are arrangements with customers whereby the Group engages a third-party supplier to ship the products directly to the customer, based on Rexel's purchase order with the customer, without any physical transfer to and from the Group's warehouse. For the vast majority of its direct sales transactions, the Group acts as a principal as:
 - it is ultimately responsible for fulfillment of the customer's order and has discretion in establishing pricing;
 - it obtains controls of the goods at the point in time they are shipped by the third-party supplier but does not transfer control of the products to the customer until they are delivered to the customer's site;
 - also, it has inventory risk relating to the specified goods as it bears the risk of loss during the transit and the risk of return from the customer subsequent to the delivery.

In very limited instances where these conditions are not fulfilled, the Group is deemed to act as an agent and recognizes commission income for the excess of the amount invoiced to the customer and the amount charged by the supplier.

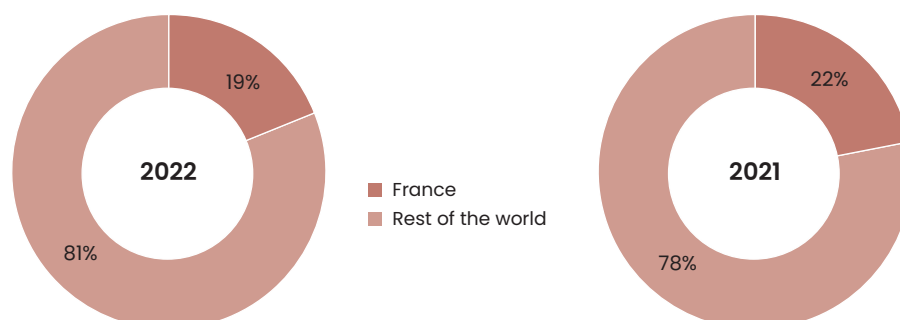
Volume rebates are retrospectively provided to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Group applies the most likely amount method for contracts and recognizes a refund liability for the expected future rebates.

Certain arrangements provide customers with a right to return the goods within a specified period. For goods that are expected to be returned, instead of sales, the Group recognizes a refund liability. To estimate the variable consideration for the expected goods returned, the Group applies the most likely amount method. A right of return asset (and corresponding adjustment to cost of sales) is also recognized for the right to recover products from a customer.

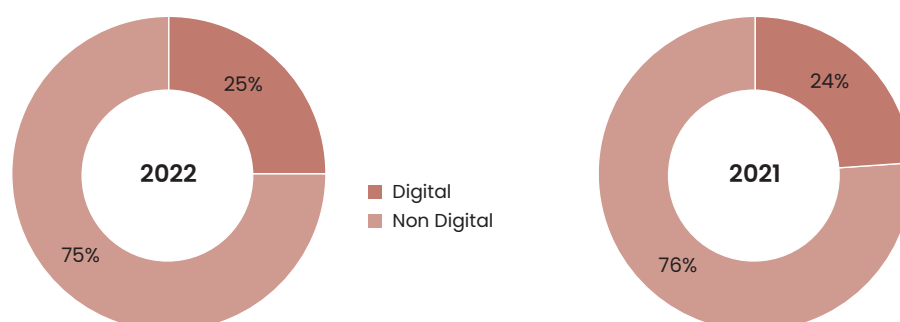
Cost of goods sold

Cost of goods sold corresponds to the cost of purchases net of supplier rebates and commercial income, changes in inventory (including impairments), discounting revenue, exchange gains and losses on goods purchases, logistics costs and other costs.

In line with industry practice, Rexel enters into annual agreements with a number of suppliers whereby volume-based rebates, marketing support and other discounts are received in connection with the purchase of goods for resale from these suppliers. Part of volume-based rebates are determined by reference to guaranteed rates of rebate (unconditional rebates). These are calculated through a mechanical process with minimal judgement. Another part of volume-based rebates is subject to stepped targets, the rebate percentage increasing as volumes purchased reach agreed targets within a set period of time (conditional rebates). The Group also receives rebates determined by qualitative targets. The majority of suppliers' rebate agreements apply to annual purchases eligible to rebates. Determination of the rebate amount is based on the most likely amount method which relies on estimate of purchases subject to rebates by category of products. They are accrued within other accounts receivable and recognized as a deduction of cost of goods or as a deduction of inventory for the goods in stock at the balance sheet date. Marketing support is recognized in the cost of goods sold once all relevant performance criteria have been met.

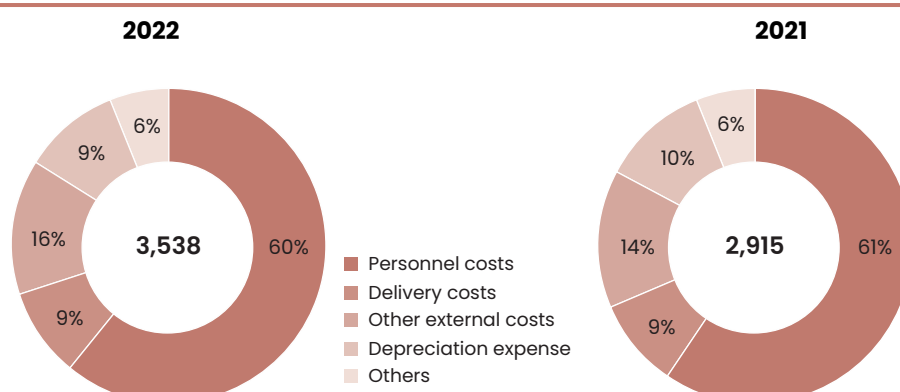
Domestic Sales

Domestic sales represented 19% of Group sales in 2022 (22% in 2021).

Digital Sales*

* Web and EDI (Electronic Data Interchange) solutions sales.

Digital sales represented 25% of Group sales in 2022 (24% in 2021)

7. Distribution & administrative expenses

(in millions of euros)	FOR THE YEAR ENDED DECEMBER 31,	
	2022	2021
Personnel costs ⁽¹⁾	(2,117.0)	(1,771.2)
Delivery costs	(313.7)	(269.3)
Other external costs ⁽²⁾	(559.9)	(413.5)
Depreciation expense ⁽³⁾	(335.9)	(300.7)
Building and occupancy costs	(140.2)	(114.2)
Amortization of intangible assets recognized upon the allocation of the acquisition price of acquired entities	(13.9)	(7.3)
Bad debt expense ⁽⁴⁾	(57.0)	(39.0)
Total distribution and administrative expenses	(3,537.7)	(2,915.2)

(1) Increase in personnel costs in 2022 as compared to 2021 mainly reflecting the effect of the recent acquisitions (Mayer and Horizon Solutions) as well as exchange rates variation (appreciation of the US dollar vs Euro).

(2) Including IT Maintenance costs of €122.0 million and professional fees of €85.8 million in 2022 (respectively €100.6 million and €64.8 million in 2021).

(3) Including depreciation expense of right-of-use assets of €220.5 million in 2022 (€192.0 million in 2021) (see note 12.4).

(4) Including (i) a provision for expected credit losses and losses on receivables written-off of €52.6 million in 2022 (€26.6 million in 2021) and (ii) customer credit insurance premiums net of recoveries.

Personnel costs

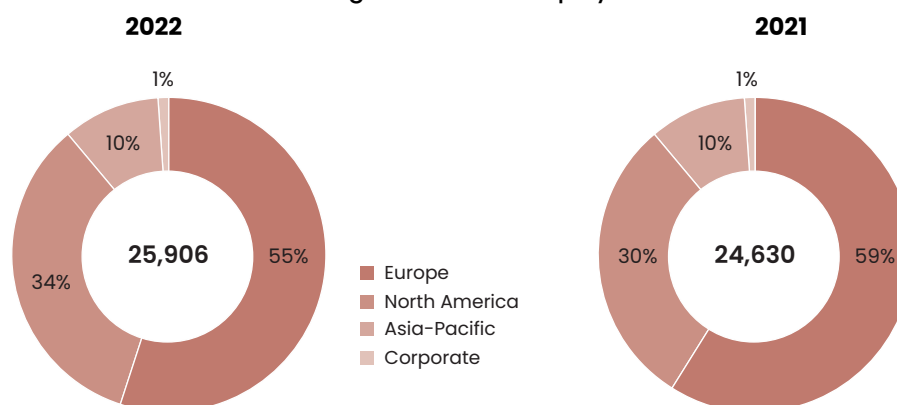
Personnel costs include short-term benefits and long-term benefits.

- Short-term benefits (wages, salaries, social security contributions, compensated absences, profit-sharing and bonuses) are expected to be settled before twelve months after the end of the reporting period. They are recognized within current liabilities and expensed when the service is provided by the employees;
- Post-employment and long-term benefits are described in note 18;
- Other employee expenses mainly include temporary work and external personnel.

(in millions of euros)	FOR THE YEAR ENDED DECEMBER 31,	
	2022	2021
Salaries and social security charges	(2,033.6)	(1,693.5)
Share-based payments	(20.7)	(18.6)
Pension and other post-retirement benefits-defined benefit plans	(10.3)	(16.4)
Other employee expenses ⁽¹⁾	(52.4)	(42.7)
Total personnel costs	(2,117.0)	(1,771.2)

(1) Mainly interim & external personnel.

Average number of employees



Group average number of employees breakdown as follows:

	FOR THE YEAR ENDED DECEMBER 31,	
	2022	2021
Europe	14,344	14,602
North America ⁽¹⁾	8,910	7,410
Asia-Pacific	2,450	2,427
Total operating segments	25,704	24,439
Corporate	202	191
Group average number of employees	25,906	24,630

(1) Mainly reflecting the effect of Mayer and Horizon Solutions' acquisitions.

Share-based payments

Rexel has bonus share programs in place allowing employees to receive shares of the Group parent company.

These bonus shares may be restricted shares (subject to a 3-year service condition without any performance condition) or performance shares (subject to performance conditions in addition to service condition). Performance conditions are based on the (i) average growth of EBITA value, (ii) average organic sales growth, (iii) average ratio free cash flow before interest and tax to EBITDAaL (Earnings Before Interests, Tax, Depreciation, Amortization and after Leases) (iv) ESG targets and (v) Rexel share market performance compared to peers.

These programs are qualified as equity-settled plans. The fair value of bonus shares granted to employees is recognized as a personnel expense in the income statement with a corresponding increase in equity over the vesting period of the bonus shares. Fair value is measured at grant date based on the share price after deducting (i) the effect of restrictions attached to the dividend rights until the delivery date of the shares and (ii) the discount in relation with the market conditions attached to the bonus shares.

The terms and conditions of the shareholder-approved employee free share plans operated by the Group as of December 31, 2022 were as follows:

Plan	2019	2020	2021	2022
Grant date	05/23/2019	09/28/2020	04/22/2021	10/20/2021
Delivery date	05/24/2022	09/29/2023	04/23/2024	10/21/2024
Fair value per share (in euros)	8.74	8.48	15.36	15.98
Adjusted number of shares granted⁽¹⁾	2,207,425	1,608,555	1,928,625	53,450
Number of shares cancelled since the origin	(362,825)	(142,711)	(129,285)	(900)
Number of shares delivered since the origin	(1,844,600)	—	—	—
Total maximum number of shares granted at December 31, 2022	—	1,465,844	1,799,340	52,550

(1) Number of shares have been adjusted to restore the initial value attributed to the beneficiaries following share premium distributions.

Expenses related to share-based payment are summarized as follows:

(in millions of euros)	FOR THE YEAR ENDED DECEMBER 31,	
	2022	2021
Plans issued in 2017	—	(0.4)
Plans issued in 2018	—	(1.1)
Plans issued in 2019	(1.8)	(7.2)
Plans issued in 2020	(3.7)	(4.1)
Plans issued in 2021	(8.1)	(5.7)
Plans issued in 2022	(6.4)	—
Expense related to employee share purchase plan and other	(0.6)	(0.2)
Total share-based payment expenses	(20.7)	(18.6)

8. Other income & other expenses

Other operating income and expenses include:

- irrespective of their amount: gains and losses on asset disposals, asset impairment and write-offs, expenses arising from the restructuring or integration of acquired companies, separation costs, acquisition related costs from business combinations, gains or losses on earn out or settlement gain or loss on defined benefit;
- significant items such as disputes.

These items are presented separately in the income statement in order to allow the Chief Executive Officer and the Chief Financial Officer – acting together as Chief operating decision maker within the meaning of IFRS 8 “Operating Segments” – to assess the trading performance of the business segments.

(in millions of euros)	FOR THE YEAR ENDED DECEMBER 31,	
	2022	2021
Gain on disposal of investments in consolidated companies ⁽¹⁾	45.6	2.9
Gains on disposal of fixed assets	1.9	3.8
Release of unused provisions	0.7	3.2
Gain on lease terminations	3.8	1.7
Gains on earn-out	2.0	0.6
Other operating income	0.1	0.3
Total other income	54.1	12.4
Acquisition-related costs	(6.2)	(9.8)
Restructuring costs ⁽²⁾	(5.9)	(5.6)
Integration costs ⁽³⁾	(4.7)	(0.7)
Impairment of other assets	(3.4)	(7.6)
Losses on non-current assets disposed of ⁽⁴⁾	(9.3)	(3.2)
Disposal loss of the Russian business	(2.9)	—
Litigations ⁽⁵⁾	(3.7)	(26.0)
Other operating expenses	(5.9)	(4.1)
Total other expenses	(42.0)	(57.0)

(1) Of which disposal gain, net of transaction costs, related to the sale of operations in Spain and Portugal in 2022 (see note 4.2).

(2) In 2022, including €4.1 million wind-up costs of group's business in United Arab Emirates.

(3) Retention costs in connection with the integration process of Mayer in the USA.

(4) Of which €8.3 million related to abandonment of IT developments in 2022.

(5) Including, in 2021, a €23.4 million impaired trade receivables in connection with the discontinuation of a non-core contract in China and legal investigations initiated as a result.

9. Net financial expenses

Net financial expenses comprise:

- interest payable on borrowings and interest receivable on invested funds calculated using the effective interest rate method;
- foreign exchange gains and losses, and gains and losses on hedging instruments that are recognized in profit or loss;
- net financial expense on employee benefits obligation;
- derecognition gain and losses on financial debt extinction;
- interest expense component on lease liabilities; and
- losses on derecognized trade receivables assigned under off-balance sheet securitization and factoring programs.

(in millions of euros)	FOR THE YEAR ENDED DECEMBER 31,	
	2022	2021
Interest income on cash and cash equivalents	1.9	1.2
Interest income on receivables and loans	3.3	2.0
Financial income	5.2	3.3
Interest expense on financial debt (stated at amortized cost)	(57.8)	(47.0)
Interest gain / (expense) on interest rate derivatives	6.7	(6.2)
Change in fair value of interest rate derivatives through profit and loss	(0.1)	0.9
Interest expense on borrowings	(51.2)	(52.4)
Non-recurring redemption gain (loss)⁽¹⁾	—	(22.6)
Foreign exchange gain (loss)	(1.5)	0.1
Change in fair value of exchange rate derivatives through profit and loss	(1.7)	(0.3)
Net foreign exchange gain (loss)	(3.2)	(0.2)
Net financial expense on employee benefit obligations	(6.1)	(7.3)
Interest on lease liabilities	(46.5)	(40.4)
Others ⁽²⁾	(17.6)	(13.6)
Other financial expenses	(73.4)	(61.4)
Net financial expenses	(119.4)	(133.1)

(1) Relating to the repayment of senior notes in 2021.

(2) Mainly interests on derecognized trade receivables.

10. Income tax

Income tax represents the aggregate amount of current and deferred taxes included in the calculation of net income (loss) for the period. Income tax is recognized in the statement of income unless it relates to a business combination or to items recognized directly in equity or in other comprehensive income.

Current tax is:

- the expected tax payable on the taxable income for the year;
- calculated using tax rates enacted or substantively enacted at the balance sheet date; and
- inclusive of any adjustment to tax payable in respect of previous years.

Deferred tax is:

- provided using the balance sheet liability method;
- based on temporary differences between financial statements' carrying amounts of assets and liabilities and their respective income tax bases; and
- based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at balance sheet date.

Deferred tax assets and liabilities are offset when they relate to income tax levied by the same tax jurisdiction and the Group intends to settle its current tax assets and liabilities on a net basis.

A net deferred tax asset is recognized only to the extent it is probable that taxable profits will be available in the next five years to recover this asset.

Rexel and its French subsidiaries have formed a tax Group from January 1, 2005. Rexel uses tax consolidation in other tax jurisdictions where similar options exist.

10.1 Income tax expense

(in millions of euros)	FOR THE YEAR ENDED DECEMBER 31,	
	2022	2021
Current tax	(315.3)	(221.5)
Deferred tax ⁽¹⁾	13.6	43.0
Prior year adjustments on current tax or deferred tax	0.5	(2.2)
Total income tax expense	(301.2)	(180.8)

(1) Of which €26.5 million deferred tax asset recognition on prior year tax losses in Germany, Italy, the UK and New-Zealand in 2021.

10.2 Effective tax rate

(in millions of euros)	FOR THE YEAR ENDED DECEMBER 31,			
	2022		2021	
Income before tax and before share of profit in associates	1,223.5		778.4	
French legal tax rate		25.8%		28.4%
Income tax calculated at the legal tax rate	(315.7)		(221.1)	
Differences of tax rates between French and foreign jurisdictions	12.7	(1.0)%	26.1	(3.3)%
Changes in tax rates	0.2	0.0%	5.4	(0.7)%
(Current year losses unrecognized), prior year losses recognized ⁽¹⁾	4.6	(0.4)%	27.0	(3.5)%
(Non-deductible expenses), tax exempt revenues ⁽²⁾	4.8	(0.4)%	(8.1)	1.0%
Others	(7.8)	0.6%	(10.0)	1.3%
Actual income tax expense	(301.2)	24.6%	(180.8)	23.2%

(1) In 2022, including deferred tax asset recognition on prior year tax losses as a result of improved future taxable profits in Germany (€3.8 million), Italy (€1.7 million), the UK (€0.9 million) and New Zealand (€0.9 million). In 2021, including deferred tax asset recognition in Germany (€13.0 million), the UK (€10.1 million) and New Zealand (€3.4 million).

(2) Of which €12.8 million effect of non-taxable gain on Spain and Portugal disposal.

10.3 Deferred tax assets and liabilities

Changes in net deferred tax assets / (liabilities) are as follows:

(in millions of euros)	2022	2021
Net deferred tax at the beginning of the year	(166.0)	(154.3)
Change in consolidation scope (1)	0.4	(33.6)
Deferred tax income (expense)	17.5	39.2
Other comprehensive income	(13.4)	(11.0)
Currency translation adjustment	(8.8)	(5.5)
Other changes	1.5	(0.7)
Net deferred tax at the end of the year	(168.9)	(166.0)

(1) Mainly reflecting the effect of Mayer's acquisition in 2021 (see note 4.1).

Analysis of deferred tax assets and liabilities by nature is as follows:

(in millions of euros)	AS OF DECEMBER 31,	
	2022	2021
Intangible assets	(342.0)	(333.1)
Property, plant and equipment	(7.5)	(0.9)
Leases	34.9	31.3
Financial assets	3.0	8.9
Trade accounts receivable	28.7	20.8
Inventories	16.4	9.9
Employee benefits	61.6	72.8
Provisions	14.7	11.3
Financing fees	1.9	1.5
Other items	3.5	(10.7)
Tax losses carried forward	125.7	210.3
Deferred tax assets / (liabilities), before allowance	(58.9)	22.2
Valuation allowance on deferred tax assets	(110.0)	(188.2)
Net deferred tax assets / (liabilities)	(168.9)	(166.0)
of which deferred tax assets	63.5	63.9
of which deferred tax liabilities	(232.4)	(229.9)

As of December 31, 2022, deferred tax assets arising on tax losses carried forward that are not expected to be used within five years were unrecognized (subjected to a valuation allowance to write them

down) mostly in the United Kingdom (€185 million), Germany (€159 million) and Italy (€70 million). The expiry date of such tax losses carried forward is as follows:

(in millions of euros)	AS OF DECEMBER 31,	
	2022	2021
One year	1.0	9.0
Two years	2.8	1.8
Three years	1.5	0.5
Four years	1.5	—
Five years	1.7	1.6
Thereafter	423.2	715.6
Total tax losses carried forward (tax basis) subject to a valuation allowance	431.8	728.5

Decrease in unrecognized tax losses carried forward as of December 31, 2022, as compared to

2021 reflects the effect of Rexel Spain disposal (see note 4.2).

10.4 Uncertain income tax treatments

In accordance with IFRIC 23 – Uncertainty over Income Tax Treatments, tax assets or liabilities should be recognized if there is uncertainty over their income tax treatment. The Group recognizes a tax liability whenever it considers the relevant tax authorities are unlikely to accept a given tax treatment and does not take into account the probability that this would not be detected by the tax authorities. Conversely, a tax receivable is recognized if the Group considers the relevant tax authorities are likely to refund tax paid. Assets and liabilities for which tax treatments are uncertain are estimated on a case-by-case basis depending on the most likely amount.

As of December 31, 2022, there was no significant uncertain income tax position other than the following:

Manudax liquidation loss

In 2019, Manudax, a dormant affiliate of Rexel Holding Netherlands "RHNL" (formerly known as Hagemeyer NV) was liquidated and RHNL claimed the liquidation loss in its tax return. In 2020, the Dutch Tax Authorities challenged the amount of the deductible liquidation loss and asserted that it should be adjusted downwards by €19.3 million. In

2021, RHNL received a tax reassessment of €4.8 million corresponding to the disputed amount of the liquidation loss. The Group believes that this reassessment has no solid ground but, as a precautionary measure, decided to pay the disputed amount and filed an objection letter to the tax authorities to contest the reassessment. In 2022, tax authorities issued its final reassessment maintaining its position and RHNL filed an appeal before the Dutch Court. The Group believes that the matter will be resolved favorably in its interest and has therefore not recorded a provision on this reassessment.

11. Earnings per share

Basic earnings per share are calculated by dividing the net income attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options and bonus shares granted to employees. The number of potential dilutive shares does not take into account the bonus shares whose allocation is subject to future performance or market conditions not yet met at the balance sheet date.

Information on the earnings and number of ordinary and potential dilutive shares included in the calculation is presented below:

	FOR THE YEAR ENDED DECEMBER 31,	
	2022	2021
Net income attributed to ordinary shareholders (in millions of euros)	922.3	597.2
Weighted average number of issued common shares adjusted for non-dilutive potential shares (in thousands)	302,943	303,365
Basic earnings per share (in euros)	3.04	1.97
Dilutive potential shares (in thousands)	728	654
Weighted average number of common shares adjusted for dilutive potential shares (in thousands)	303,671	304,019
Fully diluted earnings per share (in euros)	3.04	1.96

12. Long-term assets

12.1 Goodwill and intangible assets

Goodwill

Goodwill arising in a business combination represents a payment made in anticipation of future economic benefits arising from assets that are not capable of being identified individually and accounted for separately, such as market shares, the value of workforce, the potential to develop existing business assets and expected synergies from the combination. In the wholesale distribution sector, these synergies notably include those expected in terms of purchasing, logistics, network and administration.

Goodwill is allocated to cash-generating units (CGUs).

Goodwill is determined for as described in note 4.1.

Goodwill associated with an operation disposed of is included in the carrying amount of this operation when determining the gain or loss on the disposal. The amount of goodwill attributed to this operation is measured based on the relative values of (i) the operation disposed of and (ii) the portion of the cash-generating unit retained.

Impairment test for goodwill is described paragraph 12.2.

Other intangible assets with indefinite useful life

- Strategic partnerships acquired in business combinations arising from contractual rights. Their valuation is determined on the basis of a discounted cash flow model.
- Distribution networks considered separable assets as they could be franchised. They correspond to the value added to each branch through the existence of a network and include notably banners and catalogues. Their measurement is performed using the royalty relief method based on royalty rates used for franchise contracts, taking their profitability into account. The royalty rate ranges from 0.4% to 1.0% of sales depending on each country.

Strategic partnerships and distribution networks are regarded as having an indefinite useful life when there is no foreseeable limit to the period over which they are expected to generate net cash inflows for the Group.

Impairment test for other intangible assets with indefinite useful life is described in paragraph 12.2.

Software and other intangible assets

Software and other intangible assets are initially stated at cost or, when they are part of a business combination, at fair value. They are depreciated on a straight-line basis over their estimated useful lives.

In March 2021, the IFRS-IC issued an interpretation that clarifies the steps which entities should consider in accounting for such configuration or customization costs. In 2022, the Group has conducted in-depth analyses to determine whether it has the control over on-cloud software and therefore, if configuration and customization costs meet the definition of intangible assets that are recognized on the balance sheet. Following the assessment performed, the impact of the application of the decision IFRIC-IC on cloud computing arrangements is not material on the consolidated financial statements.

Estimated useful life of software range from 3 to 10 years.

Other intangible assets mainly include customer relationships, recognized when an acquired entity establishes relationships with key customers through contracts. They are measured using an excess profit method.

Estimated useful lives of other intangible assets is based on historical attrition ranging from 5 to 15 years.

<i>(in millions of euros)</i>	STRATEGIC PARTNERSHIPS	DISTRIBUTION NETWORKS	SOFTWARE AND OTHER INTANGIBLE ASSETS	TOTAL INTANGIBLE ASSETS	GOODWILL
Gross carrying amount as of January 1, 2021	185.6	641.9	766.9	1,594.4	4,323.8
Change in consolidation scope ⁽¹⁾	—	70.3	73.6	143.8	97.8
Additions	—	—	44.9	44.9	—
Disposals	—	—	(15.3)	(15.3)	—
Currency translation adjustment	—	25.5	26.1	51.5	149.4
Other changes	—	—	1.5	1.5	—
Gross carrying amount as of December 31, 2021	185.6	737.6	897.6	1,820.8	4,571.0
Change in consolidation scope ⁽²⁾	—	7.9	25.4	33.2	13.5
Additions	—	—	45.4	45.4	—
Disposals	—	—	(15.7)	(15.7)	—
Currency translation adjustment	—	9.5	6.8	16.3	37.9
Other changes ⁽³⁾	—	(11.8)	(16.4)	(28.2)	(147.8)
Gross carrying amount as of December 31, 2022	185.6	743.2	943.0	1,871.8	4,474.6
Accumulated amortization and depreciation as of January 1, 2021	—	(28.9)	(568.0)	(596.9)	(1,131.6)
Change in consolidation scope	—	—	(1.3)	(1.3)	—
Amortization expense	—	—	(59.7)	(59.7)	—
Release	—	—	14.1	14.1	—
Currency translation adjustment	—	(0.3)	(18.1)	(18.4)	(37.7)
Other changes	—	—	0.4	0.4	—
Accumulated amortization and depreciation as of December 31, 2021	—	(29.2)	(632.6)	(661.8)	(1,169.3)
Change in consolidation scope	—	5.8	9.5	15.3	39.1
Amortization expense	—	—	(66.4)	(66.4)	—
Impairment losses	—	—	(2.3)	(2.3)	—
Release	—	—	5.0	5.0	—
Currency translation adjustment	—	0.1	(6.7)	(6.6)	10.3
Other changes ⁽³⁾	—	—	12.3	12.3	99.8
Accumulated amortization and depreciation as of December 31, 2022	—	(23.2)	(681.1)	(704.4)	(1,020.1)
Carrying amount as of January 1, 2021	185.6	613.0	198.9	997.5	3,192.2
Carrying amount as of December 31, 2021	185.6	708.4	265.0	1,159.0	3,401.7
Carrying amount as of December 31, 2022	185.6	720.0	261.9	1,167.4	3,454.5

(1) Mainly reflecting the effect of Mayer (see note 4.1).

(2) Of which €46.3 million related to Horizon and Trilec acquisitions partly offset by €39.1 million associated with Rexel Spain and Portugal disposals.

(3) Mainly reclassification of goodwill and intangible assets allocated to Norway in the line item "Assets held for sale" (see note 14).

Software and other intangible assets mainly include:

- Software of €106.5 million as of December 31, 2022 (€127.9 million as of December 31, 2021);

- Customer relationships of €73.4 million as of December 31, 2022 (€76.8 million as of December 31, 2021).

The table below sets forth the allocation of goodwill and intangible assets with indefinite useful life by cash generating unit:

(in millions of euros)

CGU	GEOGRAPHIC SEGMENT	As of December 31, 2022			As of December 31, 2021		
		GOODWILL	INTANGIBLE ASSETS	TOTAL	GOODWILL ⁽¹⁾	INTANGIBLE ASSETS	TOTAL
France	Europe	1,105.3	194.5	1,299.8	1,105.3	194.5	1,299.8
United States	North America	1,004.8	282.2	1,287.0	912.2	255.2	1,167.4
Canada	North America	441.2	70.2	511.4	442.7	70.4	513.1
Switzerland	Europe	316.7	42.8	359.5	301.9	40.8	342.7
Sweden	Europe	176.9	16.9	193.9	192.0	18.3	210.3
Austria	Europe	96.8	13.0	109.8	96.8	13.0	109.8
Belgium	Europe	108.1	—	108.1	92.5	—	92.5
Australia	Asia-Pacific	66.6	24.7	91.3	66.9	24.8	91.7
Germany	Europe	40.3	51.7	92.0	40.3	51.7	92.0
United Kingdom	Europe	21.2	57.7	78.9	22.4	60.9	83.3
Norway ⁽²⁾	Europe	—	—	—	50.6	12.4	63.0
Other		76.4	152.0	228.4	78.1	152.0	230.1
Total		3,454.5	905.7	4,360.1	3,401.7	894.0	4,295.7

(1) In 2022, following the change in marketing servicing policy withing the Group, Rexel reallocated existing goodwill to the related CGUs. The table shows goodwill for the main CGUs after reallocation.

(2) As of December 31, 2022, goodwill and intangible assets allocated to Norway have been reclassified to the line item "Assets Held For Sale" (see note 14).

12.2 Impairment testing

Goodwill and other intangible assets with indefinite useful life are not amortized but subject to an impairment test at least once a year, in December, or as soon as there is an indication that it may be impaired (material adverse changes of a lasting nature affecting the economic environment or the assumptions and objective made at the time of acquisition).

Impairment test is performed at the country level, which represents the lowest level at which operations are monitored by management for the purpose of measuring return on investment.

Impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is determined based on value in use. The calculation of the value in use is based on a discounted cash flow model. Cash-flows are determined over an explicit horizon of five years. Cash-flows of the years one to three are derived from the three-year strategic plan prepared in June 2022 and updated with the 2023 yearly budget that were reviewed by the Board of Directors. Cash-flows of the years four and five are extrapolated to converge towards the normative terminal value. Prospects include the favorable effect expected from continuously increasing electrical usages as a result of climate change containment policies and energy transitioning boosted by the European green deal and US stimulus that should bring additional growth opportunities. A long-term growth rate based on inflation forecasts has been used for the calculation of the terminal value. Cash-flows were discounted on the basis of the weighted average cost of capital net of tax calculated for each country. Country-specific risk is incorporated by applying individual risk-free rates and equity risk premium. The weighted average cost of capital reflects the time value of money and the specific risks of the assets, not already factored in the projected cash-flow, by taking into account the capital structure and the financing terms and conditions of a standard market participant.

Impairment losses are recognized in the income statement (in "Other expenses"). Impairment losses in respect of goodwill may not be reversed. If a change in the useful life assessment (from indefinite to finite) is identified during the annual review, the modification is made on a prospective basis.

Value-in-use key assumptions

- EBITA Margin

EBITA margin is set on a country-by-country basis based on both historical and expected performance, Rexel's market share and characteristics of the local market and by reference

to other cash generating units within the Group with similar profile.

- Discount rate and long term growth rate

The following after tax discount rates and long term growth rate were used to estimate the value-in-use of the CGUs:

CGU	As of December 31, 2022			As of December 31, 2021		
	DISCOUNT RATE (WACC)	LONG TERM GROWTH RATE (G)	WACC - (G)	DISCOUNT RATE (WACC)	LONG TERM GROWTH RATE (G)	WACC - (G)
France	8.9%	1.6%	7.3%	8.2%	1.3%	6.9%
United States	9.3%	2.0%	7.3%	8.2%	2.3%	5.9%
Canada	8.9%	2.0%	6.9%	8.4%	2.0%	6.4%
Switzerland	7.9%	1.0%	6.9%	7.5%	1.0%	6.5%
Sweden	8.9%	2.0%	6.9%	8.4%	1.9%	6.5%
Austria	8.9%	2.0%	6.9%	8.1%	2.0%	6.1%
Belgium	8.2%	1.7%	6.5%	7.9%	1.8%	6.1%
Australia	10.3%	2.5%	7.8%	10.0%	2.4%	7.6%
Germany	8.1%	2.0%	6.1%	7.2%	2.0%	5.2%
United Kingdom	8.4%	2.0%	6.4%	8.0%	2.0%	6.0%
Norway ⁽¹⁾	N / A	N / A	N / A	7.6%	2.0%	5.6%
Other	8.3% to 14.2%	1.8% to 4.0%	6.5% to 10.2%	7.9% to 15.7%	1.4% to 4.0%	6.0% to 11.7%

(1) As of December 31, 2022, Norway has been reclassified to the line item "Assets Held For Sale" (see note 14).

As a result of impairment testing conducted as of December 31, 2021 and 2022, recoverable amounts of CGUs appeared to be in excess over their carrying value.

Sensitivity analysis

The table below summarizes the impact on cash generating units where a change of 50 bps in EBITA margin, discount rate or long-term growth rate would lead to the recognition of an impairment expense:

(in millions of euros)

CGU	GOODWILL	IMPAIRMENT EXPENSE		
		EBITA MARGIN (-50 BPS)	DISCOUNT RATE (+50 BPS)	LONG TERM GROWTH RATE (-50 BPS)
Other ⁽¹⁾	76.4	(5.5)	(0.8)	(0.4)

(1) Of which sensitive CGUs related goodwill of €10.9 million and no related intangible assets.

12.3 Property, plant & equipment

Property, plant and equipment acquired are initially stated at cost, including all expenses directly attributable to the acquisition.

Property, plant and equipment acquired as part of a business combination are recognized at fair value, separately from goodwill.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives.

The estimated useful lives are as follows:

- Commercial and office buildings 20 to 35 years;
- Building improvements and operating equipment 5 to 10 years;
- Transportation equipment 3 to 8 years;
- Computers and hardware 3 to 5 years.

Land is not depreciated.

<i>(in millions of euros)</i>	LAND & BUILDINGS	PLANT & EQUIPMENT	OTHER TANGIBLE ASSETS	TOTAL PROPERTY, PLANT AND EQUIPMENT
Gross carrying amount as of January 1, 2021	164.8	663.7	38.2	866.7
Change in consolidation scope	12.3	4.6	0.2	17.1
Additions	2.6	41.8	13.7	58.1
Disposals	(6.1)	(37.2)	(0.3)	(43.6)
Currency translation adjustment	5.0	16.4	0.9	22.2
Other changes	(0.1)	3.8	(5.7)	(2.0)
Gross carrying amount as of December 31, 2021	178.4	693.1	47.0	918.6
Change in consolidation scope	(23.6)	(8.6)	(0.2)	(32.4)
Additions	15.7	74.8	12.6	103.1
Disposals	(2.2)	(18.4)	(1.4)	(21.9)
Currency translation adjustment	1.2	3.6	0.5	5.3
Other changes ⁽¹⁾	0.4	4.4	(13.0)	(8.1)
Gross carrying amount as of December 31, 2022	170.1	748.9	45.5	964.5
Accumulated amortization and depreciation as of January 1, 2021	(103.1)	(484.1)	(26.2)	(613.4)
Depreciation expense	(4.8)	(49.5)	(2.0)	(56.3)
Impairment losses	(2.3)	(0.2)	—	(2.6)
Release	4.0	35.1	0.2	39.3
Currency translation adjustment	(3.0)	(10.8)	(0.1)	(13.8)
Other changes	—	0.1	—	0.1
Accumulated amortization and depreciation as of December 31, 2021	(109.1)	(509.5)	(28.1)	(646.7)
Depreciation expense	(5.9)	(55.2)	(2.0)	(63.0)
Impairment losses	(0.1)	—	—	(0.1)
Release	1.5	17.4	0.1	19.0
Currency translation adjustment	—	(2.0)	—	(2.0)
Other changes ⁽¹⁾	—	4.9	0.3	5.2
Accumulated amortization and depreciation as of December 31, 2022	(93.8)	(534.4)	(29.4)	(657.7)
Carrying amount as of January 1, 2021	61.7	179.6	12.0	253.3
Carrying amount as of December 31, 2021	69.3	183.6	18.9	271.9
Carrying amount as of December 31, 2022	76.2	214.5	16.1	306.8

(1) Mainly reflecting asset held for sale classification (see note 14).

12.4 Leases

The Group applies a single recognition and measurement model for all leases except for short-term leases and leases of low-value assets. The Group recognizes right-of-use assets representing the right to use the underlying assets and lease liabilities to make lease payments.

Right-of-use assets

- At the commencement date, right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.
- The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.
- Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Lease term

- Lease term represents the non-cancellable term of the lease, together with any periods covered by an option to extend or to terminate the lease if it is reasonably certain to be exercised.
- Relevant factors that create an economic incentive to exercise a renewal option are considered on a site by site basis among which: the cost of relocation (including the effect of potential business disruptions on operations resulting from a lease termination), the attractiveness of the location, and the investments in leasehold improvements.
- After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (*i.e.* adverse changes in the attractiveness of the location or business strategy change).
- Amendments to IFRS 16 "Covid-19-Related Rent concessions beyond June 30, 2021":

The amendment provides lessees with an exemption from assessing whether a Covid-19-related rent concession is a lease modification and Rexel elected to apply this practical expedient. This exemption did not have a significant impact on the Group's financial statements at December 31, 2021.

Lease liabilities

- At the commencement date, lease liabilities are measured at the present value of lease payments to be made over the lease term. Lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees if any. Lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.
- Variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.
- After the commencement date, lease liabilities increase to reflect the accretion of interest and reduced for the lease payments made. Lease liabilities carrying can also be remeasured if there is a modification (a change in the lease term, in the in-substance fixed lease payments or in the assessment to purchase the underlying asset).

Discount rate

- At the commencement date, and as the implicit interest rate of lease agreement is not readily available in the contracts, the Group uses the incremental borrowing rate (IBR) to measure the present value of lease liabilities.
- IBR is determined by reference to the 7-year currency swap applicable to each of the Group's entities in their own functional currencies after adding back the Group's credit spread. The Group credit spread is derived from the cost of issuing senior notes which is the primary source of funding of the Group.

Short-term leases and leases of low-value assets exemptions

The Group applies recognition exemptions for:

- short-term leases (*i.e.* those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).
- low-value assets to leases of office equipment (including copiers, printers, lap-tops) that are individually considered of low value.

Lease payments on short-term leases and leases of low-value assets are recognized as part of the distribution and administrative expenses on a straight-line basis over the lease term.

12.4.1 Right-of-Use assets

Set out below are the carrying amounts of right-of-use assets recognized and changes of the period:

<i>(in millions of euros)</i>	PROPERTIES	EQUIPMENTS AND VEHICLES	TOTAL RIGHT-OF-USE
As of January 1, 2021	821.4	74.1	895.5
Change in consolidation scope ⁽¹⁾	81.6	10.1	91.7
Additions	188.2	31.2	219.5
Depreciation expenses and impairment	(159.9)	(37.1)	(197.0)
Currency translation adjustment	34.3	3.2	37.5
As of December 31, 2021	965.7	81.5	1,047.1
Change in consolidation scope	21.5	(0.2)	21.3
Additions	245.0	39.3	284.3
Depreciation expenses and impairment	(180.4)	(41.2)	(221.6)
Transfer to Assets held for sale	(25.6)	(0.5)	(26.1)
Currency translation adjustment	16.2	1.8	18.0
As of December 31, 2022	1,042.3	80.8	1,123.1

(1) Mainly reflecting the effect of Mayer's acquisition in 2021 (see note 4.1).

12.4.2 Lease liabilities

Set out below are the carrying amounts of lease liabilities recognized and changes of the period:

(in millions of euros)	AS OF DECEMBER 31, 2022			AS OF DECEMBER 31, 2021		
	CURRENT	NON-CURRENT	TOTAL	CURRENT	NON-CURRENT	TOTAL
Properties	166.9	987.1	1,154.0	158.2	921.9	1,080.1
Equipments & vehicles	36.6	52.4	89.1	35.5	53.1	88.7
Total lease liabilities	203.6	1,039.5	1,243.1	193.7	975.1	1,168.8

(in millions of euros)	2022	2021
As of January 1,	1,168.8	1,005.7
Change in scope ⁽¹⁾	15.4	91.8
Additions	279.9	218.0
Interest expenses	46.5	40.4
Payments	(258.6)	(229.2)
Transfer to Liabilities directly associated with the assets held for sale	(28.7)	—
Currency translation adjustment	19.8	42.1
As of December 31,	1,243.1	1,168.8

(1) Mainly reflecting the effect of Mayer's acquisition in 2021 (see note 4.1).

Set out below are the lease liabilities maturity of the period:

(in millions of euros)	DUE WITHIN						Total
	One year	Two years	Three years	Four years	Five years	Thereafter	
As of December 31, 2022	203.6	188.7	162.2	133.4	114.9	440.2	1,243.1
As of December 31, 2021	193.7	179.7	158.1	133.5	105.4	398.3	1,168.8

12.4.3 Lease expense analysis

Set out below are the amounts recognized in profit or loss for the year ended December 31, 2022 and for the year ended December 31, 2021:

(in millions of euros)	FOR THE YEAR ENDED DECEMBER 31,		Statement of Profit and Loss classification
	2022	2021	
Depreciation of right-of-use assets	(220.5)	(192.0)	Depreciation expenses (note 7)
Interest on lease liabilities	(46.5)	(40.4)	Other financial expenses (note 9)
Rent on short term and low-value assets leases	(18.2)	(13.3)	Building and occupancy costs (note 7)
Impairment losses	(1.1)	(5.0)	Other expenses (note 8)
Net gain on lease termination	3.8	1.7	Other income (note 8)
Total amount recognized in P&L	(282.5)	(248.9)	

12.5 Long-term investments

(in millions of euros)	AS OF DECEMBER 31,	
	2022	2021
Deposits	44.5	41.7
Derivatives	15.6	1.7
Loans	0.6	0.4
Other long-term investments ⁽¹⁾	5.7	12.8
Long-term investments	66.5	56.6

(1) Including purchase price of Winkle Electric investment in 2021 (see note 4.1).

13. Current assets

13.1 Inventories

Inventories are mainly composed of goods held for resale and are initially stated at cost.

At each reporting date, inventories are stated at the lower of (i) cost and (ii) net realizable value.

- Cost is calculated by reference to a first-in first-out basis, including freight in costs, net of any purchase rebates.
- Net realizable value is the estimated selling price at balance sheet date, less the estimated selling expenses, taking into account technical or marketing obsolescence and risks related to slow moving inventory.

(in millions of euros)	AS OF DECEMBER 31,	
	2022	2021
Cost	2,406.7	2,157.7
Allowance	(131.3)	(100.5)
Inventories	2,275.4	2,057.2

Changes in the carrying amount of inventories:

(in millions of euros)	AS OF DECEMBER 31,	
	2022	2021
As of January 1,	2,057.2	1,511.1
Change in consolidation scope ⁽¹⁾	(4.1)	120.9
Change in inventories at cost	260.8	371.5
Impairment net of release	(34.1)	(20.6)
Currency translation adjustment	29.8	74.3
Transfer to assets held for sale	(34.2)	—
As of December 31,	2,275.4	2,057.2

(1) Mainly reflecting the effect of Mayer's acquisition in 2021 (see note 4.1).

13.2 Trade accounts receivable

Trade receivables are initially measured at amortized cost which is reflected by the principal amount.

Impairment losses are recognized for expected credit losses (ECLs) to take into account credit risk. The Group applies a simplified approach:

- For non-defaulted receivables (when contractual payments are less than 30 days or non-due) ECLs are based on the historical ratio of credit loss to sales;
- For defaulted receivables (when contractual payments are 30 days past-due), ECLs are based on a standard ageing matrix for defaulted receivables.

An additional allowance may be recognized on a case-by-case basis when there is objective evidence that the Group is unlikely to receive the outstanding contractual amounts in full.

Derecognition of trade receivables

Rexel runs several on-going securitization and factoring programs which allow the Group to assign eligible trade receivables and receive cash payments in exchange.

Trade receivables are derecognized from the balance sheet when the Group has transferred (i) its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows to a third party under a 'pass-through' arrangement and (ii) substantially all the risks and rewards attached to the receivables.

When the Group evaluates that all the risks and rewards of the asset have not been transferred, the transferred receivables are still recognized in the balance sheet with an associated liability for the cash received in exchange of the assigned receivables.

Receivables in connection to securitization and factoring programs are disclosed note 19.

(in millions of euros)	AS OF DECEMBER 31,	
	2022	2021
Nominal value	2,768.6	2,481.8
Impairment losses	(151.6)	(128.6)
Trade accounts receivable	2,617.0	2,353.2

Trade accounts receivable includes sales taxes collected on behalf of tax authorities that, in certain circumstances, may be recovered when the client defaults. Recoverable taxes amounted to €322.4 million as of December 31, 2022 (€278.3 million as of December 31, 2021).

The Group has implemented credit insurance programs in certain significant countries. Trade accounts receivable covered by these programs

amounted to €1,034.2 million as of December 31, 2022 (€912.3 million as of December 31, 2021).

Also, in some countries, the Group benefits from additional guarantees according to the specificities of local jurisdictions, such as in North America. Trade accounts receivable covered by these guarantees represented €406,8 million as of December 31, 2022.

Impairment losses on trade accounts receivable*(in millions of euros)*

	2022	2021
As of January 1,	(128.6)	(101.8)
Change in consolidation scope	9.7	(1.9)
Net allowance ⁽¹⁾	(52.6)	(50.0)
Write off	20.9	31.8
Foreign exchange movement	0.5	(5.1)
Other changes	(1.5)	(1.7)
As of December 31,	(151.6)	(128.6)

(1) In 2021, €23.4 million net allowances were recognized in other expenses (see note 8).

As of December 31, 2022, trade receivables are subject to an impairment loss based on aging-based matrix for €38.1 million as of December 31, 2022 (€32.7 million as of December 31, 2021).

In addition, trade receivables were subject to impairment losses estimated on an individual basis following the assessment of the customer default risk for €111.1 million (€89.5 million as of December 31, 2021).

Aging of receivables is detailed as follows:

<i>(in millions of euros)</i>	NON DUE	FROM 1 TO 30 DAYS	FROM 31 TO 60 DAYS	FROM 61 TO 90 DAYS	FROM 91 TO 180 DAYS	ABOVE 180 DAYS	TOTAL
2022	2,221.5	357.2	107.1	41.3	33.9	7.7	2,768.6
2021	2,018.1	319.1	77.1	27.7	25.0	14.7	2,481.8

13.3 Other accounts receivable

	AS OF DECEMBER 31,	
<i>(in millions of euros)</i>	2022	2021
Suppliers' rebates and services ⁽¹⁾	396.3	336.9
VAT receivable and other sales taxes	22.2	23.5
Prepaid expenses	40.1	34.1
Derivatives	9.6	5.5
Other receivables	275.1	159.2
Total other accounts receivable	743.3	559.2

(1) Suppliers' rebates and services income recognized for the year ended December 31, 2022, were €1,160.6 million (€980.5 million for the year ended December 31, 2021).

14. Assets held for sale

Assets and liabilities are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. The Group must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Immediately before classification as held for sale, the measurement of the assets (and all assets and liabilities in a disposal group) is brought up to date in accordance with applicable IFRS. Then, on initial classification as held for sale, non-current assets and disposal groups are recognized at the lower of their carrying amount and fair value less costs to sell.

Elektroskandia Norge AS (Norway)

Following a binding agreement received from a third party on December 13, 2022, the Group entered into a share purchase agreement on January 27, 2023 to divest from its operations in Norway. The transaction is subject to approval from

local competition authorities and should be completed in the first half of 2023.

As a result, assets and liabilities associated with the contemplated sale transaction have been reclassified as Assets Held For sale as of December 31, 2022.

Assets and liabilities associated with activities classified as held for sale are as follows:

		AS OF DECEMBER 31, 2022		
(in millions of euros)	Notes	GROSS VALUE	DEPRECIATION	NET VALUE
Assets				
Goodwill	12.1	147.8	(99.8)	48.1
Distribution networks	12.1	11.8	—	11.8
Other intangible assets	12.1	13.0	(8.1)	4.9
Other tangible assets	12.3	7.3	(5.1)	2.2
Right-of-use assets	12.4	38.7	(12.6)	26.1
Other non-current assets		0.9	—	0.9
Non-current assets		219.5	(125.5)	93.9
Inventory	13.1	34.2	—	34.2
Trade receivables		50.9	—	50.9
Other current assets		6.2	—	6.2
Cash and cash equivalents		1.6	—	1.6
Current assets		92.9	—	92.9
Total assets		312.3	(125.5)	186.8
Liabilities				
Lease liabilities	12.4	28.7	—	28.7
Non current liabilities		2.6	—	2.6
Current liabilities		56.3		56.3
Total liabilities		87.6	—	87.6
Net assets held for sale		224.7	(125.5)	99.2

15. Share capital and premium

Rexel's share capital is composed of ordinary shares, with a par value of €5.

Purchases of company treasury shares including those acquired through a liquidity agreement are recognized as a reduction in equity. Any gains or losses connected with the purchase, sale or cancellation of these shares are recognized directly in equity without affecting the income statement.

15.1 Changes in share capital and issuance premium

The following table shows changes in the share capital and issuance premium:

	NOTES	NUMBER OF SHARES	(in millions of euros)	
			SHARE CAPITAL	SHARE PREMIUM
As of January 1, 2021		304,425,106	1,522.1	1,450.5
Issuance of shares in connection with free shares plans ⁽¹⁾		1,103,051	5.5	—
Employee share purchase plan		188,334	0.9	0.2
Allocation of free shares		—	—	(10.4)
Free shares cancelled		—	—	10.4
Cash dividends		—	—	(139.6)
Share premium transfer to retained earnings		—	—	(21.3)
As of December 31, 2021		305,716,491	1,528.6	1,289.8
Issuance of shares in connection with free shares plans ⁽²⁾		1,176,532	5.9	—
Allocation of free shares		—	—	(9.9)
Free shares cancelled		—	—	4.8
Cancellation of shares under the stock repurchase program	15.2	(3,479,758)	(17.4)	(38.8)
Cash dividends		—	—	(230.1)
As of December 31, 2022		303,413,265	1,517.1	1,015.8

(1) Issuance of 1,103,051 shares in connection with the 2017 and 2018 bonus shares plans.

(2) Issuance of 1,176,532 shares in connection with the 2019 bonus share plans.

15.2 Capital Management and treasury shares

Rexel has a share repurchase plan approved by its Shareholders' Meeting held on April 21, 2022 for a period of 18 months (ending October 21, 2023) with a maximum purchase amount of €250 million at a maximum share price of €30 and a number of shares representing up to 10% of the share capital.

The objectives of this program in decreasing order of priority are as follows:

- Ensuring liquidity and activity in the market for the shares through an investment service provider;
- Setting up any stock option plan of the Company, allotment of free shares or any other granting, allotment or sale of shares to the employees or the Corporate officer of the Company;
- Retaining and delivering shares further to an exchange or as a consideration in the context of external growth transactions within the limit of 5% of the share capital of Rexel;
- Granting shares in connection with the exercise of rights attached to securities conferring access to Rexel shares;

- Cancelling all or part of any shares so repurchased;
- Any other actions that comply with applicable regulations in force.

On June 16, 2022, Rexel announced a share buy-back program of €400 million of its share capital by 2025.

As part of this program, 4.0 million of shares were repurchased for a total amount of €65.5 million in 2022, of which:

- 3.5 million of shares, representing an overall purchase price of €56.2 million, were cancelled;
- 0.5 million of shares purchased for €9.3 million to serve its free share plans.

The Group also entered into an agreement with a financial institution to promote the liquidity of Rexel shares on the market, in compliance with the Financial Markets Authority (*Autorité des Marchés Financiers*) requirements, for an amount of €21.5 million as of December 31, 2022 (€20.1 million as of December 31, 2021).

Net purchases of treasury shares under the agreement stood at €0.8 million in 2022. Net capital gains realized on the sale of treasury shares in 2022 amounted to €0.8 million net of tax and were recognized as increase in shareholders' equity (net capital gain of €1.7 million in 2021).

As of December 31, 2022, Rexel held in aggregate 555,407 treasury shares (613,465 as of December 31, 2021), of which 269,202 shares to serve its free share plans, valued at an average price of €17.87 per share (€14.41 per share as of December 31, 2021) that were recognized as a reduction in shareholders' equity, for a total of €9.9 million (€8.8 million as of December 31, 2021).

16. Dividends

Dividends are recognized as a liability in the period in which the distribution has been approved by the shareholders.

	FOR THE YEAR ENDED DECEMBER 31,	
	2022	2021
Dividends per share (in euros)	0.75	0.46
Dividends paid in cash through share premium distribution (in millions of euros)	230.1	139.6

17. Provisions and other non-current liabilities

A provision is recognized in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of economic benefits will be required to settle the obligation and when the amount can be estimated reliably.

If the effect of time value is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability.

Provision for restructuring

A restructuring is a program that is planned and controlled by management that materially changes either the scope of the business or the manner in which that business is conducted.

A provision for restructuring is recognized when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for. Restructuring expenses are presented in "Other expenses" and principally include personnel costs (severance payments, early retirement costs, notice period not worked), branch closure costs and indemnities for the breach of non-cancellable agreements.

Provisions for litigation and claims

Provisions for litigation and claims include estimated costs for risks, disputes (including personnel disputes), litigation, commercial and liability product claims, and the probable costs associated with warranties given by the Group in the context of the disposal of non-current assets or subsidiaries.

Any accepted assessment is recorded as a liability when the amount can be reasonably estimated.

(in millions of euros)	AS OF DECEMBER 31,	
	2022	2021
Provisions	23.8	25.1
Derivatives ⁽¹⁾	47.4	3.0
Other non-current liabilities ⁽²⁾	8.3	6.9
Provisions and other non-current liabilities	79.4	35.0

(1) Of which €46.2 million fair value hedge derivatives on senior notes as of December 31, 2022 (€1.4 million as of December 31, 2021) – see note 19.3.

(2) Including employee profit sharing related payables in France in the amount of €8.3 million (€6.9 million at December 31, 2021).

The variation in provisions is detailed in the table below:

(in millions of euros)	RESTRUCTURING ⁽¹⁾	OTHER LITIGATION & CLAIMS ⁽²⁾	LEASED ASSETS RESTORATION	TOTAL PROVISIONS
As of January 1, 2021	12.1	18.6	2.1	32.8
Increase	2.4	6.8	—	9.2
Use	(8.6)	(2.7)	(0.5)	(11.8)
Release	(2.6)	(1.3)	—	(3.9)
Currency translation adjustment	0.1	0.1	0.1	0.3
Other changes	1.8	(3.3)	—	(1.5)
As of December 31, 2021	5.3	18.2	1.6	25.1
Increase	3.9	9.1	0.8	13.8
Use	(3.6)	(7.1)	—	(10.7)
Release	(1.2)	(1.1)	—	(2.3)
Currency translation adjustment	(0.1)	(0.1)	—	(0.1)
Other changes	(0.9)	(1.0)	(0.1)	(2.0)
As of December 31, 2022	3.4	18.1	2.3	23.8

(1) Provisions for reorganization and business transformation programs. These restructuring plans are associated with shutdown activities, branch closures, optimization of distribution centers and back-office reorganization. Provisions for restructuring activities undertaken at December 31, 2022 mainly concerned Asia-Pacific for €1.9 million (€1.1 million in 2021) and Europe for €1.1 million (€3.7 million in 2021).

(2) of which €5.4 million relating to litigation with French social security (€2.7 million in 2021), €3.1 million to employee claims (€4.0 million in 2021) and €1.9 million to trade disputes (€1.6 million in 2021).

18. Post-employment and long-term benefits

In accordance with the laws and practices of each country, the Group participates in post-employment benefits and other long-term benefits (during employment) offering pensions, lump-sum payments on retirement, jubilees, early retirement benefits, and health care and life insurance benefits in favor of former employees, including retired employees.

These benefits are classified as either:

- defined contribution plans recognized as an expense in profit and loss in personnel costs and will have no legal or constructive obligation to pay further contributions; or
- defined benefit plans when the Group guarantees a future level of benefits.

Group's net obligation

The Group's net obligation in respect of defined post-employment benefit plans and of long-term benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods.

As per IFRS-IC Interpretation IAS 19 "Attributing Benefit to Periods of Service" (May 2021), when the rights of an employee are capped, the recognition of the obligation start when the service actually grants rights and not over the entire period of employment.

Benefit is discounted to determine its present value.

Discount rates are set by reference to market yields on high quality corporate bonds (AA rated-bonds by at least one of the top three rating agencies: Standard & Poor's, Moody's and Fitch) with a similar duration to the underlying obligation. Each future year expected benefit payments are discounted by the corresponding of the yield curve and when there is no deep market in bonds with a sufficiently long maturity to match the maturity of the benefit payments, the discount rate is estimated by extrapolating current market rates along the yield curve. Then a single discount rate is calculated that, when applied to all cash flows, results in the same interest cost as the application of the individual rates would have produced.

The calculation is performed periodically by an independent actuary using the projected unit credit method.

In addition, for post employment benefit plans:

- The liability recognized in the balance sheet in respect of defined benefit schemes is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets;
- When the calculation results in plan assets exceeding liability, the recognized asset is limited to the present value of any currently available future refunds from the plan or reductions in future contributions to the plan;
- When the benefits of a plan are improved (reduced), the portion of the increased (decreased) benefit relating to past service by employees is recognized immediately as an expense (income) in the income statement. The current and past service costs as well as administrative costs paid from registered pension plans' assets are presented in the income statement as part of the distribution and administrative expenses. The net interest expenses (income) relating to the discounting of the net funded position (defined benefit obligation less plan assets) is presented in the income statement as part of the net financial expenses.

Remeasurements

Remeasurements including (i) actuarial gains and losses, (ii) actual return on plan assets including administrative expenses allocated to manage plan assets and (iii) changes in the effect of the asset ceiling are recognized in:

- Other comprehensive income for post-employments benefits;
- Distribution and administrative expenses for other long-term benefits.

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18.1 Defined benefit plans description

The most significant funded defined benefit pension plans sponsored by the Group are in the United Kingdom, in Switzerland and in Canada. Related funds are managed through independent vehicles.

In the United Kingdom, Rexel operates deferred final salary defined benefits through the Rexel UK Pension Scheme fund. All sections under this plan are closed

to new entrants with effect of April 5, 2002. Accrued benefits and pensions are subject to indexation. Statutory funding objectives are agreed between the Trustee board and the company. In that respect, the Trustee board carries out a full valuation of the Scheme at least every three years, after which a recovery plan of contributions is agreed with the company to restore any funding deficit. The most

recent full valuation was performed on April 5, 2020. The Trustee board is also responsible for determining the investment strategy of the plan.

In Switzerland, Rexel provides a second pillar pension plan for its employees. Assets are managed through a pension fund "Pension Kasse", the Elektro Material Pension Plan. The plan runs under a contribution-based pension plan agreement with guaranteed return, thus qualifying as a defined benefit plan. The Pension Board "Conseil de Fondation" is responsible to set up adequate company's and employee's contribution and asset allocation strategy that seeks to meet at least guaranteed return. A full valuation of this plan is performed each year.

In Canada, defined benefit pension plans mainly include:

- The Employees' Plan which is a registered plan and has both defined benefit and defined

contribution provisions. The defined benefit provision of the plan has a career average type formula. This plan was closed to new entrants on January 1, 2000.

- The Executives' Pension Plan and the Supplementary Executives' Retirement Plan ("SERP") which provide retirees with a pension based on a percentage of their prior earnings. The Executives' Plan is a final average earnings defined benefit registered plan. The SERP has two provisions: the first provides benefit in excess of the limits of the Executives' Plan and the second portion provides a term annuity upon retirement based on a notional account.

A full actuarial valuation of Canadian plans is performed every three years. The most recent valuations were performed in 2022.

18.2 Employee Benefit Plan information

The change in the present value of the obligation in respect of defined benefit plans is as follows:

(in millions of euros)	DEFINED BENEFIT OBLIGATIONS				
	UNITED KINGDOM	CANADA	SWITZERLAND	OTHER	GROUP
As of January 1, 2021	558.6	258.9	257.4	215.7	1,290.6
Service cost	—	2.3	7.2	6.4	15.8
Interest cost	8.6	6.4	0.6	2.0	17.7
Benefit payments	(17.4)	(13.5)	(10.2)	(8.9)	(50.0)
Employee contributions	—	0.4	4.4	0.4	5.1
Change in consolidation scope	—	—	—	—	—
Currency translation adjustment	37.8	21.7	11.0	2.2	72.7
Past service cost / settlement and other	—	—	—	0.9	0.9
Remeasurements					
Effect of change in demographic assumptions	(15.0)	—	(11.0)	—	(25.9)
Effect of change in financial assumptions	(22.7)	(15.1)	(8.7)	(12.2)	(58.7)
Effect of experience adjustments	(5.7)	(1.0)	2.6	(4.8)	(9.0)
As of December 31, 2021	544.2	260.2	253.3	201.7	1,259.3
Service cost	—	2.2	6.9	5.7	14.7
Interest cost	9.2	7.7	1.3	2.8	21.0
Benefit payments	(16.4)	(14.4)	(8.7)	(16.7)	(56.3)
Employee contributions	—	0.4	5.0	0.4	5.8
Currency translation adjustment	(22.1)	2.4	11.8	0.9	(6.9)
Past service cost / settlement and other	—	—	—	(2.3)	(2.3)
Remeasurements					
Effect of change in demographic assumptions	—	—	(0.3)	—	(0.3)
Effect of change in financial assumptions	(195.8)	(58.4)	(38.7)	(46.9)	(339.8)
Effect of experience adjustments	34.7	(1.2)	8.8	2.5	44.8
As of December 31, 2022	353.4	198.8	239.3	147.9	939.3

The change in the fair value of the defined benefit plan assets breaks down as follows:

(in millions of euros)	PLAN ASSETS				
	UNITED KINGDOM	CANADA	SWITZERLAND	OTHER	GROUP
As of January 1, 2021	421.8	187.6	254.9	105.5	969.7
Employer contributions	7.1	6.9	6.5	7.2	27.8
Employee contributions	—	0.4	4.4	0.4	5.1
Interest income	4.3	4.7	0.7	0.9	10.5
Benefit payments	(17.4)	(13.5)	(10.2)	(8.9)	(50.0)
Currency translation adjustment	30.1	16.5	10.8	0.5	58.0
Return on plan assets excluding interest income ⁽¹⁾	36.0	14.1	(16.5)	(4.3)	29.2
As of December 31, 2021	481.8	216.6	250.6	101.3	1,050.4
Employer contributions	12.6	7.4	7.5	8.2	35.8
Employee contributions	—	0.4	5.0	0.4	5.8
Interest income	5.9	6.5	1.7	0.9	14.9
Benefit payments	(16.4)	(14.4)	(8.7)	(17.2)	(56.8)
Currency translation adjustment	(18.5)	1.1	11.7	(0.4)	(6.1)
Return on plan assets excluding interest income ⁽¹⁾	(177.2)	(35.4)	(31.0)	(24.7)	(268.3)
As of December 31, 2022	287.8	182.2	236.7	68.5	775.3

(1) Of which €(4.6) million of asset ceiling on the Switzerland plan (€(39.6) million in 2021).

The change in the net liability / (asset) breaks down as follows:

(in millions of euros)	NET LIABILITY / (ASSET)				
	UNITED KINGDOM	CANADA	SWITZERLAND	OTHER	GROUP
As of January 1, 2021	136.8	71.4	2.5	110.2	320.9
Service cost	—	2.3	7.2	6.4	15.8
Interest cost	4.4	1.7	(0.1)	1.2	7.2
Past service cost/settlement and other	—	—	—	0.9	0.9
Employer contributions	(7.1)	(6.9)	(6.5)	(7.2)	(27.8)
Change in consolidation scope	—	—	—	—	—
Currency translation adjustment	7.7	5.2	0.1	1.8	14.7
Remeasurements	(79.4)	(30.1)	(0.6)	(12.8)	(122.8)
As of December 31, 2021	62.4	43.5	2.7	100.4	208.9
Service cost	—	2.2	6.9	5.7	14.7
Interest cost	3.3	1.2	(0.4)	1.9	6.1
Past service cost/settlement and other	—	—	—	(2.3)	(2.3)
Employer contributions	(12.6)	(7.4)	(7.5)	(8.2)	(35.8)
Currency translation adjustment	(3.5)	1.3	0.1	1.3	(0.8)
Remeasurements	16.1	(24.2)	0.8	(19.7)	(27.0)
As of December 31, 2022	65.6	16.6	2.5	79.4	164.1

The reconciliation of the liability recognized on the balance sheet and the present value of the obligation in respect of defined benefit plans is as follows:

(in millions of euros)	LIABILITY RECONCILIATION				
	UNITED KINGDOM	CANADA	SWITZERLAND	OTHER	GROUP
For the year ended December 31, 2021					
Defined benefit obligations	544.2	260.2	253.3	201.7	1,259.3
<i>of which Funded schemes</i>	543.7	237.9	250.7	118.3	1,150.6
<i>of which Unfunded schemes</i>	0.5	22.2	2.6	83.4	108.7
Fair value of plan assets	(481.8)	(216.6)	(250.6)	(101.3)	(1,050.4)
Recognized net liability for defined benefit obligations	62.4	43.5	2.7	100.4	208.9

For the year ended December 31, 2022

Defined benefit obligations	353.4	198.8	239.3	147.9	939.3
<i>of which Funded schemes</i>	353.0	182.8	236.8	81.4	854.0
<i>of which Unfunded schemes</i>	0.4	16.0	2.5	66.5	85.4
Fair value of plan assets	(287.8)	(182.2)	(236.7)	(68.5)	(775.3)
Recognized net liability for defined benefit obligations	65.6	16.6	2.5	79.4	164.1

18.3 Re-measurements of the net defined benefit liability

(in millions of euros)	OTHER COMPREHENSIVE INCOME				
	UNITED KINGDOM	CANADA	SWITZERLAND	OTHER	GROUP
Return on plan assets excluding interest income and asset ceiling	(36.0)	(14.1)	16.5	4.3	(29.3)
Effect of change in demographic assumptions	(15.0)	—	(10.8)	—	(25.8)
Effect of change in financial assumptions	(22.7)	(15.0)	(8.7)	(12.0)	(58.4)
Effect of experience adjustments	(5.7)	(1.0)	2.3	(4.7)	(9.1)
OCI recognized for the year ended December 31, 2021	(79.4)	(30.1)	(0.7)	(12.4)	(122.6)
Return on plan assets excluding interest income and asset ceiling	177.2	35.4	30.6	25.1	268.3
Effect of change in demographic assumptions	—	—	(0.1)	—	(0.1)
Effect of change in financial assumptions	(195.8)	(58.3)	(38.5)	(45.6)	(338.2)
Effect of experience adjustments	34.7	(0.9)	8.6	2.8	45.2
OCI recognized for the year ended December 31, 2022	16.1	(23.9)	0.6	(17.7)	(24.8)

18.4 Employee Benefit expense

The expense recognized in the consolidated income statement breaks down as follows:

(in millions of euros)	EXPENSE				GROUP
	UNITED KINGDOM	CANADA	SWITZERLAND	OTHER	
Service costs ⁽¹⁾	—	2.3	7.2	6.4	15.8
Past service costs ⁽¹⁾	—	—	—	0.9	0.9
Net Interest expense ⁽²⁾	4.4	1.7	—	1.2	7.3
Other ⁽¹⁾	—	0.0	0.1	(0.3)	(0.3)
Expense recognized for the year ended December 31, 2021	4.4	4.0	7.2	8.1	23.7
Service costs ⁽¹⁾	—	2.2	6.9	5.7	14.7
Past service costs ⁽¹⁾	—	—	—	(2.3)	(2.3)
Net Interest expense ⁽²⁾	3.3	1.2	(0.4)	1.9	6.1
Other ⁽¹⁾	—	(1.6)	0.2	(0.7)	(2.1)
Expense recognized for the year ended December 31, 2022	3.3	1.8	6.7	4.6	16.4

(1) Recognized as personnel costs (see note 7).

(2) Recognized as net financial expenses (see note 9).

There have been no significant plan amendments or settlements for the years ended December 31, 2022 and December 31, 2021.

18.5 Plan asset allocation

(in millions of euros)	PLAN ASSETS CLASS		
	UNITED KINGDOM	CANADA	SWITZERLAND
Cash and cash equivalents	3.0	1.0	14.5
Equity instruments (quoted in an active market)	19.4	94.8	125.5
Debt instruments (quoted in an active market)	101.7	87.0	108.0
Real estate	—	—	69.1
Investment funds	353.5	—	—
Asset held by insurance company	4.0	33.9	3.3
Other	0.4	—	2.9
As of December 31, 2021	481.8	216.7	323.4
Cash and cash equivalents	4.0	0.3	14.6
Equity instruments (quoted in an active market)	—	30.5	117.6
Debt instruments (quoted in an active market)	51.4	32.9	100.3
Real estate	—	—	76.4
Investment funds	228.9	—	—
Asset held by insurance company	2.8	118.5	1.5
Other	0.1	—	6.3
As of December 31, 2022	287.0	182.3	316.7

18.6 Actuarial assumptions

The main actuarial assumptions are as follows:

	UNITED KINGDOM		CANADA		SWITZERLAND	
	2022	2021	2022	2021	2022	2021
Average plan duration (in years)	14	16	11	12	12	14
Discount rate (in %)	4.75	1.75	5.10	2.90	2.25	0.50
Future salary increases (in %)	N/A	N/A	3.00	3.00	1.00	0.50

18.7 Post-employment plan risks

In order to identify and deal with the risks in relation to the management of pension and other post-retirement plans, a pension committee made up by Finance and Human Resources representatives, meets on a quarterly basis. This pension committee, supported by experts, reviews, in particular, the funding of pension plans, and the performance of the pension plan's assets. It is informed of any material event in relation to the benefits granted to employees, the financial impact in relation to the plans, or changes in the regulations. The committee reports to Audit Committee on a yearly basis.

The Group's major defined benefit plans are subject to funding requirements that mainly fluctuate based on interest rates, performance of plan assets and changes in local regulations. Depending on changes in the above parameters, the Group may be required to make additional contributions to the pension funds in a defined time frame.

Volatility in discount rates and inflation

The defined benefit liability is calculated by discounting future expected cash flows. Discount

rates are determined based upon bonds yield prevailing at the measurement date which may fluctuate from one period to another. In addition, accrued benefits and pension annuities are usually subject to salary increase and conditional or unconditional indexation which vary depending on inflation level. Any change in the above parameters may adversely affect the defined benefit liability and the service cost, and thus triggers additional contributions to comply with local minimum funding requirements.

Volatility in asset values

Plan assets mainly include equities, fixed incomes securities and other assets which values are subject to market volatility. A downturn in financial markets would result in an increase of the net liability and, therefore, in reduced funding ratios requiring additional contributions from the Group in a defined time frame.

Sensitivity analysis

	SENSITIVITY TO A 50 BASIS POINTS DECREASE IN DISCOUNT RATE				
	UNITED KINGDOM	CANADA	SWITZERLAND	OTHER	GROUP
Service cost (in millions of euros)	—	0.1	0.3	0.3	0.8
Defined Benefit Obligation (in %)	7%	5%	4%	5%	6%

	SENSITIVITY TO A 10% DOWNTURN IN FINANCIAL MARKET				
	UNITED KINGDOM	CANADA	SWITZERLAND	OTHER	GROUP
(in millions of euros)					
Plan assets	—	(3.1)	(11.8)	(0.5)	(15.3)

Risk Management

To mitigate risks identified above, the Group has already implemented or is currently setting up the following actions which include changes in the design of the defined benefit schemes as well as financial measures:

- Closure of defined benefits schemes, where appropriate, and move to defined contribution plans, with frozen benefit rights;
- Rationalization of benefits including the level of pension benefits, conversion rate factors and indexation caps;
- Selective additional cash contributions to increase funding level, on top of regular contributions;
- Inflation and Interest rate hedging;
- Adoption of investment strategies that broadly match the nature of the liabilities, with a progressive alignment of asset allocation and pension plans duration;
- Regular meetings with trustees;
- Periodic review of investment performance by independent advisors to monitor investment volatility.

18.8 Expected cash flows

(in millions of euros)	EXPECTED CASH FLOW				
	UNITED KINGDOM	CANADA	SWITZERLAND	OTHER	GROUP
Expected benefit payments for 2023	18.5	13.7	9.3	9.1	50.6
Expected benefit payments for 2024	17.8	14.0	11.1	12.5	55.4
Expected benefit payments for 2025	19.0	14.3	9.4	10.3	53.0
Expected benefit payments for 2026	19.2	14.6	9.3	12.5	55.5
Expected benefit payments for 2027 and after	127.4	88.3	63.4	74.6	353.7
Expected employer contributions for 2023	11.3	6.9	7.4	7.0	32.6

19. Financing and financial risk management

19.1 Net financial debt

The definition of the Group for the net financial debt is the following:

- gross financial debt (loans and borrowings, bank overdraft and derivative financial instruments);
- less cash and cash equivalents (cash balance and demand deposits with banks and other short-term highly liquid investments subject to an insignificant risk of change in value).

At initial recognition, gross debt is recognized at fair value through profit and loss. Loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Transaction costs and debt premiums are included in the amortized cost using the EIR calculation and, in effect, amortized through financial expenses over the life of the instrument. Loan and borrowing transaction costs comprise (i) fees and commissions paid to agents and advisers, (ii) levies by regulatory agencies and securities exchanges, and (iii) transfer taxes and duties. These costs do not comprise debt premiums, or allocations of internal administrative or overhead expenses.

Gains and losses are recognized in financial result when the liabilities are derecognized.

Cash and cash equivalents are carried at fair value through profit and loss.

The classification of financial instruments is explained in note 19.3.

As of December 31, 2022, Rexel's consolidated net debt stood at €1,458.4 million, consisting of the following items:

(in millions of euros)	As of December 31, 2022			As of December 31, 2021		
	CURRENT	NON-CURRENT	TOTAL	CURRENT	NON-CURRENT	TOTAL
Senior notes	—	953.2	953.2	—	999.5	999.5
Securitization	360.0	823.5	1,183.5	605.0	300.0	905.0
Bank loans	62.3	0.2	62.5	36.7	0.3	37.0
Commercial paper	45.0	—	45.0	125.5	—	125.5
Bank overdrafts and other credit facilities	75.1	—	75.1	68.7	—	68.7
Accrued interests ⁽¹⁾	2.4	—	2.4	5.1	—	5.1
Less transaction costs	(2.3)	(8.4)	(10.7)	(3.6)	(9.2)	(12.9)
Total financial debt and accrued interest	542.4	1,768.6	2,311.0	837.5	1,290.5	2,128.0
Cash and cash equivalents			(895.4)			(573.5)
Accrued interest receivable			(3.5)			(1.4)
Debt hedge derivatives ⁽²⁾			46.3			(2.0)
Net financial debt			1,458.4			1,551.2

(1) Of which accrued interests on Senior Notes for €0.9 million as of December 31, 2022 (€2.2 million as of December 31, 2021).

(2) Debt hedge derivatives include fair value hedge interest rate derivatives and foreign exchange derivatives designated as hedge of financial debt.

19.1.1 Senior notes

Main components of existing senior notes are detailed as follows:

(in millions of euros)	NOMINAL AMOUNT	DUE DATE	NOMINAL INTEREST RATE	CARRYING AMOUNT AS OF DECEMBER 31,	
				2022	2021
2021 Sustainability linked senior notes (November)	600.0	December 2028	2.125%	599.3	600.4
2021 Sustainability linked senior notes (May)	400.0	June 2028	2.125%	353.9	399.1
TOTAL				953.2	999.5

€600 million senior sustainability-linked notes due 2028

On November 10, 2021, Rexel issued €600 million of unsecured senior sustainability-linked notes. The notes were issued at 100% of their nominal amount and bear interest at 2.125% annually.

The notes rank *pari passu* with Rexel's senior credit facility and other senior unsecured notes. Rexel pays interest on the notes semi-annually on June 15

and December 15, starting from June 15, 2022. The notes mature on December 15, 2028 and are listed on the Luxembourg Stock Exchange.

The notes are redeemable in whole or in part at any time prior to December 15, 2024 at a redemption price equal to 100% of their principal amount, plus a "make-whole" premium and accrued and unpaid interest.

On or after December 15, 2024, the notes are redeemable in whole or in part by paying a redemption price depending on target achievement and set forth as follows:

REDEMPTION PERIOD BEGINNING ON:	REDEMPTION PRICE (AS A % OF PRINCIPAL AMOUNT)	
	PERFORMANCE TARGETS ACHIEVED	PERFORMANCE TARGETS NOT
December 15, 2024	101.063%	101.188%
December 15, 2025	100.531%	100.594%
December 15, 2026 and after	100.000%	100.000%

€400 million senior sustainability-linked notes due 2028

On May 5, 2021, Rexel issued €300 million of unsecured senior sustainability-linked notes. The notes were issued at 100% of their nominal amount and bear interest at 2.125% annually. On May 18, 2021, the Group placed additional €100 million notes at a price of 100.875% of nominal (i.e. an issuance price of €100.9 million). The additional notes are fully fungible with the previously issued notes and have identical terms and conditions.

The notes rank pari passu with Rexel's senior credit facility and other senior unsecured notes. Rexel pays interest on the notes semi-annually on June 15 and December 15, starting from December 15, 2021. The notes mature on June 15, 2028 and are listed on the Luxembourg Stock Exchange.

The notes are redeemable in whole or in part at any time prior to June 15, 2024 at a redemption price equal to 100% of their principal amount, plus a "make-whole" premium and accrued and unpaid interest.

On or after June 15, 2024, the notes are redeemable in whole or in part by paying a redemption price depending on target achievement and set forth as follows:

REDEMPTION PERIOD BEGINNING ON:	REDEMPTION PRICE (AS A % OF PRINCIPAL AMOUNT)	
	PERFORMANCE TARGETS ACHIEVED	PERFORMANCE TARGETS NOT ACHIEVED
June 15, 2024	101.063%	101.188%
June 15, 2025	100.531%	100.594%
June 15, 2026 and after	100.000%	100.000%

Sustainability performance targets

The senior notes are subjected to sustainability performance targets:

- a 23% reduction in greenhouse gas emissions related to the consumption of products sold, per euro of turnover (scope 3) by December 31, 2023 from a 2016 baseline; and
- a 23.7% reduction in greenhouse gas emissions related to energy consumption (scope 1 & 2) in its

operations by December 31, 2023 from a 2016 baseline.

The interest rate of the Notes shall be increased by 25 basis points to 2.375% per annum from June 15, 2024, if the Group does not achieve one of the above targets.

As of December 31, 2022, the Group considers that these sustainability performance targets will be achieved.

19.1.2 Securitization programs

Information with respect to Rexel's securitization programs including the off-balance sheet programs is provided in the table below:

	AS OF DECEMBER 31, 2022			AS OF DECEMBER 31,		MATURITY
	COMMITMENT	AMOUNT OF RECEIVABLES ASSIGNED	AMOUNT DRAWN DOWN	2022	2021	
MAIN PROGRAMS	(in millions of currency)			(in millions of euros)		
France ⁽¹⁾	€360.0	€519.4	€360.0	360.0	300.0	12/16/2023
Europe (excl. France) ⁽²⁾	€219.0	€374.0	€216.2	216.2	220.2	07/19/2025
United States – on balance sheet ⁽³⁾	US\$500.0	US\$757.2	US\$500.0	468.8	256.0	08/03/2025
United States – off balance sheet	US\$225.0	US\$225.0	US\$225.0	210.9	197.9	08/03/2025
Canada ⁽⁴⁾	C\$200.0	C\$326.1	C\$200.0	138.5	128.5	01/19/2026
TOTAL				1,394.4	1,102.7	
Of which:	• on balance sheet:			1,183.5	905.0	
	• off balance sheet:			210.9	197.9	

(1) Maximum commitment increased from €300 million to €360 million in 2022.

(2) In June 2022, Rexel amended its European securitization program to extend the maturity date to July 2025.

(3) In August 2022, Rexel amended its United States Securitization programs and extended the maturity date to August 2025. The maximum commitment of the program was increased from US\$290 million to US\$500 million.

(4) In September 2022, Rexel amended its Canadian Securitization program and extended the maturity date to January 2026. The maximum commitment of the program was increased from C\$185 million to C\$200 million.

The total outstanding amount authorized for these securitization programs was €1,394.4 million and was totally used as of December 31, 2022.

These securitization programs pay interest at variable rates including a specific credit spread to each program.

On balance sheet programs

Rexel runs several on-going securitization programs which enable it to assign receivables to special purpose vehicles in exchange of cash payment amounting to the value of the receivables minus an amount committed to guarantee their recovery, which latter amount is only reimbursed, in whole or in part, after complete payment of the receivables.

The special purpose vehicles obtain the financing required to purchase these receivables, notably through the issuance of short-term debt instruments such as French, US, or Canadian commercial paper, which is rated by rating agencies. Under certain programs, Rexel also has the option of contributing its receivables in exchange for subscribing the securitization vehicle's subordinated notes.

Relevant subsidiaries remain responsible for the collection of receivables once assigned and retains a significant part of the late payment and credit risks.

As a consequence, these receivables assignment programs do not qualify for derecognition under IFRS 9 requirements. Therefore, assigned receivables remain classified as assets on the Group's balance sheet on the line "Trade accounts receivable" whereas the financing received is shown as financial debt.

Off Balance sheet program

The Group also entered into an agreement with Ester Finance Titrisation (the purchaser), a French subsidiary of CALYON, to sell a participating interest in eligible trade receivables of Rexel's US subsidiaries under a Receivables Participation Agreement ("RPA"). This agreement was amended for 3 years in August 2022 and allows the Group to assign eligible receivables and receive cash consideration up to a maximum amount of US\$225 million.

The purchase price of the receivables is equal to the face value of the receivables sold less a discount including a credit risk premium and the funding cost. Under the RPA, the Group is liable for collecting the receivables on behalf of the purchaser and receives servicing fees as remuneration of this obligation. As part of this transaction, the Group entered into a Collateral and Intercreditor Agreement to secure the performance of its obligations under the RPA. The

obligations of the Group under the RPA guarantee the transfer of cash collected by the Group on behalf of the purchaser, as well as the payment of expenses and allowances due by the Group. However, these guarantees do not include any compensation obligation in relation to unrecovered receivables.

As a result of this agreement, credit risk, interest risk and late payments risk attached to the receivables assigned in relation to the Ester program are transferred to the purchaser through the credit and funding discounts. The dilution risk is not considered for risks and rewards analysis as this risk is not attached to the receivables but is analyzed as a risk of misuse of the securitization program as disputed receivables are not eligible to the program or as a risk attached to the servicing of the receivables that is guaranteed by a collateral.

Therefore, receivables sold under this agreement are derecognized from the balance-sheet at the transfer date and the difference between the sale price and the carrying value of these receivables is recorded in the income statement as a financial expense.

19.1.3 Factoring arrangements

In addition to its securitization programs, Rexel entered into factoring agreements in France and Belgium. Under these arrangements, Rexel assigns trade receivables to the factor and receives cash payment for a maximum amount of €95 million.

As a result of these arrangements, the Group transfers the credit risk, interest risk and late payment risk to the factor, and remains liable for collecting the receivable on behalf of the factor.

19.1.4 Commercial paper program

Rexel runs a €300 million commercial paper program, with fixed maturities ranging from one to six months depending on the notes, issued to diversify its investor base and minimize the cost of financing.

As of December 31, 2022, derecognized receivables totaled €210.9 million (€197.9 million as of December 31, 2021) and the discounting loss was recorded as a financial expense for €12.0 million (€5.3 million in 2021). Cash collected under the servicing agreement in relation to derecognized receivables and not yet transferred to the purchaser totaled €31.2 million and was recognized in financial liabilities (€25.2 million as of December 31, 2021).

The Group did not retain any interests in the receivables sold under this program.

Covenant

Securitization programs are subject to certain covenants concerning the quality of the trade receivables portfolio including dilution (ratio of credit notes to eligible receivables), delinquency and default criteria (aging ratios measured respectively as overdue and doubtful receivables to eligible receivables).

As of December 31, 2022, Rexel had satisfied all of these covenants. All the programs are on-going programs and therefore are not subject to seasonality other than seasonality arising in the ordinary course of business.

As of December 31, 2022, Rexel derecognized the trade receivables sold to the factor for €84.1 million (€68.6 million as of December 31, 2021). Cash collected on behalf of the factor in relation with the transferred receivables was recognized in financial liabilities for €18.5 million as of December 31, 2022 (€20.4 million as of December 31, 2021).

As of December 31, 2022, the company had issued €45.0 million of commercial paper (€125.5 million as of December 31, 2021).

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19.1.5 Promissory notes

In order to manage its credit risk in China, the Group discounts without recourse to various financial institutions non-matured promissory notes issued by banks ("Bank Acceptance Drafts") that are received from customers as payment of trade receivables. Rexel transfers risks and benefits

associated with discounted Bank Acceptance Drafts.

As of December 31, 2022, Bank Acceptance Drafts were derecognized from the balance sheet for €68.2 million (€70.6 million as of December 31, 2021).

19.1.6 Cash and cash equivalents

(in millions of euros)	AS OF DECEMBER 31,	
	2022	2021
Cash at bank	894.5	572.6
Cash in hand	0.8	0.9
Cash and cash equivalents	895.4	573.5

19.2 Change in net financial debt

As of December 31, 2022, and December 31, 2021, the change in net financial debt was as follows:

(in millions of euros)	2022	2021
As of January 1,	1,551.2	1,334.9
Issuance of senior notes net of transaction costs	—	989.9
Repayment of senior notes	—	(1,119.6)
Transaction costs and refinancing costs	(1.6)	—
Net change in credit facilities, commercial papers and other financial borrowings	(52.4)	108.0
Net change in credit facilities	(54.0)	(21.8)
Net change in securitization	275.9	46.7
Net change in financial liabilities	221.9	24.9
Change in cash and cash equivalents	(371.4)	124.3
Effect of exchange rate changes on net financial debt	51.5	36.9
Effect of acquisition	—	1.1
Amortization of transaction costs	3.7	3.7
Non recurring redemption costs/ (gain)	—	22.6
Effect of assets held for sale classification	1.6	—
Other changes	0.1	2.7
As of December 31,	1,458.4	1,551.2

19.3 Market risks and financial instruments

The financial risks for which the Group is exposed are mainly interest rate risk and foreign exchange risk. In order to manage its exposure to market risks,

Rexel use derivative financial instruments such as forward currency contracts or interest rate swap.

Derivative financial instruments are initially recognized at fair value. Most interest and foreign currency exchange rate derivatives used by the Group are designated as hedging instruments.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

Change in fair value from one period to the next are recognized differently on whether the instrument is designated for accounting purposes as (i) a fair value hedge of an asset or a liability or an unrecognized firm commitment, (ii) a cash flow hedge or (iii) a hedge of net investment in a foreign operation.

(i) Fair value hedges

- Consist in hedging the variability of the fair value hedged item measured at amortized cost including fixed rate indebtedness such as senior notes;
- Changes in fair value of the hedging instrument are recognized in the income statement such as the change in value of the hedged item which is symmetrically recognized in the income statement for the period. Except for the ineffective part of the hedge, these two revaluations offset each other within the same line items in the income statement;
- For fair value hedges relating to items carried at amortized cost, any adjustment to carrying value is amortized through profit or loss over the remaining life of the hedging instrument using the effective interest rate method. When the hedged item is derecognized, the unamortized fair value is recorded immediately in profit or loss.

(ii) Cash flow hedges

- Consist in hedging the variability in cash flows of a recognized asset or liability, or a highly probable forecasted transaction;
- The effective part of any gain or loss on the derivative financial instrument is recognized in the cash-flow hedge reserve as other comprehensive income. The ineffective part is recognized immediately in profit or loss;
- When the forecasted transaction subsequently results in the recognition of a non-financial asset or liability, the associated cumulative gain (loss) is removed from the cash-flow hedge reserve and included in the initial cost or other carrying amount of the non-financial asset or liability;
- For cash flow hedges, other than those described in the previous paragraph, the associated cumulative gain (loss) is reclassified from the cash-flow hedge reserve to profit or loss under the same line item as the hedged item – i.e. under "Operating income and expenses" for cash flows from operations and under "Financial income and expense" otherwise – when the hedged cash flow occurs;
- If the hedged relationship is no longer expected to take place, the cumulative unrealized gain (loss) recognized as other comprehensive income is immediately reclassified to profit or loss.

(iii) Net investment in foreign operations hedges

- Consist in hedging the exchange rate risk relating to the equity of an investment in a consolidated subsidiary.
- Changes in fair value of the effective portion are recognized directly in other comprehensive income under "net gain/ (loss) on net investment hedges". The ineffective portion is recognized immediately in "Financial income and expenses". Gains and losses accumulated in equity are recognized in the income statement when the foreign operation is disposed of.

Derivatives that do not qualify for hedge accounting are accounted for as trading instruments and changes in their fair value is recognized in the income statement.

The Group has applied the amendments to IFRS 9 “Financial Instruments”, IAS 39 “Financial Instruments: Recognition and Measurement” and IFRS 7 “Financial Instruments: Disclosures”.

Rexel has conducted a Group-wide project to identify all contracts that could be affected by this reform and amended all the contracts where necessary its counterparties for the purpose of taking these index changes into account.

Hedging derivative instruments indexed to a benchmark rate are presented below. As of

December 31, 2022, the Group’s exposure to financial instruments indexed to floating rates with a maturity date beyond the implementation date of the reform is low. The potential impact on financial information of the replacement of an existing benchmark rate by another will take effect as soon as Phase 2 of the benchmark interest rate reform is adopted.

As allowed by these amendments the Group did not to take into account uncertainties about the future of benchmark interest rates in assessing the effectiveness of hedging relationships.

19.3.1 Interest rate risk

Rexel is exposed to interest rate risk through its indebtedness and cash management. Hedged items include borrowings, cash and cash equivalents and highly probable forecasted transactions derived from the budget. The risk is that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group’s exposure to the risk of changes in market interest rates relates primarily to the Group’s interest-bearing debt, including senior notes, securitization and factoring arrangements, credit facilities and commercial paper. The risk component is limited to the risk-free interest rate, excluding credit spread and other financing components.

In order to hedge its exposure to changing interest rates, the Group has adopted an interest rate hedging strategy aimed at maintaining a 80% hedging ratio on a one-year rolling basis, 50% on a two-year rolling basis, 25% on a three-year rolling basis of its net financial debt at fixed or capped rates with the remainder at variable interest rates with a flexibility of +/- 20%. To manage this, the Group mainly enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

The breakdown of financial debt between fixed and variable rates, before and after hedging, is as follows:

(in millions of euros)	AS OF DECEMBER 31,	
	2022	2021
Senior Notes and other fixed rate debt before hedging	990.3	987.0
Fixed to floating rate swaps on Senior Notes	(350.0)	(600.0)
Floating to fixed rate swaps on securitization	784.5	724.7
Sub-total fixed or capped rate instruments	1,424.8	1,111.7
% sub-total fixed or capped rate instruments / Net debt before cash	61%	52%
Securitization at floating rate debt before hedging	1,183.5	905.0
Floating to fixed rate swaps on securitization	(784.5)	(724.7)
Other floating rate debt (not hedged)	179.9	232.6
Fixed to floating rate swaps on Senior Notes	350.0	600.0
Sub-total floating rate debt instruments	928.9	1,012.9
% sub-total floating rate debt instruments / Net debt before cash	39%	48%
Cash and cash equivalents	(895.4)	(573.5)
Total net financial debt	1,458.4	1,551.2

Fair value hedge derivatives

As of December 31, 2022, the portfolio of interest rate swaps used as hedge for exposure of changes in fair value of its senior notes disclosed in note 19.1.1 is as follows:

	TOTAL NOTIONAL AMOUNT (in millions of currency)	TOTAL NOTIONAL AMOUNT (in millions of euros)	MATURITY	WEIGHTED AVERAGE FIXED RATE RECEIVED	FLOATING RATE PAID	FAIR VALUE ⁽¹⁾ (in millions of euros)
SWAPS PAYING VARIABLE RATE						
Euro	50.0	50.0	June 2023	0.31%	Euribor 3M	(0.5)
	300.0	300.0	June 2028	(0.02)%	Euribor 3M	(45.7)
Total		350.0				(46.2)

(1) Derivative instruments are presented at fair value, including accrued interest payable for €0.3 million.

As of December 31, 2021, the portfolio was as follows:

	TOTAL NOTIONAL AMOUNT (in millions of currency)	TOTAL NOTIONAL AMOUNT (in millions of euros)	MATURITY	WEIGHTED AVERAGE FIXED RATE RECEIVED	FLOATING RATE PAID	FAIR VALUE ⁽¹⁾ (in millions of euros)
SWAPS PAYING VARIABLE RATE						
Euro	250.0	250.0	June 2022	0.54%	Euribor 3M	1.4
	50.0	50.0	June 2023	0.31%	Euribor 3M	0.6
	300.0	300.0	June 2028	(0.02)%	Euribor 3M	(1.4)
Total		600.0				0.6

(1) Derivative instruments are presented at fair value, including accrued interest receivable for €0.2 million.

Fair value change of the hedging swaps and senior notes were as follows:

	FOR THE YEAR ENDED DECEMBER 31	
(in millions of euros)	2022	2021
Fair value change of the hedging swaps	47.1	(4.8)
Fair value change of the senior notes	(46.1)	1.3

Cash-flow hedge derivatives

In accordance with the policy described above, the Group has entered into several fixed interest rate swap contracts.

Cash-flow hedge swaps mature until January 2025. The Group intends to renew a significant portion of these swaps in order to hedge the variability of

future interest expense related to its floating interest debt mainly associated with securitization programs, in accordance with the strategy described above. The allocation of hedging instruments among currencies hinges upon the Group's expectations concerning trends of the interest rates linked to those currencies.

Interest rate swap contracts classified as cash flow hedges were as follows:

- As of December 31, 2022:

	TOTAL NOTIONAL AMOUNT (in millions of currency)	TOTAL NOTIONAL AMOUNT (in millions of euros)	MATURITY	FLOATING RATE RECEIVED	WEIGHTED AVERAGE FIXED RATE PAID (RECEIVED)	FAIR VALUE ⁽¹⁾ (in millions of euros)
SWAPS PAYING FIXED RATE						
American dollar	125.0	117.2	April 2023	Libor USD 3M	1.47%	1.6
	200.0	187.5	December 2023	Libor USD 3M	0.74%	7.9
	100.0	93.8	January 2025	Libor USD 3M	1.01%	7.2
	100.0	93.8	July 2025	SOFR capi	2.57%	3.9
	100.0	93.8	December 2025	SOFR capi	3.80%	0.6
Canadian dollar	20.0	13.9	January 2023	CDOR 3M	1.11%	0.1
	50.0	34.6	December 2024	CDOR 3M	1.77%	1.8
Australian dollar	75.0	47.8	June 2023	BBSW AUD 3M	0.65%	0.6
Swiss franc	50.0	50.8	November 2024	Saron	(0.28%)	1.8
	25.0	25.4	December 2024	Saron	1.37%	0.1
	150.0	152.3	December 2025	Saron	1.79%	(0.6)
Euro	150.0	150.0	March 2023	Euribor 3M	(0.53%)	1.0
Total		1,060.7				26.0

(1) Derivative instruments are presented at fair value, including accrued interest receivable for €2.5 million.

- As of December 31, 2021

	TOTAL NOTIONAL AMOUNT (in millions of currency)	TOTAL NOTIONAL AMOUNT (in millions of euros)	MATURITY	FLOATING RATE RECEIVED	WEIGHTED AVERAGE FIXED RATE PAID (RECEIVED)	FAIR VALUE ⁽¹⁾ (in millions of euros)
SWAPS PAYING FIXED RATE						
American dollar	100.0	88.3	January 2022	Libor USD 3M	2.54%	(0.5)
	125.0	110.4	April 2023	Libor USD 3M	1.47%	(1.5)
	200.0	176.6	December 2023	Libor USD 3M	0.74%	0.5
	100.0	88.3	January 2025	Libor USD 3M	1.01%	0.4
Canadian dollar	90.0	62.5	March 2022	CDOR 3M	1.70%	(0.2)
	20.0	13.9	January 2023	CDOR 3M	1.11%	—
	50.0	34.7	December 2024	CDOR 3M	1.77%	—
Australian dollar	75.0	48.0	June 2023	BBSW AUD 3M	0.65%	(0.1)
Swiss franc	100.0	96.8	March 2022	Libor CHF 3M	(0.75%)	—
	160.0	154.9	December 2022	Saron	(0.67%)	—
	50.0	48.4	November 2024	Saron	(0.28%)	(0.3)
Euro	150.0	150.0	March 2023	Euribor 3M	(0.53%)	0.1
Total		1,072.8				(1.6)

(1) Derivative instruments are presented at fair value, including accrued interest receivable for €1.0 million.

The change in fair value of the cash flow hedging instruments for the year ended December 31, 2022 was recorded as a €24.3 million increase in cash-flow hedge reserve before tax (€11.6 million increase

for the year ended December 31, 2021). The ineffectiveness recognized in profit and loss in 2022 was immaterial.

Sensitivity to interest rate variation

As of December 31, 2022, a 1% increase in interest rates on variable debt after effective interest rate hedging would lead to an increase in the current

annual interest expense estimated to €3.6 million and a €14.3 million gain related to the change in fair value of the hedging instruments of which a €0.7 million in the net financial expenses and €13.6 million in other comprehensive income.

19.3.2 Foreign exchange risk

The Group's financing policy is to centralize external borrowings and to provide financing to its foreign subsidiaries in their own functional currencies. The foreign currency risk arises principally from intercompany financings denominated in currencies other than euro and is managed at corporate level. In order to neutralize foreign exchange risk exposure, the Group's parent company incurs external indebtedness in foreign currencies other than euro or enters into foreign exchange derivatives (forward contracts or exchange rate swaps).

For the year ended December 31, 2022, unrealized exchange loss in other comprehensive income related to external borrowings qualified as net investment hedges accounted for €22.4 million before tax.

As of December 31, 2022, the notional value of foreign exchange derivatives was €(8.2) million (€4.5 million of forward sales and €12.7 million of forward purchases). Forward contracts are recognized at their fair value for a net negative amount of €0.4 million. The change in fair value of forward contracts for the year ended December 31, 2022 was recorded as a financial loss of €1.7 million.

sales of €465.7 million and a decrease (increase) in operating income before other income and other expenses of €33.4 million.

The Group's financial liabilities and shareholders' equity are likewise included on its consolidated balance sheet after conversion at the financial year-end exchange rate. Thus, a 5% appreciation (depreciation) of the euro against the other currencies as compared to the closing exchange rates as of December 31, 2022 would result in a corresponding decrease (increase) in financial debt and shareholders' equity of €37.0 million and €171.4 million respectively.

Sensitivity to changes in foreign exchange rates

On an annual basis, a 5% increase (or decrease) of the euro against the main currencies (US dollar, Canadian dollar, Australian dollar and British Pound) would lead to a decrease (increase) in

Financial debt per repayment currency

The table below presents the financial debt's sensitivity to exchange rate changes for each repayment currency:

(in millions of euros)	EURO	US \$	CANADIAN \$	AUSTRALIAN \$	NORWEGIAN KRONER	SWEDISH KRONA	BRITISH £	SWISS FRANC	CHINESE RENMINBI	OTHER	TOTAL
Financial liabilities	1,540.8	499.7	138.2	1.3	0.1	(3.8)	94.9	2.6	77.4	5.9	2,357.2
Cash and cash equivalents	(828.1)	(39.8)	(80.5)	30.0	(6.8)	(8.4)	(213.0)	262.7	(6.2)	(8.7)	(898.8)
Net financial position before hedging	712.7	459.9	57.7	31.3	(6.7)	(12.2)	(118.1)	265.3	71.2	(2.8)	1,458.4
Impact of hedges	5.8	(11.7)	—	(0.3)	—	0.8	0.3	—	3.4	1.6	—
Net financial position after hedging	718.5	448.3	57.7	31.1	(6.7)	(11.5)	(117.8)	265.3	74.6	(1.1)	1,458.4
IMPACT OF A 5% DEPRECIATION OF THE EURO		22.4	2.9	1.6	(0.3)	(0.6)	(5.9)	13.3	3.7	(0.1)	37.0

19.3.3 Liquidity Risk

The Group's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its financial liabilities when they are due. The Group aims to maintain the level of its cash and cash equivalents and available credit facilities at an amount in excess of its cash outflows on financial liabilities over the next 12 months.

As of December 31, 2022, the remaining contractual cash-flows in relation to financial indebtedness and derivative instruments, including interest owed, are as follows:

(in millions of euros)	DUE WITHIN						TOTAL
	ONE YEAR	TWO YEARS	THREE YEARS	FOUR YEARS	FIVE YEARS	THEREAFTER	
Senior notes	—	—	—	—	—	953.2	953.2
Securitization	360.0	—	685.0	138.5	—	—	1,183.5
Others	184.7	0.1	0.1	0.1	0.1	—	185.0
Total gross financial debt before transaction costs	544.7	0.1	685.1	138.6	0.1	953.2	2,321.7
Interests owed in relation to financial indebtedness	82.8	61.1	42.4	21.5	21.3	16.1	245.2
Interests owed (to receive) on derivatives	8.3	(3.9)	(8.9)	(8.8)	(8.9)	(4.1)	(26.3)
Total	635.8	57.3	718.6	151.3	12.5	965.2	2,540.6

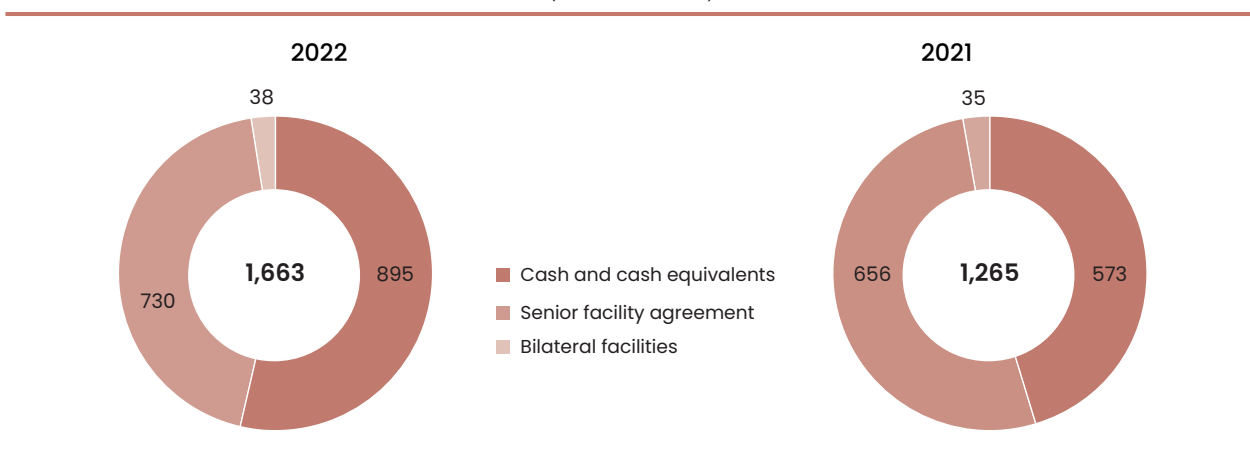
Senior notes, issued in 2021, mature in 2028.

Securitization programs mature in 2023, 2025 and 2026 as a result of amendments executed in 2020 and 2022. The financing under securitization programs directly depends on the amounts and quality of transferred receivables. In the event that the relevant companies do not comply with certain obligations, these securitization programs may have to be repaid early, which could have an adverse effect on the Group's liquidity and financial situation. In addition, if the special purpose entities

to which the receivables have been transferred were unable to issue short-term debt (commercial paper) under conditions that are equal to those available up to now, the Group's liquidity and financial position could be affected.

As of December 31, 2022, Group's liquidity stood at €1,662.8 million (€1,264.6 million as of December 2021) and exceeds the repayment obligation of its financial indebtedness due in the next twelve months. It breaks down as follows:

Group's liquidity
(in million of euros)



Senior Facility Agreement

The Senior Facility Agreement initially executed on March 15, 2013 subsequently amended – the latest amendment being dated January 31, 2018 – provides multicurrency revolving credit facility for an aggregate maximum initial amount of €850 million with BNP Paribas, Crédit Agricole Corporate and Investment Bank, Crédit Industriel et Commercial, HSBC France, ING BANK N.V., French branch, Natixis and Société Générale as Mandated Lead Arrangers and Bookrunners. Facilities can also be drawn down through swingline loans for an aggregate amount of €137.8 million.

This Senior Facility Agreement matures in 2025 for €829 million and in 2024 for €21 million.

Interest and margin

This facility bears interest at a rate determined in reference to (i) EURIBOR rate when funds are made available in Euro, LIBOR rate for other currencies and EONIA rate for swingline loans, (ii) an applicable margin ranges from 0.60% to 2.25% depending on the leverage ratio, (iii) other costs such as mandatory costs or utilization and non-utilization fees. As from January 3, 2022, EONIA is replaced by ESTR plus 8.5 basis points.

Leverage ratio

This facility is subject to the ratio of to (i) adjusted total net debt relative to (ii) adjusted EBITDA and determined on a pre IFRS 16 basis:

“Adjusted EBITDA” means, in relation to a measurement period, consolidated operating income without double counting before other income (or expenses) as defined in the relevant consolidated accounts of the Group:

- Including the last 12 months of Adjusted EBITDA of any Subsidiary acquired in that measurement period pro rata the participation of the Group;
- Including proceeds related to commodity price derivatives entered into to hedge exposure to the price fluctuation of certain commodities which do not qualify for cash flow hedge accounting as per applicable IFRS;
- After adding back EBITDA of assets held for sale and not taking into account EBITDA of assets sold during the measurement period;
- After adding back net operational depreciation/amortization;

- Taking no account of any expense referable to equity settled share based compensation of employees or management, to the extent the balance of it is taken in account into financial indebtedness;
- After adding back non-cash employee share, incentive or remuneration scheme costs entered into as part of equity-based remuneration of employees of the Group, as well as legal profit sharing, to the extent the balance of it is taken into account in financial indebtedness;
- Excluding the non-recurring impact of the evolution of the copper prices as disclosed in the press release published in connection with the consolidated financial statements for such measurement period;
- After adding back any other restructuring and/or acquisition costs relating to any permitted acquisition.

“Adjusted total net debt” means:

- Any indebtedness for or in respect of interest bearing debt (whether or not in cash or in kind, both current and non-current) but which shall:
 - Exclude any upfront, legal, advisory costs related to the implementation of such debt as well as the financial charges accounted for as a result of the repayment of any outstanding debt of the borrower;
 - Exclude intragroup loans between members of the Group;
 - Include any indebtedness for or in respect of any amount payable in respect of securities issued by any member of the Group which are not mandatorily redeemable in shares; and
 - Include any other amount raised under any other transaction accounted for as borrowing under the accounting standards;
- Any indebtedness for or in respect of accrued interest (including capitalized interest and any payment in kind) other than in respect of intragroup loans between members of the Group; less
- Cash and cash equivalents.

This ratio may exceed 3.50 on three accounting dates during the life of the Senior Facility Agreement, being specified that only two of such three accounting dates may be consecutive, and provided that (i) such ratio does not exceed 3.75 times on two accounting dates during the life of the

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Senior Facility Agreement and (ii) such ratio does not exceed 3.90 times on one accounting date during the life of the Senior Facility Agreement.

As of December 31, 2022, this credit facility was undrawn.

Other facilities

Rexel can also access to a €37.5 million bilateral term loan agreement (US\$ 40.0 million) with Wells Fargo Bank international which matures in June 2024.

As of December 31, 2022, this facility was undrawn.

Trade accounts payables, amounting to €2,371.8 million as of December 31, 2022 (€2,170.0 million as of December 31, 2021), are due in less than one year and are funded through recurring positive free cash flow from operating activities.

19.3.4 Counterparty risk

The financial instruments that could expose the Group to counterparty risk are mainly trade accounts receivable, cash and cash equivalents and derivative instruments.

Credit risk with respect to trade accounts receivable is limited due to the large number of customers, the diversity of their activities (contractors, manufacturers, municipalities) and their geographical spread in France and abroad. In addition, credit insurance programs have been implemented within the Group.

Counterparty risk concerning cash, cash equivalents and derivatives instruments is likewise limited by the quality of the relevant counterparties, which are the Group's traditional banking partners for its financing and are almost exclusively based in Europe.

As of December 31, 2022, the maximum risk corresponding to the total accounts receivable amounted to €2,617.0 million (€2,353.2 million as of December 31, 2021) and is detailed in note 13.2 Trade accounts receivable.

The outstanding amount was €920.6 million as of December 31, 2022 (€580.7 million as of

December 31, 2021), which equals the net book value of cash, cash equivalents and derivatives instruments.

The maximum counterparty risk on the Group's other financial assets was €716.6 million (€538.1 million as of December 31, 2021) and mainly corresponds to supplier discounts receivable.

19.4 Carrying amount and fair value of financial instruments by accounting category

The following table shows the carrying amounts and fair values of financial assets and liabilities in the balance sheet by accounting category as defined in IFRS 9 and the related fair value hierarchy as defined in IFRS 13:

- As of December 31, 2022

(in millions of euros)	NOTE	ACCOUNTING CATEGORIES			CARRYING AMOUNT	FAIR VALUE	FAIR VALUE HIERARCHY ⁽¹⁾
		MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS	MEASURED AT FAIR VALUE THROUGH OCI	STATED AT AMORTIZED COST			
ASSETS							
Derivative instruments	12.5/ 13.3	1.0	24.2	—	25.3	25.3	2
Deposits	12.5	—	—	44.5	44.5	44.5	
Loans	12.5	—	—	0.6	0.6	0.6	
Trade accounts receivable	13.2	—	—	2,617.0	2,617.0	2,617.0	
Supplier rebates receivable	13.3	—	—	396.3	396.3	396.3	
Other accounts receivable	13.3	—	—	275.1	275.1	275.1	
Cash and cash equivalents	19.1	895.4	—	—	895.4	895.4	
LIABILITIES							
Senior notes	19.1	—	—	953.2	953.2	870.4	1
Other financial debts, including accrued interest	19.1	—	—	1,357.8	1,357.8	1,357.8	
Derivative instruments	17/ 20	47.2	1.0	—	48.2	48.2	2
Trade accounts payable		—	—	2,371.8	2,371.8	2,371.8	
Customer rebates payable	20	—	—	222.4	222.4	222.4	
Other liabilities	20	—	—	378.0	378.0	378.0	

(1) Fair value hierarchy:

- Level 1: quoted market prices (current bid prices for financial assets/current ask prices for financial liabilities) and cash;
- Level 2: internal model using observable factors.

- As of December 31, 2021

(in millions of euros)	NOTE	ACCOUNTING CATEGORIES			CARRYING AMOUNT	FAIR VALUE	FAIR VALUE HIERARCHY ⁽¹⁾
		MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS	MEASURED AT FAIR VALUE THROUGH OCI	STATED AT AMORTIZED COST			
ASSETS							
Derivative instruments	12.5/ 13.3	6.1	1.2	—	7.2	7.2	2
Deposits	12.5	—	—	41.7	41.7	41.7	
Loans	12.5	—	—	0.4	0.4	0.4	
Trade accounts receivable	13.2	—	—	2,353.2	2,353.2	2,353.2	
Supplier rebates receivable	13.3	—	—	336.9	336.9	336.9	
Other accounts receivable	13.3	—	—	159.2	159.2	159.2	
Cash and cash equivalents	19.1	573.5	—	—	573.5	573.5	
LIABILITIES							
Senior notes	19.1	—	—	999.5	999.5	1,007.2	1
Other financial debts, including accrued interest	19.1	—	—	1,128.5	1,128.5	1,128.5	
Derivative instruments	17/ 20	4.1	1.6	—	5.7	5.7	2
Trade accounts payable		—	—	2,170.0	2,170.0	2,170.0	
Customer rebates payable	20	—	—	203.3	203.3	203.3	
Other liabilities	20	—	—	338.7	338.7	338.7	

(1) Fair value hierarchy:

- Level 1: quoted market prices (current bid prices for financial assets/current ask prices for financial liabilities) and cash;
- Level 2: internal model using observable factors.

20. Other current liabilities

(in millions of euros)	AS OF DECEMBER 31,	
	2022	2021
Customer rebates payable	222.4	203.3
Personal and social obligations	405.9	385.1
VAT payable and other sales tax	72.8	70.4
Derivatives	0.9	2.7
Other liabilities	378.0	338.7
Deferred income	8.3	7.3
Total other current liabilities	1,088.3	1,007.5

21. Related party transactions

Expenses relating to compensation of the Executive Committee members of the Group are as follows:

(in millions of euros)	FOR THE YEAR ENDED DECEMBER 31,	
	2022	2021
Salaries and other short-term benefits ⁽¹⁾	9.9	11.3
Post-employment benefits (service costs)	0.5	0.4
Indemnities at termination of contract	0.8	0.7
Free shares and stocks options ⁽²⁾	4.3	3.9

(1) Comprising social security contributions and payroll taxes paid by the Group.

(2) Share-based payment expense is detailed in note 7

In the event of a breach of employment contract, the Group could have to compensate the Executive

Committee members a total amount of €13,9 million.

22. Statutory auditors fees

The table below is provided in accordance with regulation n° 2016-09 of the French Accounting Standard Authority (ANC) and sets forth the fees paid to statutory auditors in connection with their

engagement in the parent company and the French subsidiaries. Amounts are exclusive of VAT and out-of-pocket expense.

(in millions of euros)	PWC AUDIT		KPMG S.A.		TOTAL	
	2022	2021	2022	2021	2022	2021
Audit services	1.0	0.9	1.0	0.9	2.1	1.8
Non audit services	0.2	0.2	0.1	0.2	0.3	0.4
Total	1.2	1.1	1.1	1.1	2.4	2.2

Other related services include the fees related to mandatory services performed in accordance with

French regulation, as well as comfort letters and Corporate Social Responsibility (CSR) report.

23. Contingent liabilities

Rexel Group is subject to legal, administrative and regulatory proceedings in the normal course of its business. A provision is recognized in the balance sheet when it is probable that an outflow of economic benefits from Rexel or one of its subsidiaries will be required to settle the obligation and when the amount can be estimated reliably.

The principal proceeding is set out below:

Antitrust investigation

On September 6, 2018, raids were performed in the offices of Rexel in relation to a judiciary investigation from the *Tribunal de Grande Instance* of Paris (Paris magistrate's court). This investigation, conducted with the assistance of the French Competition Authority, mainly deals with the mechanisms of price formation on the market of distribution of electrical equipment in France.

On July 4, 2022, Rexel received a statement of objections from the French Competition Authority. The Competition Authority's investigators believe that Rexel had implemented practices with some of its suppliers which purpose was allegedly to restrict its freedom to determine its resale prices. The statement of objection specifically targets the special price agreement ("*dérogation*") mechanism, which is a price reduction aimed at providing customers with the most competitive offer. This mechanism is a transparent practice that is known to all market players and is standard practice in the world of professional electrical equipment distribution.

As part of the judicial investigation underway, Rexel Group has been required to set aside a bank guarantee of €20 million and a cash guarantee of €48 million paid by January 15, 2023 out of which €36 million as of December 31, 2022. This decision is

a step in the procedure which in no way prejudices Rexel's guilt. Rexel continues to vigorously contest the basis and validity of this procedure and intends to exercise the appropriate means of recourse to assert its rights.

As customary in the matter, the statement of objections does not contain any element making it possible to quantify the amount of a possible sanction. It is therefore not possible to date to evaluate the outcome of this procedure and the financial risk which Rexel is potentially exposed to.

24. Events after the reporting period

At the presentation date of the consolidated financial statements there have been no subsequent events to December 31, 2022 that would have a significant impact on Rexel's financial situation other than two acquisitions in North America and a divestment of Rexel's activities in Norway, further strengthening the Group's portfolio.

The acquisition of Buckles Smith Electric Company in the USA was signed and closed on January 5, 2023. A recognized industrial automation player and authorized reseller of Rockwell automation solutions, Buckles Smith reinforces Rexel's expertise, footprint and customer relationship capabilities in the San Francisco Bay area. The combination of both companies will allow them to accelerate development in a high growth and technology-oriented area. Buckles Smith operates 6 branches and generated 2022 sales of circa USD 150 million.

The acquisition of Lineman's Testing Laboratories in Canada was signed and closed on January 17, 2023. This company expands Rexel Canada's footprint in the attractive utility market with a set of services, products and solutions that will be a valuable complement to Rexel's portfolio. Lineman's Testing Laboratories operates 2 branches and generated sales of circa CAD 25 million in 2022.

Rexel also announced the signing of the divestment of its operations in Norway to Kesko on January 27, 2023. Rexel's activities in Norway, generating sales of approximately €250 million in 2022, were less profitable than Group average and presented less strategic and value creation potential for the future. The completion of the transaction is subject to the approval of Norway's competition authority.

25. New Accounting Pronouncements

The following amendments which are effective for annual periods beginning after January 1, 2023 have not been early applied and are not expected to have a significant impact on the Group's consolidated financial statements:

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12);
- Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (Amendments to IAS 8);
- Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies (Amendments to IAS 1);
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16);
- Non-current Liabilities with Covenants (Amendments to IAS 1).

26. Consolidated entities as of December 31, 2022

	HEAD OFFICE	% INTEREST & CONTROL
FRANCE		
Holding companies and Group services companies		
Rexel	Paris	Parent company
Rexel Développement S.A.S.	Paris	100.00
Rexel Amérique Latine S.A.S.	Paris	100.00
Operating companies		
Rexel France S.A.S.	Paris	100.00
Espace Elec S.A.S.	Ajaccio	100.00
Bizline S.A.S.	Paris	100.00
BCCT	Paris	100.00
Gigamedia S.A.S.	Paris	100.00
Francofa Eurodis S.A.S.	Neuilly-Plaisance	100.00
La Boîte Electrique	Paris	100.00
Esabora Digital Services	Paris	100.00
Sofinther	Bouguenais	100.00
Cordia	Mitry-Mory	100.00
Freshmile Services S.A.S.	Entzheim	100.00
Trace Software International S.A.S.	Saint-Romain-de-Colbosc	25.00
EUROPE		
Germany		
Rexel GmbH	Munich	100.00
Rexel Germany GmbH & Co KG	Munich	100.00
Rexel Germany Verwaltungs GmbH	Munich	100.00
Rexel Germany Beteiligungs GmbH	Munich	100.00
Silstar Deutschland GmbH	Emmerich am Rhein	100.00
Rexel Industrial Solutions GmbH	Munich	100.00
United Kingdom		
Rexel Senate Ltd.	Birmingham	100.00
Denmans Electrical Wholesalers Ltd.	Birmingham	100.00
Senate Group Ltd.	Birmingham	100.00
Rexel UK Holdings Ltd.	Birmingham	100.00
Rexel UK Ltd.	Birmingham	100.00
Newey & Eyre Ltd.	Birmingham	100.00
Parker Merchating Limited	Birmingham	100.00
WF Electrical Plc	Birmingham	100.00
Warrior (1979) Ltd.	Birmingham	100.00
Rexel UK Pension Trustees Ltd.	Birmingham	100.00
J&N Wade Limited	Birmingham	100.00
Clearlight Electrical Company	Birmingham	100.00
Sweden		
Rexel Sverige AB	Älvsjö	100.00

	HEAD OFFICE	% INTEREST & CONTROL
Austria		
Rexel Central Europe Holding GmbH	Vienna	100.00
Rexel Austria GmbH	Vienna	100.00
Comtech IT Solutions GmbH	Annaberg	100.00
The Netherlands		
Rexel Nederland B.V.	Zoetermeer	100.00
Rexel Holding Netherlands B.V.	Hoofddorp	100.00
Rexel Holding Benelux B.V.	Hoofddorp	100.00
S. Van Westerborg & Zonen B.V.	Hoofddorp	100.00
Italy		
Rexel Italia SpA	Milano	100.00
Belgium		
Rexel Belgium S.A.	Zellik	100.00
CLG N.V.	Asse	100.00
Trilec N.V.	Asse	100.00
Ireland		
M Kelliher 1998 Ltd.	Tralee	100.00
Switzerland		
Elektro Material AG	Zurich	100.00
Digitalfeld AG	Zurich	88.66
Luxembourg		
Rexel Luxembourg S.A.	Luxembourg	100.00
Rexel RE S.A.	Luxembourg	100.00
Slovenia		
Rexel d.o.o.	Ljubljana	100.00
Finland		
Rexel Finland Oy	Hyvinkää	100.00
Norway		
Elektroskandia Norge AS	Langhus	100.00
Elektroskandia Norway Holding AS	Langhus	100.00
NORTH AMERICA		
United States		
Rexel USA, Inc.	Dallas	100.00
SKRLA LLC	Dallas	100.00
SPT Holdings Inc.	Dallas	100.00
Rexel of America LLC	Dallas	100.00
Rexel Patriot Acquisition, LLC	Dallas	100.00
Canada		
Rexel North America Inc.	St Laurent	100.00
Rexel Canada Electrical Inc.	Mississauga	100.00
ASIA PACIFIC		
Hong Kong SAR		
Huazhang Electric Automation Holding Co. Ltd.	Hong Kong	100.00

	HEAD OFFICE	% INTEREST & CONTROL
China		
Rexel Ouneng (Beijing) Technology Co. Ltd.	Beijing	100.00
Rexel Electric Co. Ltd.	Shanghai	100.00
Zhejiang Huazhang Automation Equipment Co. Ltd.	Hangzhou	100.00
Rexel intelligent control Ltd.	Hangzhou	100.00
Rexel Integrated Solutions (Shanghai) Co. Ltd.	Shanghai	100.00
Rexel China Management Co. Ltd.	Shanghai	100.00
Suzhou Xidian Co. Ltd.	Suzhou	100.00
Beijing Zhongheng Hengxin Automation Equipment Co. Ltd.	Beijing	100.00
Henan Qixin Automation Equipment Co. Ltd.	Zhengzhou	100.00
Shanghai Suhua Industrial Control Equipment Co. Ltd.	Shanghai	100.00
LinElec Business Consulting (Shanghai) Limited	Shanghai	100.00
Zhonghao (Shanghai) Technology Co. Ltd.	Shanghai	100.00
Jinan Rexel Enterprise Management Service Co., Ltd.	Jinan	100.00
India		
Rexel India Private Limited	Pune	100.00
Australia		
Rexel Holdings Australia Pty Ltd.	Sydney	100.00
Rexel Electrical Supplies Pty Ltd.	Sydney	100.00
Australian Regional Wholesalers Pty Ltd.	Sydney	100.00
New Zealand		
Rexel New Zealand Limited	Auckland	100.00
Redeal Pensions Ltd.	Auckland	100.00
United Arab Emirates		
Redco FZE	Jebel Ali	100.00
Rexel Emirates LLC	Abu Dhabi	100.00

5.2.2 Statutory auditors' report on the consolidated financial statements for the financial year ended December 31, 2022

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.

PricewaterhouseCoopers Audit

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92208 Neuilly-sur-Seine Cedex

KPMG S.A.

Tour EQHO
2, avenue Gambetta
CS60055
92066 Paris La Défense

Rexel S.A.

13, boulevard du Fort de Vaux
CS 60002
75838 Paris Cedex 17

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2022

To the Annual General Meeting of Rexel S.A.,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Rexel S.A. ("the Group") for the year ended December 31, 2022.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities

and of the financial position of the Group as at December 31, 2022 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

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 Consolidated Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for statutory auditors, for the period from January 1, 2022 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 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

consolidated 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 consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Measurement of the recoverable amount of goodwill

Notes 12.1 and 12.2 to the consolidated financial statements

Description of risk

As of December 31, 2022, goodwill were recorded in the balance sheet for a net carrying amount of €3,454.5 million, representing 27% of the Group's total assets. An impairment test for these assets is performed at least once a year at the level of the cash-generating units (CGU) to which they have been allocated. As described in the Note 12.2 to the consolidated financial statements, an impairment exists when the carrying value of a cash-generating unit exceeds its recoverable amount, which is determined based on value in use. As of December 31, 2022, recoverable amounts of CGUs appeared to be in excess over their carrying value.

The value in use of a CGU (country) is measured based on discounted future cash flows and requires a degree of judgment from management, especially for the determination of revenue and EBITA margin forecasts as well as the selection of discount rates and long-term growth rates.

We deemed the measurement of the recoverable amount of goodwill to be a key audit matter, due to the weighting of these assets in the consolidated balance sheet, and the inherent uncertainty and subjectivity of specific inputs, in particular the likelihood of achieving forecast results included in the recoverable amount measurement.

How our audit addressed this risk

We gained an understanding of the Group's budget process from which projected cash-flows used for the impairment test are based.

We assessed:

- the compliance of the methodology used as per the existing accounting standards;
- with the assistance of our valuation experts, the reasonableness of the long-term growth rates as well as discount rates applied to the projected cash flows of the CGU;
- the components of the carrying value of the CGU.

As no CGU is materially sensitive to the EBITA, discount rate or long-term growth rate assumptions in 2022, we performed additional procedures on

Germany CGU, which has been sensitive to these assumptions in 2021 and on which we:

- Assessed the consistency of projected cash-flow with the local economic environment;
- Reviewed the reliability of the assumptions process notably by analyzing the root cause of any differences between prior years cash-flow projections and actual cash flows;
- Corroborated, including through interviews with management, the reasonableness of the main data and assumptions underlying projected cash-flow (sales growth, EBITA margin);
- Reviewed the mathematical accuracy of the discounted cash-flow model used and the sensitivity analysis.

Finally, we verified that the Notes 12.1 and 12.2 to the consolidated financial statements included the appropriate disclosures.

Suppliers rebates

Notes 6, 13.1 and 13.3 to the consolidated financial statements

Description of risk

The Group enters into annual agreements with a number of suppliers whereby volume-based rebates, marketing support and other discounts are received. Volume-based rebates are determined by reference to guaranteed rates of rebate (unconditional rebates) and/or subject to stepped targets (conditional rebates). The Group also receives rebates determined by qualitative targets.

These rebates are recorded as reduction of the cost of goods sold.

We deemed the recognition of suppliers' rebates to be a key audit matter, due to:

- The significance of suppliers' rebates
- The variety of contractual terms
- The estimates required in terms of determining the purchasing data and other qualitative data to which contract clauses apply to calculate receivables at the year-end closing date
- And their impact on the valuation of inventories.

How our audit addressed this risk

We analyzed the internal control procedures relating to the follow-up of rebates on contracts signed with suppliers and to estimate rebates in order to determine the cost of goods sold. We ensured the consistency of the methods used to determine supplier discounts and we assessed the design and implementation of some controls.

We also performed the following procedures:

- Analyzed, on a sample basis, the contracts signed with suppliers as well as the proper application of the terms and conditions of those contracts when used to determine rebates recognized during the year, as well as the rebates accrued at year-end, based on the landing of purchases volumes and achievement of qualitative criteria, if any;

- Reconciled, on a sample basis, the purchases amount with the data used to calculate rebates receivables at year-end, as well as with any purchasing confirmations received from suppliers, and assessed the fulfillment of any conditional targets in terms of purchases volumes;
- Assessed the recoverability of supplier rebate receivables and verified that there are no aged uncollected receivables;
- Analyzed the rebates collected during the year related to the prior year rebates receivable to assess the reliability of management estimates;
- Verified, on a sample basis, the appropriate allocation of suppliers rebates to the valuation of inventories.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verification required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L225-102-1 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 L823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein and this information should be reported on by an independent third party.

Report on Other Legal and Regulatory Requirements

Format of presentation of the consolidated 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 L451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the chief executive officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of December 17, 2018. 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 the 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 limits which are inherent to the macro-tagging of the consolidated financial statements according to the European single electronic information format, it is possible that the content of certain tags in the notes may not be reproduced identically to the consolidated financial statements attached to this report.

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 Rexel S.A. by the Annual General Meeting held on May 16, 2012 for PricewaterhouseCoopers Audit and May 25, 2016 for KPMG S.A.

As at December 31, 2022, PricewaterhouseCoopers Audit and KPMG S.A. were in the 11th year and 7th year of total uninterrupted engagement, respectively.

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.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives 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 L823-10-1 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) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L822-10 to L822-14 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.

Neuilly-sur-Seine and Paris La Défense, February 17, 2023

PricewaterhouseCoopers Audit
Amélie Wattel Pierre Clavié

KPMG S.A.
Éric Jacquet

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5.3

Financial statements



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2	Basis of preparation					

Pursuant to Article 19 of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, the following information is incorporated by reference in this Universal Registration Document:

- the Company financial statements and the relevant audit report for the year ended December 31, 2021 which are included in pages 352 to 369 of the French version of the Universal Registration Document for the financial year ended on December 31, 2021 registered by the *Autorité des marchés financiers* on March 10, 2022 under number D.22-0083; and
- the Company financial statements and the relevant audit report for the year ended December 31, 2020 which are included in pages 338 to 359 of the French version of the Universal Registration Document for the financial year ended on December 31, 2020 registered by the *Autorité des marchés financiers* on March 11, 2021 under number D.21-0111.

5.3 Financial statements

5.3.1 Financial statements as of December 31, 2022

Income statement

(in millions of euros)	Note	FOR THE YEAR ENDED DECEMBER 31	
		2022	2021
Operating revenues	3.1	12.2	5.1
Other purchases and external costs		(23.1)	(37.7)
Taxes other than income taxes		(0.4)	(0.3)
Other expenses		(3.7)	(6.4)
Depreciation, amortization and increase in provisions		(9.5)	(0.9)
Operating expenses	3.1	(36.7)	(45.2)
Operating loss		(24.5)	(40.1)
Dividend income		53.2	—
Other financial revenues		13.3	6.2
Decrease in financial provisions		—	8.9
Total financial revenues	3.2	66.5	15.2
Interest expenses and exchange losses		(32.6)	(41.9)
Increase in financial provisions		—	(0.2)
Total financial expenses	3.2	(32.6)	(42.1)
Net financial expenses		33.9	(26.9)
Recurring income / (expense) before tax		9.4	(67.0)
Non-recurring income (expense)	3.3	2.1	(9.1)
Income / (expense) before tax		11.6	(76.2)
Income taxes	3.5	11.2	22.9
Net income		22.8	(53.2)

Balance sheet

		AS OF DECEMBER 31	
(in millions of euros)	Note	2022	2021
ASSETS			
Investments in related companies		3,265.4	3,265.4
Loans and other long-term financial assets		321.1	520.0
Non-current assets	4.1	3,586.5	3,785.5
Trade accounts receivable	4.2	2.0	4.4
Other accounts receivable	4.2	7.4	9.9
Short-term investments, hedging derivatives, cash and bank	4.3	77.6	466.6
Prepaid expenses		0.2	0.1
Current assets		87.2	481.0
Total assets		3,673.7	4,266.4
EQUITY AND LIABILITIES			
Share capital		1,517.1	1,528.6
Share premium		1,015.8	1,289.8
Legal reserve		71.0	71.0
Other reserves		27.6	28.4
Retained earnings		(53.2)	—
Net income for the period		22.8	(53.2)
Total equity	4.4	2,601.0	2,864.5
Provisions		5.8	7.5
Senior notes	4.5	1,001.9	1,002.7
Borrowings from financial institutions	4.5	45.0	125.5
Other financial borrowings	4.5	12.2	255.3
Trade accounts payable	4.5	3.0	4.0
Other operating liabilities	4.5	4.7	6.8
Deferred income		—	0.0
Total liabilities		1,066.8	1,394.4
Total equity and liabilities		3,673.7	4,266.4

Principal subsidiary

DENOMINATION	FINANCIAL INFORMATION (IN MILLIONS OF EUROS)									
	CAPITAL	RESERVES AND RETAINED EARNINGS (EXCLUDING CURRENT YEAR RESULTS)	PERCENTAGE SHARE CAPITAL HELD	CARRYING VALUE OF SHAREHOLDING		OUTSTANDING LOANS	GUARANTEES GRANTED BY REXEL SA	SALES	CURRENT YEAR RESULT	DIVIDENDS RECEIVED BY REXEL SA
				COST	NBV					
REXEL Développement SAS 13 boulevard du Fort de Vaux 75017 PARIS	1,259.2	2,162.7	100%	3,265.4	3,265.4	300.0	0.0	120.4	184.9	53.2
TOTAL	1,259.2	2,162.7		3,265.4	3,265.4	300.0	0.0	120.4	184.9	53.2

Accompanying Notes

1. Description of business

Rexel SA, incorporated in December 2004, is the holding company of Rexel Group. As such Rexel SA provides the financing of its direct and indirect

subsidiaries and is the sole shareholder of Rexel Développement SAS, an affiliates controlling Rexel Group operations.

2. Basis of preparation

The financial statements for the year ended December 31, 2022 are presented with comparative amounts for the year ended December 31, 2021 and have been prepared in accordance with French law, with the principles and policies defined in *Autorité des Normes Comptables* (ANC) Regulation 2014-03, approved by government order of September 8, 2014, relating to the French general Accounting standards, and with accounting principles generally accepted in France.

The accounting principles set out below have been applied in a conservative approach, and in conformity with the following principles:

- going concern,
- consistency of accounting method,
- independence of accounting periods.

Financial statements are prepared based on the following methods.

2.1 Long-term financial assets

Long-term investments are initially measured at acquisition cost. A valuation allowance is recorded when carrying value exceeds value in use. Rexel measures the value in use of long-term investments in subsidiaries on the basis of projected cash flows after deduction of net debt. Prospects include the favorable effect expected from continuously increasing electrical usages as a

result of climate change containment policies and energy transitioning boosted by the European green deal and US stimulus that should bring additional growth opportunities.

When the carrying value of an investment exceeds its value in use, an impairment loss is recognized for the difference.

2.2 Loans and other long-term financial assets

Loans and other long-term financial assets are initially recognized at cost. When the recoverable amount is below the carrying value of the asset, a valuation allowance is recognized for the

difference. On acquisition, Rexel's own shares are recognized at cost. A valuation allowance is recorded when the share fair value is below the acquisition cost at the reporting date.

2.3 Receivables and payables

Receivables and payables are recognized at historical cost. When the recoverable amount is below the carrying value, a valuation allowance is recognized.

Assets and liabilities denominated in foreign currencies are converted at the year-end exchange rate. Exchange rate differences arising from this adjustment are presented on the balance sheet as "unrealized exchange rate gains or losses".

For assets and liabilities denominated in foreign currencies and subject to foreign exchange hedge

(hedge fixing the foreign currency at the maturity date), two situations are considered:

- Perfect hedge, the nominal amount of the hedging instrument is equal to the nominal amount of the underlying at the closing date: no unrealized exchange differences is recognized since the unrealized exchange gains and losses on the underlying asset and liability is offset by the unrealized gains and losses linked to the hedging instrument,
- Imperfect hedge, the nominal amount of the hedging instrument is different than the nominal amount of the underlying at the closing date: only the unrealized exchange loss is provided for in the income statement.

2.4 Short-term investments

On acquisition, short-term investments are recognized at cost. Unrealized losses are provided for when fair value is below carrying value.

Own shares held and allocated to free shares plans are recognized at acquisition cost until their delivery to beneficiaries. A provision is recognized over the vesting period of these free shares.

2.5 Provisions

A provision is recognized in the balance sheet when Rexel has a present legal or constructive obligation, when it is probable that an outflow of economic

benefits will be required to settle the obligation and when the amount can be estimated reliably.

2.6 Borrowings and related issuing cost

Borrowings are recognized at nominal value. Senior notes issue costs are expensed when incurred. Notes issuance premiums are amortized, either over the life of notes, or in proportion to accrued interests.

Borrowings denominated in foreign currency are converted at the closing rate.

2.7 Financial instruments covering currency and interest rate risks

In order to optimize the cost of its financial debt, Rexel uses derivatives instruments to hedge against foreign exchange and interest rate risks. These instruments include foreign exchange and interest rate swaps, forward exchange contracts, and interest rate and foreign exchange options.

Accounting principles, applicable to these instruments are defined by the French *Autorité des Normes Comptables* (ANC) regulation~2015-05:

- Realized and unrealized results arising from derivatives instruments are accounted in the

income statement over the life of hedged items in order to match results arising from those underlying contracts,

- Changes in fair value of derivatives are not recognized on the balance sheet unless the recognition of such changes lead to a symmetrical treatment of the hedged item,
- Hedging gains and losses are reported in the same line item as the hedged item.

3. Notes to the income statement

3.1 Operating revenues and expenses

Operating loss is detailed as follows:

(in millions of euros)	FOR THE YEAR ENDED DECEMBER 31	
	2022	2021
Services provided to subsidiaries	1.7	4.0
Release of provisions ⁽³⁾	10.5	1.1
Total operating revenues	12.2	5.1
Professional fees ⁽¹⁾	(5.6)	(11.4)
Management fees from related companies	(15.1)	(12.6)
Bank charges	(2.4)	(2.7)
Senior notes issuance costs ⁽²⁾	—	(11.1)
Taxes other than income tax	(0.4)	(0.3)
Personnel costs and other expenses	(3.7)	(6.4)
Depreciation and provisions ⁽³⁾	(9.5)	(0.9)
Total operating expenses	(36.7)	(45.2)
Operating loss	(24.5)	(40.1)

(1) Professional fees decrease is mainly linked to higher centrally-hosted projects in 2021.

(2) In 2021, Senior notes issuance costs are related to the €400 million and €600 million senior notes issued in May and November 2021 (see note 4.5.1).

(3) Increase and release in provision are mainly linked to own shares held to serve free share plan (see note 4.3).

3.2 Net financial expenses

Net financial expenses are detailed as follows:

(in millions of euros)	FOR THE YEAR ENDED DECEMBER 31	
	2022	2021
Dividend income	53.2	—
Interest on loans and financial current accounts	1.8	0.1
Other financial income	0.2	0.1
Gains on own shares disposal ⁽¹⁾	11.3	6.1
Other provision release ⁽²⁾	—	8.9
Total financial income	66.5	15.2
Interest on senior notes ⁽³⁾	(21.6)	(21.7)
Early redemption premiums paid on senior notes ⁽⁴⁾	—	(14.6)
Net exchange loss	—	(0.1)
Other interest and financial expenses	(0.9)	(1.2)
Loss on own shares disposal ⁽¹⁾	(10.1)	(4.3)
Other provision / amortization	—	(0.2)
Total financial expenses	(32.6)	(42.1)
Net financial expenses	33.9	(26.9)

(1) Gains and loss on own shares held to serve free share plans and rebilled to French subsidiaries.

(2) In 2021, reflecting mainly the release of prior year reserve on Rexel Arabia ES loan as a result of the waiver of loan granted in 2021 in connection with Rexel Arabia ES disposal.

(3) See note 4.5.1.

(4) In 2021, early redemptions related derecognition loss of the 2.75% 600 million senior notes due 2026 and the 2.125% 500 million senior notes due 2025.

3.3 Non-recurring income and expenses

In 2022, non-recurring income was €2.1 million, of which €1.4 million related to an earn-out received

following the disposal of Rexel Arabia ES loan in 2021.

3.4 Compensation of company officers

Board attendance fees paid to company officers in 2022 amount to €0.9 million (€0.9 million in 2021).

Compensation and indemnities paid to company officers in 2022 amount to €3.2 million (€1.7 million in 2021).

3.5 Income taxes

All French subsidiaries where Rexel holds directly or indirectly at least 95% ownership interests are part of the Group tax agreement headed by Rexel SA. Under the French Group tax agreement, Rexel is liable for the payment of all tax due by the tax group. Each subsidiary recognizes its tax expense on stand-alone basis calculated based on its own

taxable income. Any tax benefits arising from the tax group are recognized by Rexel SA acting as the head company of the tax group.

Rexel has recognized an income of €11.2 million for 2022 (€22.9 million in 2021) mainly corresponding to tax losses incurred by non-profitable French entities part of the Group tax agreement.

Income tax is analyzed as follows:

(in millions of euros)	INCOME / (EXPENSE) BEFORE TAX	TAX INCOME / (EXPENSE)	NET INCOME
Recurring income / (expense) before tax	9.4	—	9.4
Non-recurring income / (expense) before tax	2.1	—	2.1
Prior year income tax		(0.4)	(0.4)
French tax consolidation agreement effect		11.6	11.6
Total	11.6	11.2	22.8

4. Notes to the balance sheet

4.1 Fixed assets

(in millions of euros)		NET AMOUNT AS OF JANUARY 1, 2022	INCREASE	DECREASE	NET AMOUNT AS OF DECEMBER 31, 2022
Financial assets		3,785.5	1.8	(200.7)	3,586.5
Investments in affiliates	4.1. 1	3,265.4	—	—	3,265.4
Loans and other long-term financial assets	4.1. 2	520.0	1.8	(200.7)	321.1
Total Fixed assets		3,785.5	1.8	(200.7)	3,586.5

4.1.1 Investments in related companies

Investments in affiliates refer to the 100% ownership interest in Rexel Développement SAS.

4.1.2 Loans and other long-term financial assets

(in millions of euros)	AMOUNT AS OF DECEMBER 31, 2021	INCREASE / DECREASE	CURRENCY TRANSLATION ADJUSTMENT	AMOUNT AS OF DECEMBER 31, 2022
Loans	500.0	(200.0)	—	300.0
Rexel Développement SAS ⁽¹⁾	500.0	(200.0)	—	300.0
Liquidity contract ⁽²⁾	20.0	1.1	—	21.1
Total other securities	520.0	(198.9)	—	321.1

(1) Following the signature of a revolving credit facility with Rexel Développement SAS, €300 million have been loaned to Rexel Développement SAS. This credit facility bears interest indexed on commercial paper interest rates issued and matures on January 31, 2025.

(2) Own shares and cash equivalents are held under Rexel's share liquidity agreement entered into with a financial institution. As of December 31, 2022, Rexel held 286,205 shares for a gross value of €5.2 million. In addition to Rexel treasury shares, €15.9 million of cash equivalents are held under the liquidity agreement.

4.2 Receivables

Receivables are detailed as follows:

(in millions of euros)	AS OF DECEMBER 31	
	2022	2021
Trade accounts receivable	2.0	4.4
Other receivable	7.4	9.9
Total receivables	9.4	14.3

Those receivables are due within one year.

4.3 Short term investments, hedging derivatives and cash and cash equivalent

(in millions of euros)	AS OF DECEMBER 31	
	2022	2021
Own shares ⁽¹⁾	4.7	5.4
Cash and cash equivalents	72.9	461.2
Total short-term investments and cash and cash equivalent	77.6	466.6

(1) Own-share acquisition cost held to serve free shares plans. Rexel held 269,202 shares for an amount of €4.7 million as of December 31, 2022.

Change in cash and cash equivalent is as follows:

(in millions of euros)	
Cash and cash equivalents as of January 1, 2022	461.2
Dividend paid	(230.1)
Own-share buy-back	(66.3)
Current account reduction	(246.5)
Commercial paper reduction	(80.5)
Change in Rexel Développement loan	200.0
Dividend received from Rexel Développement	53.2
Other cash items	(18.1)
Cash and cash equivalents as of December 31, 2022	72.9

4.4 Equity

As of December 31, 2022, the company's share capital amounts to €1,517,066,325 represented by 303,413,265 shares each with a par value of €5.

(in millions of euros)	JANUARY 1, 2022	APPROPRIATION OF 2021 NET INCOME ⁽¹⁾	2022 NET INCOME	SHARE CANCELLED ⁽²⁾	RESERVES REALLOCATION ^{(3) (4)}	DECEMBER 31, 2022
Share capital	1,528.6	—	—	(17.4)	5.9	1,517.1
Share premium	1,289.8	(230.1)	—	(38.8)	(5.1)	1,015.8
Legal reserve	71.0	—	—	—	—	71.0
Non-distributable reserve	28.4	—	—	—	(0.8)	27.6
Retained earnings	—	(53.2)	—	—	—	(53.2)
Net income for the year	(53.2)	53.2	22.8	—	—	22.8
Total equity	2,864.6	(230.1)	22.8	(56.2)	—	2,601.0

- (1) The Annual shareholders meeting held on April 21, 2022 decided the distribution of €230.1 million dividends deducted from the share premium.
(2) On June 16, 2022, Rexel announced a share buy-back program of €400 million of its share capital by 2025. As part of this program, 3.5 million of shares were repurchased for a total amount of €56.2 million in 2022 and were then cancelled.
(3) Share capital was increased by €5.9 million following the issuance of 1,176,532 shares with a par value of €5 each. This capital increase has been recorded by deduction from the non-distributable reserve.
(4) Share premium decreased following free share granted in 2022.

4.5 Liabilities

Liabilities are detailed as follows:

(in millions of euros)		AS OF DECEMBER 31, 2022	AS OF DECEMBER 31, 2021
Senior notes	4.5.1	1,001.9	1,002.7
Commercial paper	4.5.2	45.0	125.5
Other financial debt	4.5.3	12.2	255.3
Trade accounts payable		3.0	4.0
Other operating liabilities		4.7	6.8
Total		1,066.8	1,394.4

Maturity of those liabilities are presented as follows:

(in millions of euros)		AS OF DECEMBER 31, 2022	DUE WITHIN ONE YEAR	DUE FROM ONE TO FIVE YEAR	DUE THEREAFTER
Senior notes	4.5.1	1,001.9	1.9	—	1,000.0
Commercial paper	4.5.2	45.0	45.0	—	—
Other financial debt	4.5.3	12.2	12.2	—	—
Trade accounts payable		3.0	3.0	—	—
Other operating liabilities		4.7	4.7	—	—
Total		1,066.8	66.8	—	1,000.0

4.5.1 Senior Notes

€600 million senior sustainability-linked notes due 2028

On November 10, 2021, Rexel issued €600 million of unsecured senior sustainability-linked notes. The notes were issued at 100% of their nominal amount and bear interest at 2.125% annually.

The notes rank pari passu with Rexel's senior credit facility and other senior unsecured notes. Rexel pays interest on the notes semi-annually on June 15 and December 15, starting from June 15, 2022. The

notes mature on December 15, 2028 and are listed on the Luxembourg Stock Exchange.

The notes are redeemable in whole or in part at any time prior to December 15, 2024 at a redemption price equal to 100% of their principal amount, plus a "make-whole" premium and accrued and unpaid interest.

On or after December 15, 2024, the notes are redeemable in whole or in part by paying a redemption price depending on target achievement and set forth as follows:

REDEMPTION PERIOD BEGINNING ON:	REDEMPTION PRICE (AS A % OF PRINCIPAL AMOUNT)	
	PERFORMANCE TARGETS ACHIEVED	PERFORMANCE TARGETS NOT ACHIEVED
December 15, 2024	101.063%	101.188%
December 15, 2025	100.531%	100.594%
December 15, 2026 and after	100.000%	100.000%

€400 million senior sustainability-linked notes due 2028

On May 5, 2021, Rexel issued €300 million of unsecured senior sustainability-linked notes. The notes were issued at 100% of their nominal amount and bear interest at 2.125% annually. On May 18, 2021, the Group placed additional €100 million notes at a price of 100.875% of nominal (i.e. an issuance price of €100.9 million). The additional notes are fully fungible with the previously issued notes and have identical terms and conditions.

The notes rank pari passu with Rexel's senior credit facility and other senior unsecured notes. Rexel

pays interest on the notes semi-annually on June 15 and December 15, starting from December 15, 2021. The notes mature on June 15, 2028 and are listed on the Luxembourg Stock Exchange.

The notes are redeemable in whole or in part at any time prior to June 15, 2024 at a redemption price equal to 100% of their principal amount, plus a "make-whole" premium and accrued and unpaid interest.

On or after June 15, 2024, the notes are redeemable in whole or in part by paying a redemption price depending on target achievement and set forth as follows:

REDEMPTION PERIOD BEGINNING ON:	REDEMPTION PRICE (AS A % OF PRINCIPAL AMOUNT)	
	PERFORMANCE TARGETS ACHIEVED	PERFORMANCE TARGETS NOT ACHIEVED
June 15, 2024	101.063%	101.188%
June 15, 2025	100.531%	100.594%
June 15, 2026 and after	100.000%	100.000%

Sustainability performance targets

The €400 million senior notes and the €600 million notes due 2028 are subjected to sustainability performance targets:

- a 23% reduction in greenhouse gas emissions related to the consumption of products sold, per euro of turnover by December 31, 2023 from a 2016 baseline; and

- a 23.7% reduction in greenhouse gas emissions related to energy consumption in its operations by December 31, 2023 from a 2016 baseline.

The interest rate of the Notes shall be increased by 25 basis points to 2.375% per annum from June 15, 2024, if the Group does not achieve one of the above targets.

As of December 31, 2022, the Group considers that these sustainability performance targets will be achieved.

Senior Facility Agreement

The Senior Facility Agreement initially executed on March 15, 2013 subsequently amended – the latest amendment being dated January 31, 2018 – provides multicurrency revolving credit facility for an aggregate maximum initial amount of €850 million with BNP Paribas, Crédit Agricole Corporate and Investment Bank, Crédit Industriel et Commercial, HSBC France, ING Bank France, Natixis and Société Générale as Mandated Lead Arrangers and Bookrunners. Facilities can also be drawn down through swingline loans for an aggregate amount of €137.8 million.

This Senior Facility Agreement matures in 2025 for €829 million and in 2024 for €21 million.

Interest and margin

This facility bears interest at a rate determined in reference to (i) EURIBOR rate when funds are made available in Euro, LIBOR rate for other currencies and EONIA rate for swingline loans, (ii) an applicable margin ranges from 0.60% to 2.25% depending on the leverage ratio, (iii) other costs such as mandatory costs or utilization and non-utilization fees. As from January 3, 2022, EONIA is replaced by ESTR plus 8.5 basis points.

Leverage ratio

This facility is subject to the ratio of to (i) adjusted total net debt relative to (ii) adjusted EBITDA and determined on a pre IFRS 16 basis:

“Adjusted EBITDA” means, in relation to a measurement period, consolidated operating income without double counting before other income (or expenses) as defined in the relevant consolidated accounts of the Group:

- Including the last 12 months of Adjusted EBITDA of any Subsidiary acquired in that measurement period pro rata the participation of the Group;
- Including proceeds related to commodity price derivatives entered into to hedge exposure to the price fluctuation of certain commodities which do not qualify for cash flow hedge accounting as per applicable IFRS;
- After adding back EBITDA of assets held for sale and not taking into account EBITDA of assets sold during the measurement period;
- After adding back net operational depreciation/amortization;
- Taking no account of any expense referable to equity settled share based compensation of

employees or management, to the extent the balance of it is taken in account into financial indebtedness;

- After adding back non-cash employee share, incentive or remuneration scheme costs entered into as part of equity-based remuneration of employees of the Group, as well as legal profit sharing, to the extent the balance of it is taken into account in financial indebtedness;
- Excluding the non-recurring impact of the evolution of the copper prices as disclosed in the press release published in connection with the consolidated financial statements for such measurement period;
- After adding back any other restructuring and/or acquisition costs relating to any permitted acquisition.

“Adjusted total net debt” means:

- Any indebtedness for or in respect of interest bearing debt (whether or not in cash or in kind, both current and non-current) but which shall:
 - Exclude any upfront, legal, advisory costs related to the implementation of such debt as well as the financial charges accounted for as a result of the repayment of any outstanding debt of the borrower;
 - Exclude intragroup loans between members of the Group;
 - Include any indebtedness for or in respect of any amount payable in respect of securities issued by any member of the Group which are not mandatorily redeemable in shares; and
 - Include any other amount raised under any other transaction accounted for as borrowing under the accounting standards;
- Any indebtedness for or in respect of accrued interest (including capitalized interest and any payment in kind) other than in respect of intragroup loans between members of the Group; less
- Cash and cash equivalents.

This ratio may exceed 3.50 on three accounting dates during the life of the Senior Facility Agreement, being specified that only two of such three accounting dates may be consecutive, and provided that (i) such ratio does not exceed 3.75 times on two accounting dates during the life of the Senior Facility Agreement and (ii) such ratio does not exceed 3.90 times on one accounting date during the life of the Senior Facility Agreement.

In addition to the Senior Facility Agreement, Rexel entered into one bilateral term loan agreement of €37.5 million (US\$ 40.0 million) which matures in June 2024.

As of December 31, 2022, all these credit facilities were undrawn.

4.5.2 Commercial paper

Rexel runs a €300 million commercial paper program with a fixed maturity ranging from one to six months depending on the notes issued, to diversify

the investor base and minimize the cost of financing. As of December 31, 2022, under this program, €45.0 million were outstanding (€125.5 million in 2021).

4.5.3 Other financial borrowings

As of December 31, 2022, other financial debts relate to borrowings with affiliates.

<i>(in millions of euros)</i>	AS OF DECEMBER 31, 2022	AS OF DECEMBER 31, 2021
Intercompany long-term debt	7.0	7.0
Tax group debt	4.0	0.7
Current accounts Rexel Développement	1.2	247.7
Total	12.2	255.3

4.6 Currency and interest rate hedging derivatives

In the ordinary course of business, Rexel SA is exposed to market risks such as interest rate and foreign exchange risks. Rexel SA uses various financial instruments to optimize its financial expenses including interest rate swaps to modify its debt structure and to cover the risk of interest rate increases in the currencies in which its debt is

denominated. Derivative foreign currency instruments include forward currency purchases and sales and have the sole objective of hedging transactions denominated in a foreign currency.

As of December 31, 2022, the outstanding hedge contracts were as follows:

■ Interest rate swaps

<i>Type of contract</i>	MATURITY	NOTIONAL AMOUNTS (IN MILLIONS OF EUROS)	FAIR VALUE (IN MILLIONS OF EUROS)
Interest rate swap paying EURIBOR 3 months	2023	50,0 EUR	(0.5)
Interest rate swap paying EURIBOR 3 months	2028	300,0 EUR	(46.4)

These interest rate swaps are hedging interests on senior notes (see 4.5.1).

4.7 Payables and receivables to / from related companies

Related companies are direct and indirect Rexel subsidiaries.

As of December 31, 2022, balances with related companies were as follows:

(in millions of euros)

ASSETS		LIABILITIES	
Investments in related companies	3,265.4	Other financial debt	12.6
Net Loans and other long-term financial assets	300.0	Trade accounts payable	1.6
Trade accounts receivable	2.0		
Other accounts receivable	2.0		
EXPENSES		INCOME	
Operating expenses	15.9	Operating income	1.7
Financial expenses	0.5	Financial income	55.1
		Income tax	90.9

Transactions with related parties are entered into on arm's length terms.

5. Additional information

5.1 Employees

Rexel SA has no employee.

5.2 Information on free share plans

Shareholder-approved employee free share plans operated by Rexel SA at December 31, 2022 were as follows:

Plan	2019	2020	2021		2022
Grant date	05/23/2019	09/28/2020	04/22/2021	10/20/2021	04/21/2022
Delivery date	05/24/2022	09/29/2023	04/23/2024	10/21/2024	04/22/2025
Adjusted number of shares granted⁽¹⁾	2,207,425	1,608,555	1,928,625	53,450	1,931,440
Number of shares delivered since the origin	(1,844,600)	—	—	—	—
Number of shares cancelled since the origin	(362,825)	(142,711)	(129,285)	(900)	(32,310)
Total maximum number of shares granted at December 31, 2022	—	1,465,844	1,799,340	52,550	1,899,130

(1) The number of bonus shares have been adjusted as a result of share premium distribution effective after grant date.

5.3 Subsequent events

At the presentation date of the financial statements there have been no subsequent events after

December 31, 2022 that would have a significant impact on Rexel's financial situation.

5.3.2 Report of the Statutory Auditors on the company financial statements for the financial year ended December 31, 2022

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.

PricewaterhouseCoopers Audit

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Rexel S.A.

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75017 Paris

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Statutory auditors' report on the financial statements

For the year ended December 31, 2022

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To the annual general meeting of Rexel S.A. Company,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Rexel S.A. for the year ended December 31, 2022.

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 at December 31, 2022 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.

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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 the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for statutory auditors, for the period from January 1, 2022 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

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Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 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 Investments in related companies**Description of risk****Note 2.1 and 4.1.1 to the financial statements**

As at December 31, 2022, investments in related companies are recorded in the balance sheet at a net carrying amount of €3,265.4 million, represent approximately 89% of total assets and are held in a single subsidiary, Rexel Développement, as disclosed in note 4.1.1 to the annual financial statements.

As disclosed in the note 2.1 to the financial statements, a valuation allowance is recorded when the carrying value exceeds the value in use. The value in use is calculated based on projected discounted cash flows, net of the indebtedness of subsidiaries.

Estimates of the value in use require management to exercise judgment particularly regarding the assumptions underlying the cash flows. We deemed the valuation of investments in related companies to be a key audit matter due to:

- the significant weight of investments in subsidiaries in the total assets,
- the sensitivity to changes in the data and assumptions underlying estimates (projected cash flows and net debt).

How our audit addressed this risk

We examined the procedures implemented by Rexel S.A. for determining the value in use of investments in related company. We performed the following procedures:

- Obtained Rexel Développement valuation based on projected discounted cash flows of its subsidiaries, held directly or indirectly;
- Corroborated the reasonableness of the main assumptions (such as long-term growth rate, discount rate and EBITA margin in terminal value) in the calculation of discounted cash flows, with economic environment trends in which the main subsidiaries operate;
- Compared actual performance to past forecasts to assess the reliability of projections for certain subsidiaries;
- Verified that the value resulting from discounted cash flows was adjusted from the indebtedness of the related entity;
- Checked the arithmetical accuracy of the model used.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws 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 the 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 statements provided to the Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to the payment deadlines mentioned in Article D441-6 of the French Commercial Code (*Code de commerce*).

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 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 controlling and controlled companies. Based on

these procedures, 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 bid or exchange offer, provided pursuant to Article L.22-10-11 of the French Commercial Code (*Code de commerce*), we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning 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 chief executive officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of December 17, 2018.

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 *Rexel S.A.* by the annual general meeting held on May 16, 2012 for PricewaterhouseCoopers Audit and on May 25, 2016 for KPMG S.A.

As at December 31, 2022, PricewaterhouseCoopers Audit was in the 11th year of total uninterrupted engagement and KPMG S.A. in the 7th 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 L823-10-1 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) N° 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.

Neuilly-sur-Seine and Paris-La-Défense, February 17, 2023

The statutory auditors

PricewaterhouseCoopers Audit

Amélie Wattel

Pierre Clavié

KPMG S.A.

Éric Jacquet

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Combined Shareholders' Meeting of April 20, 2023



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Combined Shareholders' Meeting of April 20, 2023



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6.1 Report of the Board of Directors to the Combined Shareholders' Meeting of April 20, 2023

To the Shareholders,

The Combined Meeting of the Shareholders of Rexel, a French *société anonyme*, having its registered office at 13, boulevard du Fort de Vaux, 75017 Paris ("Rexel" or the "Company") has been convened by the Board of Directors on April 20, 2023 at 10h30, Châteaufort City George V, 28, avenue George V,

75008 Paris, in order to resolve upon the draft resolutions presented hereinafter (the "Shareholders' Meeting").

In this report, we present you with the motives behind each of the resolutions being put to the vote at the Shareholders' Meeting.

1. Course of business

The Rexel Group considers itself to be one of the leading global distributors in low and ultra-low voltage electrical products in 2022 in terms of sales and number of branches. At December 31, 2022, it operated in 21 countries, essentially spread over three geographical regions: Europe, North America and Asia-Pacific.

The Rexel Group serves three end-markets in which it provides electrical products. It operates in connection with construction, extension, renovation or alignment with safety standards:

- The residential market, which includes housing, building complexes, buildings and public housing;
- The tertiary market, which includes stores, health institutions, schools, offices, hotels, public facilities as well as energy power plants, public networks and transport infrastructure; and
- The industrial market, which includes plants and other industrial sites.

For the financial year ended December 31, 2022, Group performance is the following:

- Sales amounted to €18,701.6 million, up 14.1% on a constant and same-day basis;
- The Adjusted EBITA margin was 7.3% with an Adjusted EBITA of €1,368.5 million;
- The indebtedness ratio was 0.96x, a historically low level; and
- Free cash flow before interest and taxes conversion was of 61.4% (of EBITDAa).

The Group net income for 2022 is a profit of €922.3 million and recurring net income increased by 58.6%

The distribution of a premium in an amount of €1.2 per share is submitted to the approval of the shareholders.

The course of business and the financial condition of the Company during the financial year ended December 31, 2022, are detailed in the 2022 Universal Registration Document of the Company.

2. Resolutions to be submitted to the Ordinary Shareholders' Meeting

2.1 Approval of the annual and consolidated financial statements (first and second resolutions)

The first and second resolutions submit to the shareholders' approval the annual and consolidated financial statements of the Company for the financial year ended December 31, 2022, as drawn up by the Board of Directors.

The annual financial statements show a profit of €22,789,275.77.

The consolidated financial statements show a profit of €922.3 million.

In accordance with the provisions of Article 223 quater of the French General Tax Code, the first resolution also submits to the shareholders' approval the amount of costs and expenses referred to in Article 39-4 of the French General Tax

Code, which are not deductible from the results. For the financial year ended December 31, 2022, these costs and expenses amounted to €13,134. These costs and expenses represent a corporation tax of a maximum amount of €3,392 (at a corporation tax

rate of 25.83%). These costs and expenses correspond to the portion of depreciation surplus (portion of non-deductible rents of leased vehicles).

We suggest that you approve these resolutions.

2.2 Allocation of results, distribution of an amount of €1.2 per share, by deduction from the issue premium (third resolution)

Subject to the annual and consolidated financial statements as presented by the Board of Directors being approved by the shareholders, the third resolution submits to the approval of the shareholders the following allocation of results for the financial year ended December 31, 2022 and the following distribution :

Origin of the amounts to be allocated:

- Results from the 2022 financial year €22,789,275.77
- Previous carry forward at December 31, 2022 €(53,245,790.05)

Total €(30,456,514.28)

Allocation of results:

- Carry forward account €(30,456,514.28)

Balance €(30,456,514.28)

It is proposed to pay in respect of each of the shares making up the share capital and conferring rights to distribution, an amount of €1.2, as follows:

Proposed distribution: €363,429,429.6

Deducted from:

- Issue premium €363,429,429.6

As a consequence, after the aforementioned distribution, the "issue premium" account would be reduced from €1,015,835,544.57 to €652,406,114.97.

During the last three financial years, the Company has distributed the following amounts to the shareholders:

	2021	2020	2019
Amount distributed per share	€0.75	€0.46	–
Number of shares eligible	306,749,312	303,276,624	–
Total distribution	€230,061,984	€139,507,247.04	–

We suggest that you approve this resolution.

The right to this distribution shall be detached from the share on May 9, 2023, and the distribution shall be paid on May 11, 2023.

The total distribution amount of €363,429,429.6 has been determined on the basis of a number of shares making up the share capital of 303,413,265 shares as of December 31, 2022 and a number of shares held by the Company amounting to 555,407 shares on this same date.

In case of transfer of shares occurring between the date of the Shareholders' Meeting and the date of payment, the rights to the distribution will be acquired by the shareholder owning the rights on the day prior to the date of detachment.

The contemplated distribution is in line with Rexel's policy consisting in distributing at least 40% of its net recurring profit, reflecting the trust of the Rexel Group in its structural capacity to generate substantial cash flow throughout the whole cycle.

The shareholders are also reminded that, subject to possible adjustments related to any variations mentioned in the above paragraph, the distribution will be treated from a tax perspective, up to €1.2 (based on an amount of €363,429,429.6, drawn on the issue premium, distributed over 302,857,858 shares), as a reimbursement of a contribution or an issue premium within the meaning of Article 112 of the French General Tax Code, which is not taxable for individual shareholders resident in France but which must be deducted from the tax cost of the share.

2.3 Related-party agreements (fourth resolution)

The fourth resolution concerns the approval of related-party agreements as defined in Articles L.225-38 *et seq.* of the French Commercial Code, meaning the related-party agreements that were authorized by the Board of Directors prior to their conclusion.

In accordance with the provisions of Article L.225-40 of the French Commercial Code, these agreements were the subject of a report by the Statutory Auditors of the Company and must be submitted for approval at the Ordinary Shareholders' Meeting of the Company.

New related-party agreement(s)

No new related-party agreements were entered into during the course of the financial year ended December 31, 2022.

Related-party agreements previously authorized with continuing effect during the financial year ended December 31, 2022

During the financial year ended December 31, 2022, no agreements entered into in previous financial years were continued.

We therefore invite you to approve this resolution.

2.4 Approval of the compensation policy applying to the Chairman of the Board, the Directors and the Chief Executive Officer for the 2023 financial year, pursuant to Article L.22-10-8 of the French Commercial Code (fifth to seventh resolutions)

In accordance with Article L.22-10-8 of the French Commercial Code, the compensation policy applying to the Chairman of the Board of Directors, the Directors and the Chief Executive Officer are presented in paragraph 3.2.1 "Compensation policy applicable to corporate officers for the financial year 2023 subject to shareholders' approval (Article L.22-10-8 of the French Commercial Code)" of the Universal Registration Document of the Company for the financial year ended December 31, 2022.

This paragraph outlines the principles of the compensation policy and the principles and criterion for the determination, the breakdown and the allocation of the different components making up the total compensation attributable by type of functions.

We therefore invite you to approve the compensation policy applying to the Chairman of the Board of Directors, to the Directors and the Chief Executive Officer for the 2023 financial year.

2.5 Approval of the information referred to in Article L.22-10-9, I of the French Commercial Code for the 2022 financial year (eighth resolution)

In accordance with Article L.22-10-34, I of the French Commercial Code, the eighth resolution submits to the shareholders' approval the information referred to in Article L.22-10-9, I of the French Commercial Code for the financial year ended December 31, 2022.

The information relates in particular to the elements of compensation (fixed, variable and exceptional), the benefits of any kind, the share allotment plans, severance payments, non-compete commitments and pension or similar liabilities.

The above-mentioned information listed are presented in Section 3.2.2 "Compensation of corporate officers for the 2022 financial year (Articles L.22-10-9, I and L.22-10-34, II of the French Commercial Code)" of the Universal Registration Document of the Company for the financial year ended December 31, 2022.

We therefore invite you to approve this resolution.

2.6 Approval of the fixed, variable and exceptional components making up the total compensation and the benefits of any kind paid or allocated in respect of the financial year ended December 31, 2022 to the non-executive and executive corporate officers (ninth and tenth resolutions)

In accordance with Article L.22-10-34, II of the French Commercial Code, the ninth and tenth resolutions submit to the shareholders' approval the fixed, variable and exceptional components making up the total compensation and the benefits

of any kind paid or allocated for the financial year ended December 31, 2022 to Ian Meakins, Chairman of the Board of Directors and to Guillaume Texier, Chief Executive Officer.

The relevant items of compensation relate to: (i) the fixed compensation, (ii) the annual variable compensation and, as the case may be, the multiannual variable compensation with the objectives contributing to the setting of this variable compensation, (iii) exceptional compensation and (iv) the benefits in kind.

The above-mentioned elements of compensation are set out in Section 3.2.2 "Compensation of corporate officers for the 2022 financial year (Articles L.22-10-9, I and L.22-10-34, II of the French Commercial Code)" of the Universal Registration Document of the Company for the financial year ended December 31, 2022, and are set forth below.

Ian Meakins (Non-executive Chairman of the Board of Directors) for the financial year ended December 31, 2022

COMPENSATION ITEMS PAID OR ALLOCATED SUBMITTED TO THE VOTE	AMOUNT OR ACCOUNTING VALUATION		PRESENTATION
	AMOUNT ALLOCATED IN RESPECT OF FINANCIAL YEAR 2022	AMOUNT PAID DURING FINANCIAL YEAR 2022	
Fixed annual compensation	€300,000	€300,000	<p>The amount of fixed compensation awarded to the Chairman of the Board of Directors amounted to €500,000 until December 31, 2020, in application of the compensation policy applicable during the financial year.</p> <p>The Board of Directors has decided, in full agreement with Ian Meakins, to reduce the gross annual fixed compensation of the Chairman of the Board of Directors to €300,000 as of January 1, 2021.</p> <p>This compensation had been determined by the Board of Directors taking into account market practices and the new non-executive duties assumed by Ian Meakins since December 1, 2020.</p> <p>See paragraph 3.2.2.5 "Summary tables relating to compensation paid or allocated to the corporate officers" of this Universal Registration Document.</p>
Variable annual compensation	Not applicable		Ian Meakins does not benefit from any variable annual compensation.
Deferred variable compensation	Not applicable		Ian Meakins does not benefit from any deferred variable compensation.
Multi-annual variable compensation	Not applicable		Ian Meakins does not benefit from any multi-annual variable compensation.
Exceptional compensation	Not applicable		Ian Meakins does not benefit from any exceptional compensation.
Benefits of any kind	Not applicable		Ian Meakins does not benefit from any benefit in kind.
Valuation of the long-term compensation: allocation of performance shares	Not applicable		Ian Meakins does not benefit from any long-term compensation item.
Severance indemnities	Not applicable		Ian Meakins does not benefit from any severance indemnity.
Non-compete indemnity	Not applicable		Ian Meakins does not benefit from any non-compete indemnity.
Supplemental retirement plan	Not applicable		Ian Meakins does not benefit from any supplemental retirement plan.

Guillaume Texier (Chief Executive Officer) for the financial year ended December 31, 2022

COMPENSATION ITEMS PAID OR ALLOCATED SUBMITTED TO THE VOTE	AMOUNT OR ACCOUNTING VALUATION		PRESENTATION
	AMOUNT ALLOCATED IN RESPECT OF FINANCIAL YEAR 2022	AMOUNT PAID DURING FINANCIAL YEAR 2022	
Fixed annual compensation	€800,000	€800,000	See paragraph 3.2.2.5 "Summary tables relating to compensation paid or allocated to the corporate officers" of this Universal Registration Document
Variable annual compensation	€1,219,190	€427,745	<p>The gross variable annual compensation in respect of the financial year ended on December 31, 2022 determined by the Board of Directors of February 15, 2023, amounts to €1,219,190.</p> <p>The variable compensation was based for 70% on quantitative criteria and for 30% on qualitative criteria. Quantitative performance stood at 142.35% and qualitative performance stood at 91.25%.</p> <p>This amount thus corresponds to 127% of the target variable compensation (the target variable compensation was determined at 120% of the fixed annual compensation), <i>i.e.</i> 152.40% of the fixed compensation for the relevant period.</p> <p>For details on the calculation of the variable compensation for 2022, please see paragraph 3.2.2.3 "Compensation and other benefits paid or allocated to Guillaume Texier, Chief Executive Officer", of this Universal Registration Document.</p> <p>In accordance with the provisions of Article L22-10-34 of the French Commercial Code, the payment of the 2022 variable compensation is subject to the approval of the Shareholders' Meeting of April 20, 2023.</p> <p>The variable annual compensation allocated in respect of financial year 2021 (€427,745) was approved by the Shareholders' Meeting of April 21, 2022.</p>
Pluriannual variable compensation	Not applicable		Guillaume Texier does not benefit from any pluri-annual variable compensation.
Exceptional compensation	Not applicable		Guillaume Texier does not benefit from any exceptional compensation in respect of his corporate office.
Valuation of benefits in kind	€29,338		<p>Guillaume Texier received benefits in kind including the provision of a company car (9,744 euros) as well as the GSC benefit (19,594 euros).</p> <p>See paragraph 3.2.2.3 "Compensation and other benefits paid or allocated to Guillaume Texier, Chief Executive Officer" of this Universal Registration Document.</p>

Guillaume Texier (Chief Executive Officer) for the financial year ended December 31, 2022

COMPENSATION ITEMS PAID OR ALLOCATED SUBMITTED TO THE VOTE	AMOUNT OR ACCOUNTING VALUATION		PRESENTATION
	AMOUNT ALLOCATED IN RESPECT OF FINANCIAL YEAR 2022	AMOUNT PAID DURING FINANCIAL YEAR 2022	
Valuation of long-term compensation: grant of performance shares	€1,725,000 <i>(valuation based on the IFRS 2 fair value used for the consolidated financial statements, i.e. €17.25 for 2022)</i>		<p>Pursuant to the authorization granted by Rexel's Shareholders' Meeting of April 21, 2022, the Board of Directors decided on April 21, 2022 to grant Rexel performance shares.</p> <p>In this context, 100,000 shares, fully subject to performance conditions, were granted to Guillaume Texier in 2022.</p> <p>This number of shares is the maximum number that may be vested in the event of outperformance of the performance criteria and corresponds to a maximum vesting percentage of 100%, i.e., €1,760,000 on the basis of the fixed and variable annual compensation for 2022.</p> <p>The specific allocation limits for corporate officers have been complied with:</p> <ul style="list-style-type: none"> the annual value of the performance shares granted is less than 100% of the annual fixed and variable compensation target for that financial year (i.e., €1,760,000); and the number of shares granted to Guillaume Texier is less than 10% of the total number of shares granted to all beneficiaries. <p>The vesting of the shares granted to Guillaume Texier is fully subject to the presence and performance criteria assessed over a three-year period as described in the applicable compensation policy.</p>
Recruitment allowance	–	€800,000	In accordance with the compensation policy adopted by the Board of Directors at its meeting of March 25, 2021 and approved by the Shareholders' Meeting of April 22, 2021, Guillaume Texier was paid a recruitment allowance of €800,000 further to the approval of the Shareholders' Meeting of April 21, 2022.
Severance indemnity	Not applicable		Guillaume Texier would be eligible for a severance indemnity in respect of his corporate office capped at a sum not exceeding 18 months of the monthly reference compensation.
Non-compete indemnity	Not applicable		Guillaume Texier is not entitled to any non-compete indemnity in respect of his office.
Supplemental retirement plan	€150,697		<p>In accordance with the compensation policy adopted by the Board of Directors at its meeting of February 10, 2022 and approved by the Shareholders' Meeting of April 21, 2022, Guillaume Texier was paid an annual bonus linked to the supplementary pension plan (art. 82) for an amount of €150,697.</p> <p>See paragraph 3.2.2.3 "Compensation and other benefits paid or allocated to Guillaume Texier, Chief Executive Officer" of this universal registration document.</p>

We therefore invite you to approve the items of the compensation due or allocated in respect of the financial year ended December 31, 2022 to

Ian Meakins, Chairman of the Board of Directors, and to Guillaume Texier, Chief Executive Officer.

2.7 Appointment and renewal of the terms of office of the Directors (eleventh to thirteenth resolutions)

2.7.1 Appointment of Marie-Christine Lombard as Director in replacement of Elen Phillips (eleventh resolution)

The term of office as Director of Elen Phillips will expire at the closing of the Shareholders' Meeting.

Therefore, the eleventh resolution submits to the approval of the shareholders the appointment of Marie-Christine Lombard as director. This appointment would be made for a term of four years, *i.e.*, until the Shareholders' Meeting which will be called

to approve the financial statements of the financial year ending December 31, 2026, to be held in 2027.

Marie-Christine Lombard would be considered as an independent Director and has an expertise in the management of companies, notably in the fields of transports and logistics.

The details of Marie-Christine Lombard's functions appear below:

MARIE-CHRISTINE LOMBARD

(64 years old)

Professional address:
Geodis
26, quai Charles Pasqua
92300 Levallois-Perret

Number of Rexel shares held:
0

Experience and expertise

The appointment of Marie-Christine Lombard is proposed to the Shareholders' Meeting on April 20, 2023.

Marie-Christine Lombard is a French citizen.

Marie-Christine Lombard is Chairman of the Supervisory Board of Geodis, a world leader in transport and logistics. She is also a member of the steering committee of SNCF. Before, she held several management positions within TNT Express before becoming CEO of the company. She started her career in the banking sector where she occupied various functions at Chemical Bank in New York and at Paribas in Paris, where her last function was deputy chairwoman in the M&A department of BNP Paribas (commercial banking group).

Marie-Christine Lombard is currently a member of the Board of Directors, chairwoman of the compensation committee and member of the nomination committee of Vinci. She is also a member of the Board of Directors of Union TLF. She was a member of the Supervisory Board of BPCE.

She was also a member of the Supervisory Board of Metro and Wessanen NV.

Marie-Christine Lombard is a graduate of ESSEC and Harvard University's Executive Program.

Term of office

First appointment:
N/A

Current term of office:
N/A

Titles and other duties exercised in French and foreign companies during the last five financial years

Titles and duties within the Rexel Group:

Current:

In France

–

Abroad

–

Over the last five financial years:

In France

–

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

- Member of the Board of Directors of Vinci (France – listed company)
- Member of the Board of Directors of Union TLF (France – non listed company)

Abroad

–

Over the last five financial years:

In France

- Member of the Supervisory Board of BPCE (France – listed company)
- Member of the supervisory board of Keolis SAS (France – non listed company)
- Member of the steering committee of TLF (France – non listed company)
- Member of the management committee of BMV (France – non listed company)
- Member of the Board of directors of École Polytechnique (France – Public entity, non listed)

Abroad

–

We therefore invite you to approve this resolution.

2.7.2 Appointment of Steven Borges as Director (twelfth resolution)

The twelfth resolution submits to the approval of the shareholders the appointment of Steven Borges as Director. This appointment would be made for a term of four years, *i.e.*, until the Shareholders' Meeting which will be called to approve the financial statements of the financial year ending December 31, 2026, to be held in 2027.

Steven Borges would be considered as an independent director and has an expertise in the management and administration of companies mainly in the industrial field.

The details of Steven Borges' functions appear below:

STEVEN BORGES

(54 years old)

Professional address:

Jabil Inc.
10560 Dr Martin Luther King Jr
Street North
Saint Petersburg
FL 33716, United States

Number of Rexel shares held:

0

Experience and expertise

The appointment of Steven Borges is proposed to the Shareholders' Meeting on April 20, 2023

Steven Borges is a US Citizen.

Steven Borges currently serves as EVP and CEO of the Diversified Manufacturing Services segment of Jabil Inc., a global manufacturing services company. He joined Jabil in 1993 and has held positions of increasing responsibility in business development, manufacturing operations and supply chain management over the course of his 30-year career. Prior to his current role, he served as EVP and CEO of Jabil's Regulated Industries segment with additional responsibility for additive manufacturing.

He also serves on the Board of Trustees of Johns Hopkins All Children's Hospital.

Steven Borges is a graduate of Fitchburg State University.

Term of office

First appointment:

N/A

Current term of office:

N/A

Titles and other duties exercised in French and foreign companies during the last five financial years

Titles and duties within the Rexel Group:

Current:

In France

–

Abroad

–

Over the last five financial years:

In France

–

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

–

Abroad

- EVP and CEO of the Diversified Manufacturing Services segment of Jabil Inc (United States – listed company)

Over the last five financial years:

In France

–

Abroad

- EVP and CEO of Jabil's Regulated Industries segment and Jabil's Healthcare Division (United States – listed company)

We therefore invite you to approve this resolution.

2.7.3 Renewal of the term of office of Ian Meakins as Director (thirteenth resolution)

The term of office as Director of Ian Meakins will expire at the closing of the Shareholders' Meeting.

Therefore, the thirteenth resolution submits to the approval of the shareholders the renewal of the term of office of as director. This renewal would be made for a term of four years, *i.e.*, until the Shareholders' Meeting which will be called to

The details of Ian Meakins' functions appear below:

approve the financial statements of the financial year ending December 31, 2026, to be held in 2027.

The renewal of the term of office of Ian Meakins is proposed insofar as he is an independent director and taking into account his knowledge of the Company and his international expertise in the field of professional distribution and management.

IAN MEAKINS

(66 years old)

Professional address:

Rexel
13, Boulevard du Fort de Vaux
75017 Paris – France

Number of Rexel shares held:

115,250

Experience and expertise

Chairman of the Board of Directors, Member of the Audit and Risk Committee, the Nomination Committee and the Compensation Committee

Ian Meakins was co-opted as Director by the Board of Directors on July 1, 2016, in replacement of Rudy Provoost. He was also appointed Chairman of the Board of Directors on July 1, 2016, effective October 1, 2016. His co-option as well as the renewal of his term of office have been approved by the Shareholders' Meeting of May 23, 2017. Ian Meakins' term of office as Director was renewed during the June 25, 2020 Shareholders' Meeting.

Ian Meakins is a British citizen.

He was Chief Executive Officer for Wolseley from July 2009 to August 2016, when he retired. He was previously Chief Executive Officer for Travelex, an international company dealing with currency exchange and payments.

Before that he was Chief Executive Officer for Alliance UniChem plc until its merger with Boots in July 2006. Between 2000 and 2004, he was President in charge of European Major Markets and Global Supply for Diageo plc, a company for which he has held various international management positions for more than 12 years. Ian Meakins was also the non-executive Chairman of the Learning Network until November 30, 2020.

Ian Meakins is a graduate of Cambridge University.

Term of office**First appointment:**

July 1, 2016

Current term of office:

From June 25, 2020, until the Shareholders' Meeting deciding on the accounts for the financial year ending December 31, 2023

Titles and other duties exercised in French and foreign companies during the last five financial years**Titles and duties within the Rexel Group:****Current:****In France**

- Chairman of the Board of Directors of Rexel
- Member of Rexel's Audit and Risk Committee
- Member of Rexel's Nomination Committee
- Member of Rexel's Compensation Committee

Abroad

–

Over the last five financial years:**In France**

- Member of Rexel's Strategic Investment Committee
- Member of Rexel's Nomination and Compensation Committee

Abroad

–

Titles and duties outside the Rexel Group:**Current:****In France**

–

Abroad

- Non-Executive Chairman of Compass Group (United Kingdom – listed company)

Over the last five financial years:**In France**

–

Abroad

- Non-Executive Chairman of The Learning Network (The Netherlands – non-listed company)

We therefore invite you to approve this resolution.

2.8 Authorization to carry out transactions on the Company's shares (fourteenth resolution)

The fourteenth resolution proposes to the Shareholders' Meeting to authorize the Board of Directors to repurchase shares of the Company within the limits set by the shareholders of the Company and in accordance with the legal and regulatory provisions.

Particularly, the authorization may be implemented with a view to (i) ensuring liquidity in the market, (ii) setting up any share purchase option plan, any allotment of free shares, and any granting, allotment or transfer of shares to the benefit of the Rexel Group employees and carrying out any hedging operation relating to such transactions, (iii) ensuring the coverage of the undertakings under rights with a settlement in cash and relating to the positive evolution of the trading price of the share of Rexel granted to the employees or the corporate officers of Rexel or of an associated enterprise, (iv) delivering shares in the context of external growth transactions, (v) delivering shares in connection with the exercise of rights attached to securities, (vi) cancelling all or part of the shares so repurchased.

The authorization that would be, as the case may be, granted to the Board of Directors provides for limitations regarding the maximum repurchase price (€30), the maximum amount for the implementation of the repurchase program (€250 million) and the amount of securities which may be repurchased (10% of the share capital of the Company on the date of the repurchases) or delivered in the context of external growth transactions (5% of the share capital of the Company). In addition, the Company may at no time own a quantity of shares representing more than 10% of its share capital.

The Board of Directors will not be able, except with the prior approval of the Shareholders' Meeting, to pursue the implementation of its share repurchase program as from the filing by a third party of a public offer on the Company's securities and until the end of the offer period.

This authorization would be granted for a term of 18 months and would supersede the prior authorization granted to the Board of Directors in respect of the unused portion thereof.

We suggest that you approve this resolution.

3. Resolutions to be submitted to the Extraordinary Shareholders' Meeting

3.1 Authorization to be granted to the Board of Directors to carry out a share capital decrease by cancelling shares (fifteenth resolution)

We suggest that you authorize the Board of Directors to reduce the share capital by cancellation of all or part of the Company's shares acquired pursuant to any share repurchase plans authorized by the Shareholders' Meeting of the Company providing for this objective.

The share capital decreases that the Board of Directors may carry out under this authorization

would be limited to 10% of the Company's share capital as of the date of the cancellation per periods of 24 months.

This authorization would be granted for a term of 18 months.

We suggest that you approve this resolution.

3.2 Financial authorizations (sixteenth to twenty-third resolutions)

The Shareholders' Meeting regularly grants to the Board of Directors the authority or the powers necessary to proceed with the issuance of ordinary shares and/or securities, with upholding or cancellation of shareholders' preferential subscription right, in order to meet the financing needs of the Rexel Group.

As such, the Extraordinary Shareholders' Meetings of April 22, 2021 and April 21, 2022 granted to the Board of Directors the delegations of authority and authorizations as described in the table provided at Schedule I to this report, it being specified that said table specifies the cases and conditions in which certain of these delegations and authorizations have been used.

We remind you that in the event of an issuance of ordinary shares and/or securities, the Company intends to give priority to transactions upholding the shareholders' preferential subscription right.

Nevertheless, particular circumstances may justify the cancellation of the preferential subscription right of shareholders, in accordance with their interests. Accordingly, the Company may seize the opportunities offered by the financial markets, especially considering the markets' current situation.

The Company may also involve employees of the Rexel Group in its development, notably by way of a share capital increase reserved to said employees or the allotment of free shares. The Company may also carry out the issuance of securities underlying the securities issued by the Company or the Rexel Group's subsidiaries. The cancellation of the preferential subscription right would also allow the realization of public exchange or acquisitions offers paid entirely in securities. Finally, the issuance of securities may remunerate contributions in kind of financial securities that would not be traded on a regulated market or its equivalent.

These delegations and authorizations could not be used during the period of a public offer on the securities of the Company initiated by a third party, except with the prior authorization of the Shareholders' Meeting. This restriction would not

apply to the issuances reserved to employees or the allotment of free shares.

We also remind you that the maximum amount of all the share capital increases (excluding share capital increases by means of capitalization of reserves or premium and allotment of free shares) would be of €720 million, *i.e.*, 144 million shares, representing approximately 47.1% of the share capital and voting rights of the Company. The maximum amount of all the share capital increases with cancellation of the shareholders' preferential subscription right (excluding share capital increases reserved to the employees and allotment of free shares) would be of 140 million, *i.e.*, 28 million shares, representing approximately 9.2% of the share capital and voting rights of the Company. In addition, the maximum amount of securities that may be issued may not exceed €1 billion or the equivalent in euros of this amount at the date of the issuance decision.

The Board of Directors wishes to submit to the vote of the shareholders the renewal of the authorizations aimed at allowing the issuance of financial securities for the benefit of corporate officers and employees of the Group, within the framework of employee shareholding plans or free allocation of actions. Thus, the draft resolutions being put to the vote of the shareholders regarding financial authorizations are described below.

3.2.1 Issuance of securities with upholding of the preferential subscription rights of shareholders (sixteenth resolution)

The sixteenth resolution aims at granting to the Board of Directors a delegation of authority to increase the share capital, with upholding of the shareholders' preferential subscription rights.

The issuances would be reserved for shareholders of the Company who would be granted a preferential subscription right. These transactions would therefore have a limited dilutive impact for existing shareholders, who may decide to participate in the transaction or to sell their rights on the market.

The transactions would concern the issuance of ordinary shares, of securities that are equity securities giving access, immediately or in the future, to other equity securities or giving right, immediately or in the future, to the allotment of debt securities, and/or of securities giving access, immediately or in the future, to equity securities to

be issued. The securities issued may be equity securities or debt securities.

Share capital increases carried out pursuant to this delegation of authority may not exceed a maximum nominal amount of €720 million (*i.e.*, 144 million shares of a nominal value of 5 euros). The maximum amount of all the share capital increases (excluding share capital increases by mean of capitalization of reserves or premiums and allotment of free shares) may not exceed this amount of €720 million.

The maximum nominal amount of the debt issuances that may be carried out pursuant to this authorization may not exceed a total amount of €1 billion. The maximum amount of all the debt issuances may not exceed this total amount of €1 billion.

The subscription price of the shares and/or securities that may be issued pursuant to this delegation would be determined by the Board of Directors, in accordance with applicable legal and regulatory provisions. This delegation could not be used during the period of a public offer on the securities of the Company initiated by a third party, except with the prior authorization of the Shareholders' Meeting.

This delegation of authority would be granted for a term of 26 months and would cancel, as of the date of the Shareholders' Meeting, any prior authorization with the same purpose, as regards the unused portion of these delegations.

We suggest that you approve this resolution.

3.2.2 Issuance of securities by way of public offering with cancellation of the preferential subscription right of shareholders, other than the offers referred to in article L.411-2, 1° of the French Monetary and Financial Code (seventeenth resolution)

The seventeenth resolution aims at granting to the Board of Directors a delegation of authority to increase the share capital, with upholding of the shareholders' preferential subscription rights, by way of public offering, other than the offers referred to in article L.411-2, 1° of the French Monetary and Financial Code.

The issuances would be opened to the public and would have a dilutive impact for existing shareholders who would be considered as all the other investors. The Board of Directors may nevertheless grant a (non-tradeable) priority to the existing shareholders.

This delegation of authority may also be used as compensation for the contribution of securities carried out in connection with a public exchange offer in respect of the shares of the Company or of another company admitted to trading on a regulated market. In this context, the Board of Directors would determine, in particular, the exchange ratios and, if required, the amount of the cash bonus to be paid.

The transactions would concern the issuance of ordinary shares, of securities that are equity securities giving access, immediately or in the future, to other equity securities or giving right, immediately or in the future, to the allotment of debt securities, and/or of securities giving access, immediately or in the future, to equity securities to be issued. The securities issued may be equity securities or debt securities. The access to the share capital of the company would be materialized, in particular, by the conversion or exchange of a security or the presentation of a warrant.

Share capital increases carried out pursuant to this delegation of authority may not exceed a maximum nominal amount of €140 million. In addition, the maximum amount of all the share capital increases authorized with cancellation of

the shareholders' preferential subscription right (excluding share capital increases reserved to the employees and allotments of free shares) could not exceed €140 million.

Issuances of debt securities would be limited to a maximum nominal amount of €1 billion.

These limits would be deducted, respectively, from the limits determined in the sixteenth resolution.

The issue price of the new shares issued pursuant to this delegation of authority shall be at least equal to the minimum provided for by the regulatory provisions in force as at the date of issuance (at the date of this meeting, the average weighted share price of the company's shares over the last three trading days on the Euronext Paris regulated market prior to the opening of the public offering, reduced, as the case may be, by a maximum discount of 10%).

Furthermore, the issue price of the securities conferring access to the share capital of the Company shall be determined so that the amount immediately received by the Company, plus, as the case may be, any amount that may be received by the Company in the future, be at least equal, for each share issued as a result of the issue of such securities, to the issue price determined in the paragraph above.

This delegation could not be used during the period of a public offer on the securities of the Company initiated by a third party, except with the prior authorization of the Shareholders' Meeting.

This delegation of authority would be granted for a term of 26 months and would cancel, as of the date of the Shareholders' Meeting, any prior authorization with the same purpose, as regards the unused portion of these delegations.

We suggest that you approve this resolution.

3.2.3 Issuance by way of offering referred to in article L.411-2, 1° of the French Monetary and Financial Code, with cancellation of the preferential subscription right (eighteenth resolution)

The eighteenth resolution aims at granting to the Board of Directors a delegation of authority in view of increasing the share capital with cancellation of the preferential subscription right of the shareholders, by way of offering referred to in Article L.411-2, 1° of the French Monetary and Financial Code.

The transactions would thus be carried out by way of offering to a restricted circle of investors acting on their own behalf or to qualified investors only. These transactions would have a dilutive impact for existing shareholders, who may not be in a position to participate in the issuance.

The transactions would concern the issuance of ordinary shares, of securities that are equity securities giving access, to other equity securities or giving right to the allotment of debt securities, and/or of securities giving access, immediately or in the future, to equity securities to be issued. The securities issued may be equity securities or debt securities. The access to the share capital of the Company would be materialized, in particular, by the conversion or exchange of a security or the presentation of a warrant.

Share capital increases carried out pursuant to this delegation of authority may not exceed a maximum nominal amount of €140 million.

Issuances of debt securities would be limited to a maximum nominal amount of €1 billion.

These amounts would be deducted, respectively, from the limits determined in the sixteenth and the seventeenth resolutions.

Furthermore, issuances of equity securities and debt securities carried out by way of offering referred to in Article L.411-2, 1° of the French Monetary and Financial Code could not exceed the limits

determined by applicable regulations as at the date of the issuance. As an indication, as at the date of this report, the issuance of equity securities carried out through an offering referred to in Article L.411-2, 1° of the French Monetary and Financial Code is limited to 20% of the share capital of the Company per year.

The issue price of the new shares issued pursuant to this delegation of authority shall be at least equal to the minimum provided for by the regulatory provisions in force as at the date of issuance (at the date of this meeting, the average weighted share price of the company's shares over the last three trading days on the Euronext Paris regulated market prior to the opening of the public offering, reduced, as the case may be, by a maximum discount of 10%).

Furthermore, the issue price of the securities conferring access to the share capital of the Company shall be determined so that the amount immediately received by the Company, plus, as the case may be, any amount that may be received by the Company in the future, be at least equal, for each share issued as a result of the issue of such securities, to the issue price determined in the paragraph above.

This delegation could not be used during the period of a public offer on the securities of the Company initiated by a third party, except with the prior authorization of the Shareholders' Meeting.

This delegation of authority would be granted for a term of 26 months and would cancel, as of the date of the Shareholders' Meeting, any prior authorization with the same purpose, as regards to the unused portion of these delegations.

We suggest that you approve this resolution.

3.2.4 Increase in the amount of the initial issuances (nineteenth resolution)

The nineteenth resolution aims at granting to the Board of Directors a delegation of authority to increase the amount of the initial issuances decided pursuant to the sixteenth, seventeenth and/or eighteenth resolutions described above, carried out with upholding or cancellation of the preferential subscription right of the shareholders, at the same price as that is determined for the initial issuance, within the time frames and limits provided for by applicable regulations as at the

date of issuance (at the date hereof, within thirty days of the closing of the subscription and within the limit of 15% of the initial issuance) in particular in view of granting an over-allotment option in accordance with market practice.

This resolution would thus allow reopening a share capital increase at the same price as the initially planned transaction in case of over-allotment (clause known as "greenshoe").

The transactions carried out in connection with this delegation of authority would be deducted from the limit applicable to the initial issuance.

This delegation could not be used during the period of a public offer on the securities of the Company initiated by a third party, except with the prior authorization of the Shareholders' Meeting.

This delegation of authority would be granted for a term of 26 months and would cancel, as of the date of the Shareholders' Meeting, any prior authorization with the same purpose, as regards to the unused portion of these delegations.

We suggest that you approve this resolution.

3.2.5 Issuance of shares in compensation of contributions in kind with cancellation of the preferential subscription right (twentieth resolution)

The twentieth resolution aims at granting to the Board of Directors a delegation of powers to increase the share capital by issuance of ordinary shares and/or securities conferring access, immediately or in the future, to the share capital of the Company, in consideration for contributions in kind granted to the Company and constituting equity securities or securities conferring access to the share capital.

The issuances carried out in connection with this delegation of authority may not exceed 10% of the share capital assessed as at the date of the decision of the Board of Directors. The limit applying to this authorization would be deducted from the limit determined in the seventeenth resolution as well as the limit determined in the sixteenth resolution.

The Board of Directors would have the necessary authority to decide on the report of the valuing auditor(s) in connection with the value of the contributions and specific benefits.

This delegation could not be used during the period of a public offer on the securities of the Company initiated by a third party, except with the prior authorization of the Shareholders' Meeting.

This delegation of authority would be granted for a term of 26 months and would cancel, any prior authorization with the same purpose, with regards to the unused portion of these delegations.

We suggest that you approve this resolution.

3.2.6 Share capital increases reserved for employees with cancellation of the preferential subscription right (twenty-first resolution)

The twenty-first resolution aims at granting an authorization to the Board of Directors to carry out issuances of securities with cancellation of the preferential subscription right, reserved for employees of the Rexel Group who are members of a company or group savings scheme, set up jointly by the Company and the French or foreign companies that are linked to the Company within the conditions of Article L.225-180 of the French Commercial Code and of Article L.3344-1 of the French Labor Code.

The issuances would comprise the issuance of ordinary shares or of securities that are equity securities giving access, immediately or in the future, to other equity securities or giving right, immediately or in the future, to the allotment of debt securities, and/or of securities giving access, immediately or in the future, to equity securities to be issued.

This authorization would be limited to 2% of the share capital of the Company. The amount of

issuances carried out pursuant to this authorization and pursuant to the twenty-first resolution of the Extraordinary Shareholders' Meeting of April 21, 2022, or any other substitute resolution (in particular the twenty-second resolution submitted to this Shareholders' Meeting, if adopted) may not exceed a limit of 2% of the share capital of the Company. This limit would be deducted from the limit determined in the sixteenth resolution of the Extraordinary Shareholders' Meeting of April 22, 2021 or any similar substitute resolution (in particular the sixteenth resolution submitted to this Shareholders' Meeting, if adopted).

The subscription price(s) would be determined by the Board of Directors pursuant to Articles L.3332-19 *et seq.* of the French Labor Code.

Therefore, as the securities are already listed on a regulated market, the subscription price may not exceed the average of Company's share prices during the twenty trading days preceding the date of the decision setting the opening date of the

subscription period. Furthermore, the subscription price may not amount to less than 30% below this average.

Furthermore, pursuant to the provisions of Article L3332-21 of the French Labor Code, the Board of Directors may decide on the allocation of shares to be issued or existing, or of other securities conferring access to the share capital of the Company, issued or to be issued, in respect of (i) the contribution (*abondement*) that may be

paid pursuant to the regulations of the employee savings plan of the Company or of the Group, and/or (ii) if applicable, the discount. This authorization would be granted for a term of 26 months and would cancel, as of the date of the Shareholders' Meeting, for an amount equal, as the case may be, to the unused portion, of the delegation granted by the Shareholders' Meeting of April 21, 2022 in its twentieth resolution.

We suggest that you approve this resolution.

3.2.7 Issuance of securities with cancellation of the preferential subscription right reserved for certain categories of beneficiaries in order to allow employee shareholding transactions (twenty-second resolution)

The twenty-second resolution aims at granting an authorization to the Board of Directors to increase the share capital of the Company by the issuance of securities with cancellation of the preferential subscription right, reserved for certain categories of beneficiaries listed in the resolution (employees of non-French companies of the Rexel Group and intermediaries acting on their behalf) in order to allow such employees to benefit from employee shareholding or savings formulae equivalent in terms of economic advantage to those from which other Rexel employees would benefit under the twentieth resolution of the Extraordinary Shareholders' Meeting of April 21, 2022, or any other substitute resolution (in particular the twenty-first resolution submitted to this Shareholders' Meeting, if adopted) and would benefit, as the case may be, from a more favorable tax and legal regime than under the resolution above-mentioned.

The issuances would comprise the issuance of ordinary shares, or of securities that are equity securities giving access, to other equity securities or giving right, to the allotment of debt securities, and/or of securities giving access, immediately or in the future, to equity securities to be issued.

This authorization would be limited to 1% of the share capital of the Company. The amount of issuances carried out pursuant to this resolution and to the twentieth resolution of the Extraordinary Shareholders' Meeting of April 21, 2022, or any other substitute resolution (in particular the twenty-first resolution submitted to this Shareholders' Meeting, if adopted) may not exceed a limit of 2% of the share capital of the Company. This limit would be deducted from the limit determined in the sixteenth resolution of the Extraordinary Shareholders'

Meeting of April 22, 2021, or any similar substitute resolution (in particular the sixteenth resolution submitted to this Shareholders' Meeting, if adopted).

The subscription price(s) of the new shares shall be determined pursuant to the same conditions as set forth in Article L3332-19 of the French Labor Code, the discount shall be set at a maximum of 30% of the average of Company's share prices during the twenty trading days preceding the date of the decision setting the opening date of the subscription period. The Board of Directors may reduce or eliminate the discount so granted as it deems appropriate in order to take into account, in particular, the local regulations applicable in the relevant countries.

The subscription price may also, in accordance with the local regulations applicable to the Share Incentive Plan that may be proposed under UK legislation, be equal to the lower share price between (i) the share price on the regulated market of Euronext Paris at the opening of the reference period of this plan, such period not to exceed 12 months, and (ii) the share price recorded following the close of such period within a given timeframe determined in accordance with said regulations.

This price shall be set without a discount in relation to the share price retained.

This delegation of authority would be granted for a term of 18 months and would cancel, as of the date of the Shareholders' Meeting, the delegation granted by the Shareholders' Meeting of April 21, 2022 in its twenty-first resolution.

We suggest that you approve this resolution.

3.2.8 Incorporation of premiums, reserves, profits or other items (twenty-third resolution)

The twenty-third resolution aims at granting to the Board of Directors a delegation of authority to decide to increase the share capital by incorporation of premiums, reserves, profits or other items that may be capitalized.

Share capital increases carried out pursuant to this delegation of authority may not exceed a maximum nominal amount of €200 million.

The Board of Directors would have full powers to determine the amount of nature of the amounts to be incorporated into the share capital, determined the number of new shares to be issued and/or the amount by which the nominal amount of the

existing shares making up the share capital will be increased.

This delegation could not be used during the period of a public offer on the securities of the Company initiated by a third party, except with prior authorization of the Shareholders' Meeting.

This delegation of authority would be granted for a term of 26 months and would cancel, as of the date of the Shareholders' Meeting, any prior delegation with the same purpose, with regards to the unused portion of this delegation.

We suggest that you approve this resolution.

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3.3 Amendment of the by-laws (twenty-fourth resolution)

The twenty-fourth resolution submits to the shareholders' approval the following amendments of the first paragraph of article 16.2 of the by-laws of the Company:

"The Chairman of the Board of Directors may not exceed the age of 72; his duties shall cease ipso jure as at December 31 of the year his 72nd birthday".

The remaining part of Article 16.2 of the by-laws of the Company will be unchanged.

We thus suggest that you approve this resolution.

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3.4 Powers for legal formalities (twenty-fifth resolution)

The twenty-fifth resolution concerns the powers to be granted in order to carry out formalities subsequent to the Shareholders' Meeting, particularly publication and filing formalities.

We suggest that you approve this resolution.

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Schedule 1

Delegations and authorizations

CURRENT AUTHORIZATIONS					AUTHORIZATIONS PROPOSED TO THE SHAREHOLDERS' MEETING OF APRIL 20, 2023		
TYPE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (NO. OF RESOLUTION)	TERM (DATE OF EXPIRY)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NO.	TERM	MAXIMUM AMOUNT
AUTHORIZATIONS SUBMITTED FOR RENEWAL TO THE SHAREHOLDERS' MEETING OF APRIL 20, 2023							
Repurchase by Rexel of its own shares							
Stock repurchase	April 21, 2022 (resolution 18)	18 months (October 20, 2023)	10% of the share capital at the date of completion Maximum total amount: €250,000,000 Maximum purchase price: €30	Use under the liquidity contract entered into with Natixis and Oddo for market-making purposes: <ul style="list-style-type: none">Acquisition of 9,840,063 shares at an average price of €17.88; andSale of 9,750,152 shares at an average price of €17.97 Use in the context of two contracts concluded with Natixis on July 29, 2022 (as amended on August 25, 2022) and September 23, 2022. The repurchases of Rexel shares were made in view of the allotment of free shares to employees (520,099 attributed shares) and cancellation of shares (3,479,758 cancelled shares) <ul style="list-style-type: none">Acquisition of 3,999,857 shares at an average price of €16.22 Orders executed by Oddo BHF in the context of a partnership entered into with Natixis	14	18 months	10% of the share capital at the date of completion Maximum total amount: €250,000,000 Maximum purchase price: €30
Decrease in the share capital by cancelling shares							
Decrease in the share capital by canceling shares	April 21, 2022 (resolution 19)	18 months (October 20, 2023)	10% of the share capital on the date of cancellation by 24-month periods	Cancellation of 3,479,758 shares acquired during the share repurchase program	15	18 months	10% of the share capital on the date of cancellation by 24-month periods

CURRENT AUTHORIZATIONS					AUTHORIZATIONS PROPOSED TO THE SHAREHOLDERS' MEETING OF APRIL 20, 2023		
TYPE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (NO. OF RESOLUTION)	TERM (DATE OF EXPIRY)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NO.	TERM	MAXIMUM AMOUNT
Share capital increase							
Issuance with upholding of preferential subscription rights	April 22, 2021 (resolution 16)	26 months (June 21, 2023)	Equity securities: €720,000,000 (i.e. 144,000,000 shares) Joint maximum amount of resolutions number 17 to 22 of the Shareholders' Meeting of April 22, 2021 Debt securities: €1,000,000,000 Joint maximum amount of resolutions number 17 to 22 of the Shareholders' Meeting of April 22, 2021	N/A	16	26 months	Equity securities: €720,000,000 (i.e. 144,000,000 shares) Joint maximum amount of resolutions number 16 to 22 of April 20, 2023 Shareholders' Meeting Debt securities: €1,000,000,000 Joint maximum amount of resolutions number 16 to 22 of the Shareholders' Meeting of April 20, 2023
Issuance by way of public offering with cancellation of the preferential subscription right, other than the public offers referred to in Article L.411-2, 1° of the French Monetary and Financial Code	April 22, 2021 (resolution 17)	26 months (June 21, 2023)	Equity securities: €140,000,000 (i.e. 28,000,000 shares) Joint maximum amount of resolutions number 17 and 18 of the Shareholders' Meeting of April 22, 2021 This maximum to be deducted from the maximum provided for by resolution 16 of the Shareholders' Meeting of April 22, 2021 Debt securities: €1,000,000,000 This maximum to be deducted from the maximum provided for by resolution 16 of the Shareholders' Meeting of April 22, 2021 The issue price is set in accordance with the legal provisions applicable on the issue date (to date, the weighted average of the Company's share price during the last three trading sessions prior to the opening of the public offering, possibly reduces by a 10% discount)	N/A	17	26 months	Equity securities: €140,000,000 (i.e. 28,000,000 shares) Joint maximum amount of resolutions number 17 and 18 of the Shareholders' Meeting of April 20, 2023 This maximum to be deducted from the maximum provided for by resolution 16 of the Shareholders' Meeting of April 20, 2023 Debt securities: €1,000,000,000 This maximum to be deducted from the maximum provided for by resolution 16 of the Shareholders' Meeting of April 20, 2023 The issue price is set in accordance with the legal provisions applicable on the issue date (to date, the weighted average of the Company's share price during the last three trading sessions prior to the opening of the public offering, possibly reduces by a 10% discount)

CURRENT AUTHORIZATIONS					AUTHORIZATIONS PROPOSED TO THE SHAREHOLDERS' MEETING OF APRIL 20, 2023		
TYPE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (NO. OF RESOLUTION)	TERM (DATE OF EXPIRY)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NO.	TERM	MAXIMUM AMOUNT
Issuance by way of offering referred to in article L.411-2, 1° of the French Monetary and Financial Code, with cancellation of the preferential subscription right	April 22, 2021 (resolution 18)	26 months (June 21, 2023)	Equity securities: €140,000,000 (i.e. 28,000,000 shares) This maximum to be deducted from the maximum provided for by resolutions 16 and 17 of the Shareholders' Meeting of April 22, 2021 Debt securities: €1,000,000,000 This maximum to be deducted from the maximum provided for by resolution 16 of the Shareholders' Meeting of April 22, 2021 The issue price is set in accordance with the legal provisions applicable on the issue date (to date, the weighted average of the Company's share price during the last three trading sessions prior to the opening of the public offering, possibly reduces by a 10% discount)	N/A	18	26 months	Equity securities: €140,000,000 (i.e. 28,000,000 shares) Joint maximum amount of resolutions number 17 and 18 of the Shareholders' Meeting of April 20, 2023 This maximum to be deducted from the maximum provided for by resolution 16 of the Shareholders' Meeting of April 20, 2023 Debt securities: €1,000,000,000 This maximum to be deducted from the maximum provided for by resolution 16 of the Shareholders' Meeting of April 20, 2023 The issue price is set in accordance with the legal provisions applicable on the issue date (to date, the weighted average of the Company's share price during the last three trading sessions prior to the opening of the public offering, possibly reduces by a 10% discount)
Authorization to increase the amount of the initial issuance, in the event of a share issue for which shareholders' preferential subscription rights are maintained or cancelled	April 22, 2021 (resolution 19)	26 months (June 21, 2023)	15% of initial issuance This maximum to be deducted from the maximum applicable to the initial issuance and from the maximum provided for in resolution 16 of the Shareholders' Meeting of April 22, 2021	N/A	19	26 months	15% of initial issuance This maximum to be deducted from the maximum applicable to the initial issuance and from the maximum provided for in resolution 16 of the Shareholders' Meeting of April 20, 2023
Issuance of up to 10% of the share capital in consideration for contributions in kind	April 22, 2021 (resolution 20)	26 months (June 21, 2023)	10% of the share capital as at the date of the decision of the Board of Directors This maximum to be deducted from the maximum amounts provided for by resolutions number 16 and 17 of the Shareholders' Meeting of April 22, 2021	N/A	20	26 months	10% of the share capital at the date of the decision of the Board of Directors deciding the issuance This maximum to be deducted from the maximum provided for in resolutions number 16 and 17 of the Shareholders' Meeting of April 20, 2023

CURRENT AUTHORIZATIONS					AUTHORIZATIONS PROPOSED TO THE SHAREHOLDERS' MEETING OF APRIL 20, 2023		
TYPE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (NO. OF RESOLUTION)	TERM (DATE OF EXPIRY)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NO.	TERM	MAXIMUM AMOUNT
Capital increase by capitalization of share premiums, reserves, profits or other items that may be capitalized	April 22, 2021 (resolution 23)	26 months (June 21, 2023)	€200,000,000 (i.e. 40,000,000 shares) This maximum not be deducted from any maximum	N/A	23	26 months	€200,000,000 (i.e. 40,000,000 shares) This maximum not be deducted from any maximum
Employee shareholding, allocation of share subscription or purchase options, free share allocations							
Issuance with cancellation of preferential subscription rights to the benefit of the members of a share savings plan	April 21, 2022 (resolution 20)	26 months (June 20, 2024)	2% of the share capital as at the date of the decision of the Board of Directors This maximum to be deducted from the maximum of €720,000,000 provided for by resolution number 16 of the Shareholders' Meeting of April 22, 2021 This maximum to be deducted from the joint maximum amount of 2% provided for by resolutions number 20 and 21 of April 21, 2022 Shareholders' Meeting The issue price will be determined in accordance with the conditions set out in Articles L.3332-19 <i>et seq.</i> of the French Labor Code. The maximum discount is set at 30% of the average of the opening prices quoted during the twenty trading days preceding the date of the Board of Directors' decision setting the opening date for subscriptions	N/A	21	26 months	2% of the share capital as at the date of the decision of the Board of Directors This maximum to be deducted from the joint maximum amount of €720,000,000 provided for in resolution 16 of April 20, 2023 Shareholders' Meeting This maximum to be deducted from the joint maximum amount of 2% provided for by resolutions number 21 and 22 of April 20, 2023 Shareholders' Meeting The issue price will be determined in accordance with the conditions set out in Articles L.3332-19 <i>et seq.</i> of the French Labor Code. The maximum discount is set at 30% of the average of the opening prices quoted during the twenty trading days preceding the date of the Board of Directors' decision setting the opening date for subscriptions

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CURRENT AUTHORIZATIONS					AUTHORIZATIONS PROPOSED TO THE SHAREHOLDERS' MEETING OF APRIL 20, 2023		
TYPE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (NO. OF RESOLUTION)	TERM (DATE OF EXPIRY)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NO.	TERM	MAXIMUM AMOUNT
Issuance with cancellation of the preferential subscription right reserved for certain categories of beneficiaries in order to allow employee shareholding transactions The categories of beneficiaries are (a) employees and corporate officers of non-French companies related to the Company, (b) UCITS or other employee shareholding entities invested in the Company's shares, (c) banking establishments or their subsidiaries that intervene for the purposes of setting up an employee shareholding plan and/or (d) financial establishments mandated within the framework of a "Share Incentive Plan".	April 21, 2022 (resolution 21)	18 months (October 20, 2023)	1% of the share capital as at the date of the decision of the Board of Directors This maximum is to be deducted from the maximum of €720,000,000 provided for by resolution number 16 of the Shareholders' Meeting of April 21, 2022 This maximum to be deducted from the joint maximum amount of 2% provided for by resolutions number 20 and 21 of the Shareholders' Meeting of April 21, 2022	N/A	22	18 months	1% of the share capital as at the date of the decision of the Board of Directors This maximum is to be deducted from the maximum of €720,000,000 provided for by resolution number 16 of the Shareholders' Meeting of April 20, 2023 This maximum to be deducted from the joint maximum amount of 2% provided for by resolutions number 21 and 22 of the Shareholders' Meeting of April 20, 2023
AUTHORIZATION NOT SUBMITTED FOR RENEWAL TO THE SHAREHOLDERS' MEETING OF APRIL 20, 2023							
Allotment of free performance shares	April 21, 2022 (resolution 22)	26 months (June 20, 2024)	1.4% of the share capital as at the date of the decision of the Board of Directors	Allotment on April 21, 2022 of 1,931,440 shares amounting to €9,657,200	N/A	N/A	N/A
Allotment of free shares to the members of the personnel and to the corporate officers members of a shareholding plan	April 21, 2022 (resolution 23)	26 months (June 20, 2024)	0.3% of the share capital as at the date of the decision of the Board of Directors	N/A	N/A	N/A	N/A

6.2 Text of the draft resolutions submitted to the Combined Shareholders' Meeting of April 20, 2023

I. Resolutions to be submitted to the Ordinary Shareholders' Meeting

First resolution

(Approval of the annual financial statements for the financial year ended December 31, 2022)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Ordinary Shareholders' Meetings,

Having reviewed the reports of the Board of Directors and of the Statutory Auditors on the annual financial statements for the financial year ended December 31, 2022,

Approved the annual financial statements, *i.e.*, the balance sheet, the income statement and the notes thereto, for the financial year ended December 31, 2022, as presented to it, as well as the

transactions reflected in such financial statements and summarized in these reports.

The financial statements show a profit of €22,789,275.77.

In accordance with the provisions of Article 223 quarter of the French General Tax Code, the Shareholders' Meeting approved the global amount of the costs and expenses referred to under Article 39-4 of the French General Tax Code which stood at €13,134 for the closed financial year, corresponding to a corporate tax paid for amount of €3,392. These costs and expenses correspond to the portion of depreciation surplus (portion of non-deductible rents of leased vehicles).

Second resolution

(Approval of the consolidated financial statements for the financial year ended December 31, 2022)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Ordinary Shareholders' Meetings,

Having reviewed the reports of the Board of Directors and of the Statutory Auditors on the consolidated financial statements for the financial year ended December 31, 2022,

Approved the consolidated financial statements, *i.e.*, the balance sheet, the income statement and the notes thereto, for the financial year ended December 31, 2022, as presented to it, as well as the transactions reflected in such financial statements and summarized in these reports.

The financial statements show a profit of €922.3 million.

Third resolution

(Allocation of results for the financial year ended December 31, 2022, distribution of an amount of €1.2 per share by deduction from the issue premium)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Ordinary Shareholders' Meetings,

Having reviewed the report of the Board of Directors,

Decided to allocate the profit for the year ended December 31, 2022, which amounted to €22,789,275.77 as follows:

Origin of the amounts to be allocated:

- Results from the 2022 financial year €22,789,275.77
- Previous carry forward at December 31, 2022 €(53,245,790.05)

Total €(30,456,514.28)

Allocation of results:

- Previous carry forward at December 31, 2022 €(30,456,514.28)

Balance €(30,456,514.28)

The Shareholders' Meeting decided to set the distribution at €1.2 per share giving right to such distribution, and attached to each of the shares conferring rights thereto, allocated as follows:

Proposed distribution: €363,429,429.6

Deducted from:

- Issue premium €363,429,429.6

As a consequence, following the aforementioned distribution, the "issue premium" account would be reduced from €1,015,835,544.57 to €652,406,114.97.

The right to this distribution shall be detached from the share on May 9, 2023, and the distribution shall be paid on May 11, 2023.

The aggregate amount of the distribution of €363,429,429.6 was determined on the basis of the number of shares making up the share capital of 303,413,265 as at December 31, 2022 and of the number of shares held by the Company of 555,407 shares at the same date.

The aggregate amount of the distribution of the "retained earnings" account and the "issue

premium" account will be adjusted in order to take into account the number of shares held by the Company at the date of payment of the distribution that do not entitle to distributions, and of the new shares, if any, conferring rights to the distribution issued in the event of final vesting of free shares allocated. Prior to the payment of the distribution, the Board of Directors or, upon delegation, the Chief Executive Officer, shall acknowledge the number of shares held by the Company as well as the number of additional shares that will have been issued as a result of the final vesting of shares allocated free of charge. The necessary amounts for the payment of the distribution attached to the shares issued during this period shall be deducted from the "retained earnings" account, and if the case may be, the "issue premium" account.

With regard to the tax treatment of the distribution of €1.2 per share (based on an amount of €363,429,429.6, drawn on the issue premium, distributed over 302,857,858 shares) proposed to the shareholders of the Company, it is specified, subject to possible adjustments related to any variations mentioned in the above paragraph, that the distribution will be treated from a tax perspective as a reimbursement of a contribution or an issue premium within the meaning of Article 112 of the French General Tax Code, which is not taxable for individual shareholders resident in France but which must be deducted from the tax cost of the share.

During the last three financial years, the Company has distributed the following amounts to the shareholders:

	2021	2020	2019
Amount distributed per share	€0.75	€0.46	–
Number of shares eligible	306,749,312	303,276,624	–
Total distribution	€230,061,984	€139,507,247.04	–

Fourth resolution***(Authorization of agreements referred to in Articles L.225-38 et seq. of the French Commercial Code)***

The Shareholders' Meeting, deciding under the quorum and majority requirements for Ordinary Shareholders' Meetings,

Having reviewed the report of the Board of Directors and the Statutory Auditors' special report on

related party transactions governed by Articles L.225-38 et seq. of the French Commercial Code,

Acknowledged that no new agreements were entered into during the financial year ended December 31, 2022 and acknowledged that no agreements entered into in previous financial years were continued during the last financial year.

Fifth resolution

(Approval of the compensation policy applying to the Chairman of the Board of Directors for the 2023 financial year, pursuant to Article L.22-10-8 of the French Commercial Code)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Ordinary Shareholders' Meetings,

Having reviewed chapter 3 of the Universal Registration Document of the Company for the financial year ended December 31, 2022, which

constitutes the report on corporate governance, in accordance with Article L.225-37 of the French Commercial Code and in particular paragraph 3.2.1.3 "Compensation policy applicable to the Chairman of the Board of Directors for the financial year 2023",

Approved the compensation policy applying to the Chairman of the Board of Directors by virtue of his mandate for the financial year 2023 as presented in such document.

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Sixth resolution

(Approval of the compensation policy applying to the Directors for the 2023 financial year, pursuant to Article L.22-10-8 of the French Commercial Code)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Ordinary Shareholders' Meetings,

Having reviewed chapter 3 of the Universal Registration Document of the Company for the

financial year ended December 31, 2022, which constitutes the report on corporate governance, in accordance with Article L.225-37 of the French Commercial Code and in particular paragraph 3.2.1.2 "Compensation policy applicable to Directors for the financial year 2023",

Approved the compensation policy applying to Directors by virtue of their mandate for the financial year 2023 as presented in such document.

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Seventh resolution

(Approval of the compensation policy applying to the Chief Executive Officer for the 2023 financial year, pursuant to Article L.22-10-8 of the French Commercial Code)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Ordinary Shareholders' Meetings,

Having reviewed chapter 3 of the Universal Registration Document of the Company for the financial year ended December 31, 2022, which

constitutes the report on corporate governance, in accordance with Article L.225-37 of the French Commercial Code and in particular paragraph 3.2.1.4 "Compensation policy applicable to the Chief Executive Officer for the financial year 2023",

Approved the compensation policy applying to the Chief Executive Officer by virtue of his mandate for the financial year 2023 as presented in such document.

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Eighth resolution

(Approval of the information referred to in Article L.22-10-9, I of the French Commercial Code for the financial year ended December 31, 2022)

The Shareholders' Meeting deciding under the quorum and majority requirements for Ordinary Shareholders' Meetings,

Having reviewed chapter 3 of the Universal Registration Document of the Company for the financial year ended December 31, 2022, which constitutes the report on corporate governance, in

accordance with Article L.225-37 of the French Commercial Code and in particular paragraph 3.2.2 "Compensation of corporate officers for the 2022 financial year (Articles L.22-10-9, I and L.22-10-34, II of the French Commercial Code)",

Approved, pursuant to Article L.22-10-34, I of the French Commercial Code, the information referred to in Article L.22-10-9, I of the French Commercial Code in respect of the financial year ended December 31, 2022.

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Ninth resolution

(Approval of the fixed, variable and exceptional components making up the total compensation and the benefits of any kind paid or allocated in respect of the 2022 financial year to Ian Meakins, Chairman of the Board of Directors)

The Shareholders' Meeting deciding under the quorum and majority requirements for Ordinary Shareholders' Meetings,

Having reviewed chapter 3 of the Universal Registration Document of the Company for the financial year ended December 31, 2022, which constitutes the report on corporate governance, in accordance with Article L.225-37 of the French Commercial Code and in particular paragraph 3.2.2 "Compensation of corporate officers for the 2022

financial year (Articles L.22-10-9, I and L.22-10-34, II of the French Commercial Code)",

Approved, pursuant to Article L.22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components making up the total compensation and the benefits of any kind paid or allocated in respect of the financial year ended December 31, 2022 to Ian Meakins, Chairman of the Board of Directors, as described in the Universal Registration Document of the Company for the financial year ended December 31, 2022, paragraph 3.2.2.2 "Compensation and other benefits of any kind paid or allocated to Ian Meakins, Chairman of the Board of Directors".

Tenth resolution

(Approval of the fixed, variable and exceptional components making up the total compensation and the benefits of any kind paid or allocated in respect of the 2022 financial year to Guillaume Texier, Chief Executive Officer)

The Shareholders' Meeting deciding under the quorum and majority requirements for Ordinary Shareholders' Meetings,

Having reviewed chapter 3 of the Universal Registration Document of the Company for the financial year ended December 31, 2022, which constitutes the report on corporate governance, in accordance with Article L.225-37 of the French Commercial Code and in particular paragraph 3.2.2 "Compensation of corporate officers for the 2022

financial year (Articles L.22-10-9, I and L.22-10-34, II of the French Commercial Code)",

Approved, pursuant to Article L.22-10-34, II of the French Commercial Code, the fixed, variable and exceptional components making up the total compensation and the benefits of any kind paid or allocated in respect of the financial year ended December 31, 2022 to Guillaume Texier, Chief Executive Officer, as described in the Universal Registration Document of the Company for the financial year ended December 31, 2022, paragraph 3.2.2.3 "Compensation and other benefits of any kind paid or allocated to Guillaume Texier, Chief Executive Officer".

Eleventh resolution

(Appointment of Marie-Christine Lombard as Director)

The Shareholders' Meeting deciding under the quorum and majority requirements for Ordinary Shareholders' Meetings,

Having reviewed the report of the Board of Directors,

In accordance with Article L.225-18 of the French Commercial Code:

1. Acknowledged the expiry of the term of office of Elen Phillips as Director, effective as of the end of this Shareholders' Meeting convened to resolve

on the financial statements for the financial year ending December 31, 2022; and

2. Decided to appoint Marie-Christine Lombard as Director for a term of four years which is to expire upon the end of the Shareholders' Meeting which will be convened to resolve on the financial statements for the financial year ending December 31, 2026, to be held in 2027.

Marie-Christine Lombard has indicated that she was prepared to serve as Director and that she was not legally prohibited or did not exercise any function preventing him from doing so in any manner whatsoever.

Twelfth resolution

(Appointment of Steven Borges as Director)

The Shareholders' Meeting deciding under the quorum and majority requirements for Ordinary Shareholders' Meetings,

Having reviewed the report of the Board of Directors,

In accordance with Article L.225-18 of the French Commercial Code,

Decided to appoint Steven Borges as Director for a term of four years which is to expire upon the end of the Shareholders' Meeting which will be convened to resolve on the financial statements for the financial year ending December 31, 2026, to be held in 2027.

Steven Borges has indicated that he was prepared to serve as Director and that he was not legally prohibited or did not exercise any function preventing him from doing so in any manner whatsoever.

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Thirteenth resolution

(Renewal of the term of office of Ian Meakins as Director)

The Shareholders' Meeting deciding under the quorum and majority requirements for Ordinary Shareholders' Meetings,

Having reviewed the report of the Board of Directors,

In accordance with Article L.225-18 of the French Commercial Code:

1. Acknowledged the expiry of the term of office of Ian Meakins as Director, effective as of the end of this Shareholders' Meeting, pursuant to the provisions of article 14.2 of the by-laws of the

Company, which provides that the Board of Directors is renewed in quarters, rounded to the higher whole number every year so that it is fully renewed every four years; and

2. Decided to renew the term of office as Director of Ian Meakins for a term of four years which is to expire upon the end of the Shareholders' Meeting which will be convened to resolve on the financial statements for the financial year ending December 31, 2026, to be held in 2027.

Ian Meakins has indicated that he was prepared to serve for another term of office and that he was not legally prohibited from doing so in any manner whatsoever.

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Fourteenth resolution

(Authorization to be granted to the Board of Directors to carry out transactions on the Company's shares)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Ordinary Shareholders' Meetings,

Having reviewed the report of the Board of Directors,

Decided to authorize the Board of Directors, with the option to delegate such authorization, in accordance with the provisions of Articles L.225-206 *et seq.* of the French Commercial Code, the provisions of Articles L.22-10-62 *et seq.* of the French Commercial Code, the provisions of Articles 241-1 to 241-7 of the General Regulations of the French Financial markets authority (the "AMF") and the provisions of the European regulation relating to market abuse, to purchase or cause to be

purchased shares of the Company, in order of highest to lowest priority, with a view to:

- Ensuring liquidity and activity in the market for the shares of the Company through an investment services provider, acting independently under a liquidity agreement in accordance with a market ethics charter acknowledged by the AMF;
- Satisfying the obligations arising out of allocations of stock options, allotments of free shares or any other granting, allotment or sale of shares to the employees or the corporate officers of the Company or of an associated enterprise and carrying out any hedging operation relating to such transactions, in accordance with the conditions set forth by the market authorities and at such times that the Board of Directors or any person acting upon the authority of the Board of Directors implements such actions;

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- Ensuring the coverage of the undertakings of the Company under rights with a settlement in cash and relating to the positive evolution of the trading price of the share of the Company granted to the employees or the corporate officers of the Company or of an associated enterprise;
- Retaining shares and delivering shares further to an exchange or as a consideration in the context of external growth transactions, in accordance with applicable regulations;
- Granting shares in connection with the exercise of rights attached to securities conferring access by any means, immediately or in the future, to shares of the Company;
- Cancelling all or part of the shares so repurchased, in accordance with applicable laws and subject to an authorization being granted by the Extraordinary Shareholders' Meeting; and
- Implementing any other action that is or will become permitted by French law or the AMF or any other purpose that may comply with the regulations in force.

The acquisition, sale or transfer of the shares may be carried out or paid by any means, on the market or over the counter, including through transactions involving blocks of securities or takeover bids, option mechanisms, derivatives, purchase of options or of securities in conformity with the applicable regulatory conditions. The portion of the plan carried out through transactions involving blocks of shares may reach the total amount of the share repurchase plan.

This authorization shall be implemented pursuant to the following conditions:

- The maximum number of shares that the Company may purchase under this resolution shall not exceed 10% of the shares making up the share capital as at the date of completion of the repurchase of the shares of the Company;
- The number of shares acquired by the Company in view of holding them for subsequent payment or exchange in a merger, spin-off or contribution may not exceed 5% of the Company's share capital;
- The total maximum amount allocated to the repurchase of the shares of the Company may not exceed €250 million;

- The maximum purchase price per share of the Company has been set at €30, it being specified that in the event of transactions on the share capital, in particular by way of incorporation of reserves and allocation of free shares, division or grouping of shares, this maximum purchase price shall be adjusted accordingly by using a multiplying factor equal to the ratio between the number of shares making up the share capital prior to the relevant transaction, and the number of shares further to such transaction;
- The shares held by the Company may not represent, at any time, more than 10% of its share capital; and
- The shares repurchased and retained by the Company will be deprived of voting rights and will not give right to the payment of dividends.

The Board of Directors will not be able, except with the prior approval of the Shareholders' Meeting, to pursue the implementation of its share repurchase program as from the filing by a third party of a public offer on the Company's securities and until the end of the offer period.

Full powers were granted to the Board of Directors, with the option to delegate such powers to any person in accordance with the legislative and regulatory provisions, to achieve this share repurchase program of the Company's shares, and in particular to give any stock exchange orders, enter into any agreement for the keeping of the share purchase and sale registers, make any disclosures to the AMF and any other authorities, prepare any documents, in particular information documentation, allocate and, as the case may be, reallocate, subject to the conditions provided by the law, the shares acquired for the various purposes envisaged, carry out any formalities and, more generally, do as necessary.

This authorization is granted for a term of 18 months as from the date of this Shareholders' Meeting.

This authorization shall cancel, to the extent of the unused portion, any prior authorization with the same purpose, and supersede the authorization granted by the eighteenth resolution of the Ordinary Shareholders' Meeting of the Company of April 21, 2022.

The Board of Directors will, every year, inform the Shareholders' Meeting of the operations carried out pursuant to this resolution, in compliance with Article L225-211 of the French Commercial Code.

II. Resolutions to be submitted to the Extraordinary Shareholders' Meeting

Fifteenth resolution

(Authorization to be granted to the Board of Directors to carry out a share capital decrease by cancellation of shares)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Extraordinary Shareholders' Meetings,

Having reviewed the report of the Board of Directors and the Statutory Auditors' special report,

Authorized the Board of Directors to reduce the share capital, in one or several occurrences, in the proportions and at the times that it shall deem appropriate, by cancellation of all or part of the Company's shares acquired pursuant to any share repurchase programs authorized by the Shareholders' Meeting, within the limit of 10% of the share capital of the Company as at the date of the cancellation per periods of 24 months, in accordance with the provisions of Articles L.22-10-62 *et seq.* of the French Commercial Code.

This authorization is granted for a term of 18 months as from the date of this Shareholders' Meeting.

Full powers were granted to the Board of Directors, with the power to delegate such powers, in order to:

- Reduce the share capital by cancellation of the shares;
- Determine the final amount of the share capital decrease;
- Determine the terms and conditions thereof and acknowledge its completion;
- Deduct the difference between the book value of the cancelled shares and their nominal amount from any available reserve and premium accounts; and
- In general, do as necessary for the proper performance of this authorization, amend the by-laws accordingly and carry out any required formalities.

This authorization shall cancel, in respect of the unused amount, any prior authorization with the same purpose, and supersede the authorization granted by the nineteenth resolution of the Extraordinary Shareholders' Meeting of the Company of April 21, 2022.

Sixteenth resolution

(Delegation of authority to be granted to the Board of Directors to decide upon the issuance of ordinary shares or securities that are equity securities giving access to other equity securities or giving right to the allocation of debt securities, or of securities giving access to equity securities to be issued, with upholding of the shareholders' preferential subscription right)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Extraordinary Shareholders' Meetings,

Having reviewed the report of the Board of Directors and the Statutory Auditor's special report, having acknowledged that the share capital has been fully paid-up, and deciding in accordance with the provisions of Articles L.225-129 *et seq.* of the French Commercial Code, in particular Articles L.225-129-2, L.225-132, L.225-133 and L.225-134, the provisions of

Articles L.228-91 *et seq.* of the French Commercial Code and the provisions of Articles L.22-10-49 *et seq.* of the French Commercial Code:

1. Delegated to the Board of Directors, with the option to subdelegate to any authorized person in accordance with the legal and regulatory provisions, its authority to decide on the issuance, in one or several occurrences, within the proportions and at the times that it may deem fit, both in France and abroad, in euros, foreign currency or units determined by reference to several currencies, of (i) ordinary shares, or (ii) securities that are equity securities conferring access, immediately or in the future, to other equity securities of the Company or of a company of which the Company holds, directly or indirectly, at least 50% of the share capital, or of securities conferring, immediately or in the

future, a right to the allocation of debt securities, or (iii) equity securities conferring access, immediately or in the future, to equity securities to be issued of the company or of the company of which the Company holds, directly or indirectly, more than 50% of the share capital, the subscription of which may be carried out in cash, including by offsetting due and payable receivables, or partly in cash and partly by capitalization of reserves, profits or issuance premiums;

2. Decided that this delegation of authority expressly excludes any issue of preferred shares and of securities conferring access by any means, immediately or in the future, to preferred shares;
3. Decided that the maximum nominal amount of the share capital increases to be carried out, immediately or in the future, pursuant to this delegation shall be €720 million, it being specified that:
 - The maximum nominal amount of the share capital increases that may be carried out pursuant to this delegation, as well as to the seventeenth through twenty-second resolutions submitted to this Shareholders' Meeting may not exceed such global amount of €720 million; and
 - This global cap may be complemented, as the case may be, by the additional nominal amount of the ordinary shares to be issued in order to maintain the rights of the holders of securities or other rights conferring access to the share capital of the Company, in accordance with the law and with any applicable contractual provisions providing for other cases of adjustment;
4. Decided that the global nominal amount of debt securities that may be issued pursuant to this delegation may not exceed €1 billion or the equivalent value in euros as at the date of issue, it being specified that:
 - The maximum nominal amount of the debt securities that may be issued pursuant to this resolution, as well as to the seventeenth through twenty-second resolutions submitted to this Shareholders' Meeting (or by any resolution of the same nature that may substitute for it), may not exceed such global amount of €1 billion;

- This ceiling does not apply to debt securities the issue of which may be decided or authorized by the Board of Directors pursuant to Article L.228-40 of the French Commercial Code, nor to the debt securities referred to in Articles L.228-92, last paragraph, L.228-93, last paragraph and L.228-94, last paragraph of the French Commercial Code; and
- This ceiling shall be increased, if applicable, by any redemption premium in excess of the par value;

5. Decided that, in accordance with the legal provisions and in the conditions set by the Board of Directors, the shareholders shall have, in proportion to their number of shares, a preferential subscription right as of right in respect of the ordinary shares and securities that are equity securities conferring access to other equity securities of the Company or conferring rights to the allocation of debt securities as well as to securities granting access to equity securities to be issued pursuant to this delegation of authority. The Board of Directors may establish a preferential subscription right for excess securities to the benefit of the shareholders, which shall be exercised in proportion to their subscription rights and, in any case, to the extent of their applications.

If subscriptions as of right and, where applicable, for excess securities, do not result in the full subscription of an issuance of shares or securities that are equity securities conferring access to other equity securities of the Company or conferring rights to the allocation of debt securities as well as to securities granting access to equity securities to be issued of the Company, decided pursuant to this delegation of authority, the Board of Directors may use, in the sequence that it deems appropriate, one or several of the options provided by Article L.225-134 of the French Commercial Code, *i.e.*:

- Limit, where appropriate, the issue to the amount subscribed, subject to the issue reaching at least three-fourths of the issue initially decided;
- Freely allot all or part of the unsubscribed securities among any persons at its discretion; or
- Offer to the public all or part of the unsubscribed shares;

6. Acknowledged that this delegation of authority automatically implies waiver by the shareholders, to the benefit of the holders of securities conferring access to the share capital of the Company, of their preferential subscription right in respect of the equity securities to which such securities may entitle to;

7. Decided that the issues of share subscription warrants (*bons de souscription d'actions*) of the Company may be carried out either by subscription in cash under the terms set forth above, or by allocation free of charge to the owners of the existing shares.

In case of allocation free of charge of individual subscription warrants (*bons autonomes de souscription*), the Board of Directors will have the option to decide that the fractional allocation rights are not tradable, and that the relevant securities will be sold;

8. Decided that the Board of Directors shall have full powers, with the option to delegate such powers to any duly empowered person in accordance with the legal and regulatory provisions, to perform this delegation of authority, *inter alia* for the purposes of:

- Deciding on the issuance of the securities, determining the form and characteristics of any issuance, in particular the amount, the dates, the issue price, the terms of subscription, their dividend entitlement date (with a retroactive dividend entitlement date, where applicable), the terms under which the securities issued pursuant to this delegation of authority will confer access to equity securities of the Company;
- Determining the nature, number and characteristics, of the securities to be issued (including, where applicable, rights to conversion, exchange, redemption, including through the delivery of assets of the Company attached to the shares or securities conferring access to the share capital to be issued) and, if the securities to be issued consist in or are associated with debt securities, their term, fixed or perpetual, their subordination or absence thereof (and, where applicable, their ranking), their remuneration, the compulsory or optional events of suspension or non-payment of interest, the ability to reduce or increase the nominal amount of the securities and other terms of issuance (including the fact of granting guarantees or security thereon) and of redemption (including redemption by delivery of assets of the Company); amending,

during the lifetime of the relevant securities, the characteristics referred to above in compliance with the applicable formalities;

- Determining the terms under which the Company will have the option, where applicable, to purchase or exchange on the market, at any time or during specific time periods, the securities issued or to be issued immediately or in the future, with the purpose of canceling such securities or not, taking into account the applicable legal provisions;
 - Providing the option to suspend, potentially, the exercise of the rights attached to such securities in accordance with the legal and regulatory provisions;
 - Determining and carrying out any adjustments intended to take into account the impact of transactions on the capital of the Company, and determining any of the terms allowing to ensure, where applicable, the upholding of the rights of the holders of securities or other rights conferring access to the share capital;
 - At its sole option, charging the expenses of the share capital increase against the amount of the relevant premiums and deducting from such amount the necessary amounts for the legal reserve; and
 - Taking all appropriate actions and entering into any agreements in view of the performance of this delegation of powers, in particular in view of the proper performance of the contemplated issuances, acknowledging their completion and amend the by-laws accordingly, and carrying out any appropriate formalities and declarations for the issuance, listing and financial servicing of the securities issued pursuant to this delegation of powers and for the exercise of the rights attached thereto, and applying for any necessary authorizations for the completion and proper performance of these issuances;
9. Decided that the Board of Directors will not be able, except with the prior approval of the Shareholders' Meeting, to use this delegation of authority as from the filing by a third party of a public offer on the Company's securities and until the end of the offer period;
10. Decided that this delegation of powers is granted for a term of 26 months as from the date of this Shareholders' Meeting; and
11. Decided that this delegation of powers shall cancel and supersede any previous delegation of powers having the same purpose, as regards the unused portion of these delegations.

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Seventeenth resolution

(Delegation of authority to be granted to the Board of Directors to decide upon the issuance by way of public offering - other than the offers referred to in article L.411-2, 1° of the French Monetary and Commercial Code - of ordinary shares or securities that are equity securities giving access to other equity securities or giving right to the allocation of debt securities, or of securities giving access to equity securities to be issued, with cancellation of the shareholders' preferential subscription right)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Extraordinary Shareholders' Meetings,

Having reviewed the report of the Board of Directors and the Statutory Auditor's special report, having acknowledged that the share capital has been fully paid-up, and deciding in accordance with the provisions of Article L.225-129 *et seq.* of the French Commercial Code, in particular Articles L.225-129-2, L.225-135, L.225-136, the provisions of Article L.228-91 *et seq.* of the French Commercial Code, the provisions of Articles L.22-10-49 *et seq.* of the French Commercial Code and the provisions of Article L.22-10-54 of the French Commercial Code:

1. Delegated to the Board of Directors, with the option to subdelegate to any authorized person in accordance with the legal and regulatory provisions, its authority to decide on the issuance by way of public offering other than the offers referred to in article L.411-2, 1° of the French Monetary and Financial Code, in one or several occurrences, within the proportions and at the times that it may deem fits, both in France and abroad, in euros, foreign currency or units determined by reference to several currencies, of (i) ordinary shares, or (ii) securities that are equity securities conferring access, immediately or in the future, to other equity securities of the Company or of a company of which the Company holds, directly or indirectly, at least 50% of the share capital, or of securities conferring, immediately or in the future, a right to the allocation of debt securities, or (iii) equity securities conferring access, immediately or in the future, to equity securities to be issued of the company or of the company of which the Company holds, directly or indirectly, at least 50% of the share capital, the subscription of which may be carried out in cash, including by offsetting due and payable receivables;
2. Decided that this delegation of authority expressly excludes any issue of preferred shares and of securities conferring access by any means, immediately or in the future, to preferred shares;
3. Decided that the maximum nominal amount of the share capital increases to be carried out, immediately or in the future, pursuant to this delegation shall be €140 million, it being specified that:
 - The maximum total nominal amount of the share capital increases that may be carried out pursuant to this delegation of authority shall be deducted from the total nominal limit of €720 million determined by the sixteenth resolution above (or by any resolution of the same nature that may substitute for it);
 - The nominal amount of the share capital increases that may be carried out pursuant to this delegation as well as pursuant to the eighteenth and twentieth resolutions (or by any resolution of the same nature that may substitute for it) may not exceed this limit of €140 million; and
 - This global cap may be complemented, as the case may be, by the additional nominal amount of the ordinary shares to be issued in order to maintain the rights of the holders of securities or other rights conferring access to the share capital of the Company, in accordance with the law and with any applicable contractual provisions providing for other cases of adjustment;
4. Decided that the global nominal amount of debt securities that may be issued pursuant to this delegation may not exceed €1 billion or the equivalent value in euros as at the date of issue, it being specified that:
 - This limit shall be increased, if applicable, by any redemption premium in excess of the par value;
 - This limit does not apply to debt securities the issue of which may be decided or authorized by the Board of Directors pursuant to Article L.228-40 of the French Commercial Code, nor to the debt securities referred to in Articles L.228-92, last paragraph, L.228-93, last paragraph and L.228-94, last paragraph of the French Commercial Code; and

- This amount shall be deducted from the total limit of €1 billion for the issue of debt securities determined by the sixteenth resolution above (or by any resolution of the same nature that may substitute for it);
5. Decided that the preferential subscription right of the shareholders in respect of the securities which may be issued pursuant to this resolution be cancelled, nevertheless the Board of Directors shall be left with the option to establish, to the benefit of the shareholders, a right of priority as of right and/or for excess shares which does not entitle to the creation of tradable rights, pursuant to the provisions of Article L.22-10-51 of the French Commercial Code;
 6. Acknowledged that this delegation of powers implies a waiver by the shareholders of their preferential right to subscribe for the equity securities of the Company to which the securities that may be issued pursuant to this delegation give right;
 7. Decided that :
 - The issue price of the new shares issued will be determined in accordance with the law on the date of issue (at the date of this meeting, the average weighted share price of the company's shares over the last three trading days on the regulated market of Euronext Paris prior to the opening of the public offering, reduced, as the case may be, by the maximum discount of 10%); and
 - The issue price of the securities conferring access to the share capital of the Company shall be determined so that the amount immediately received by the Company, plus, as the case may be, any amount that may be received by the Company in the future, be at least equal, for each share issued as a result of the issue of such securities, to the issue price determined in the paragraph above;
 8. Decided that, if subscriptions of shareholders and of the public do not result in the full subscription of an issuance of shares or securities conferring access to the share capital as defined above, the Board of Directors may use, in the sequence that it deems appropriate, one or more of the following options:
 - Limit, where appropriate, the issue to the amount subscribed, subject to the issue reaching at least three-fourths of the issue initially decided;
 - Freely allot all or part of the unsubscribed securities among any persons at its discretion; or
 - Offer to the public all or part of the unsubscribed securities;
 9. Decided that the Board of Directors may make use of this delegation in order as compensation for securities contributed in a public exchange offering initiated by the Company on its own securities are on the securities of another company, within the limits and under the terms provided by Article L.22-10-54 of the French Commercial Code;
 10. Decided that the Board of Directors will have full powers, with the option to delegate such powers to any duly empowered person to the full extent permitted by law, to perform this delegation of authority, *inter alia* for the purposes of:
 - 1 • Deciding on the issuance of the securities, determining the form and characteristics of any issuance, in particular the amount, the dates, the issue price, the terms of subscription, their dividend entitlement date (with a retroactive dividend entitlement date, where applicable), the terms under which the securities issued pursuant to this delegation of authority will confer access to equity securities of the Company;
 - 2 • Determining the nature, number and characteristics, of the securities to be issued (including, where applicable, rights to conversion, exchange, redemption, including through the delivery of assets of the Company attached to the shares or securities conferring access to the share capital to be issued) and, if the securities to be issued consist in or are associated with debt securities, their term fixed or perpetual, their subordination or absence thereof (and, where applicable, their ranking), their remuneration, the compulsory or optional events of suspension or non-payment of interest, the ability to reduce or increase the nominal amount of the securities and other terms of issuance (including the fact of granting guarantees or security thereon) and of redemption (including redemption by delivery of assets of the Company); amending, during the lifetime of the relevant securities, the characteristics referred to above in compliance with the applicable formalities;
 - 3 • Determining the terms under which the Company will have the option, where applicable, to purchase or exchange on the market, at any time or during specific time

- periods, the securities issued or to be issued immediately or in the future, with the purpose of canceling such securities or not, taking into account the applicable legal provisions;
- Providing the option to suspend, potentially, the exercise of the rights attached to such securities in accordance with the legal and regulatory provisions;
 - Determining and carrying out any adjustments intended to take into account the impact of transactions on the capital of the Company, and determining any of the terms allowing to ensure, where applicable, the upholding of the rights of the holders of securities conferring access to the share capital;
 - In case of issuance of securities in view of compensating for securities contributed in connection with a public exchange offering, determining the exchange ratio as well as the amount, if any, of the cash adjustment to be paid without applying the terms of determination of the price of paragraph 7 of this resolution, acknowledging the number of securities contributed in the exchange and determining the terms of the issuance;
 - At its sole option, charging the expenses of the share capital increase against the amount of the relevant premiums and deducting from such amount the necessary amounts for the legal reserve; and
 - Taking all appropriate actions and entering into any agreements in view of the performance of this delegation of powers, in particular in view of the proper performance of the contemplated issuances, acknowledging their completion and amend the by-laws accordingly, and carrying out any appropriate formalities and declarations for the issuance, listing and financial servicing of the securities issued pursuant to this delegation of powers and for the exercise of the rights attached thereto, and applying for any necessary authorizations for the completion and proper performance of these issuances;
11. Decided that the Board of Directors will not be able, except with the prior approval of the Shareholders' Meeting, to use this delegation of authority as from the filing by a third party of a public offer on the Company's securities and until the end of the offer period;
 12. Decided that this delegation of powers is granted for a term of 26 months as from the date of this Shareholders' Meeting; and
 13. Decided that this delegation of powers shall cancel and supersede any previous delegation of powers having the same purpose, as regards the unused portion of these delegations.

Eighteenth resolution

(Delegation of authority to be granted to the Board of Directors to decide upon the issuance by way of public offering referred to in Article L.411-2, 1° of the French Monetary and Financial Code, of ordinary shares or securities that are equity securities giving access to other equity securities or giving right to the allocation of debt securities, or of securities giving access to equity securities to be issued, with cancellation of the shareholders' preferential subscription right)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Extraordinary Shareholders' Meetings,

Having reviewed the report of the Board of Directors and the Statutory Auditor's special report, having acknowledged that the share capital has been fully paid-up, and deciding in accordance with the provisions of Article L.225-129 *et seq.* of the French Commercial Code, in particular Articles L.225-129-2, L.225-135, and L.225-136, the provisions of

Article L.228-91 *et seq.* of the French Commercial Code and the provisions of Articles L.22-10-49 *et seq.* of the French Commercial Code:

1. Delegated to the Board of Directors, with the option to subdelegate to any authorized person in accordance with the legal and regulatory provisions, its authority to decide on the issuance, by way of public offering as defined in Articles L.411-2, 1° of the French Monetary and Financial Code (*i.e.*, an offering intended exclusively to a restricted circle of investors acting on their own behalf or to qualified investors), in one or several occurrences, within the proportions and at the times that it may deem fit, both in France and abroad, in euros, foreign currency or units determined by reference to several currencies, (i) of ordinary shares, or (ii) securities that are equity securities conferring access, immediately or in the future, to other equity securities of the Company or of a company of which the

Company holds, directly or indirectly, at least 50% of the share capital, or of securities conferring, immediately or in the future, a right to the allocation of debt securities, or (iii) equity securities conferring access, immediately or in the future, to equity securities to be issued of the Company or of a company of which the Company holds, directly or indirectly, more than 50% of the share capital, the subscription of which may be carried out in cash, in particular by offsetting due and payable receivables;

2. Decided that this delegation of authority expressly excludes any issue of preferred shares and of securities conferring access by any means, immediately or in the future, to preferred shares;
3. Decided that the maximum nominal amount of the share capital increases to be carried out, immediately or in the future, pursuant to this delegation shall be €140 million it being specified that:
 - Issuances of equity securities carried out under this delegation by an offer as defined in Article L.411-2, 1° of the French Monetary and Financial Code may not exceed the limits set forth by applicable regulations as of the date of the issue (for information, at the date of this Shareholders' Meeting, the issuance of equity securities carried out by way of an offering referred to in Article L.411-2, 1° of the French Monetary and Financial Code is limited to 20% of the share capital of the Company per year, with this capital being assessed at the date of the decision of the Board of Directors using this delegation);
 - The maximum total nominal amount of the share capital increases that may be carried out pursuant to this delegation of authority shall be deducted from the total nominal limit of €140 million determined by the seventeenth resolution (or by any resolution of the same nature that may substitute for it) above and from the total nominal amount of €720 million determined in the sixteenth resolution (or by any resolution of the same nature that may substitute for it) above; and
 - This cap may be complemented, as the case may be, by the additional nominal amount of the ordinary shares to be issued in order to maintain the rights of the holders of securities conferring access to the share capital of the Company, in accordance with the law and

with any applicable contractual provisions providing for other cases of adjustment;

4. Decided that the global nominal amount of debt securities that may be issued pursuant to this delegation may not exceed €1 billion or the equivalent value in euros at the date of issue, it being specified that:
 - This limit shall be increased, if applicable, by any redemption premium in excess of the par value;
 - This limit does not apply to debt securities the issue of which may be decided or authorized by the Board of Directors pursuant to Article L.228-40 of the French Commercial Code, nor to the debt securities referred to in Articles L.228-92, last paragraph, L.228-93, last paragraph and L.228-94, last paragraph of the French Commercial Code; and
 - This amount shall be deducted from the total limit of €1 billion for the issue of debt securities determined by the sixteenth resolution ((or by any resolution of the same nature that may substitute for it)above;
5. Decided to cancel the shareholders' preferential subscription right to the securities that may be issued in application of this delegation;
6. Acknowledged that this delegation of powers implies a waiver by the shareholders of their preferential right to subscribe for the equity securities of the Company to which the securities that may be issued pursuant to this delegation give right;
7. Decided that:
 - The issue price of the new shares issued will be determined in accordance with the law on the date of issue (at the date of this meeting, the average weighted share price of the company's shares over the last three trading days on the regulated market of Euronext Paris prior to the opening of the public offering, reduced, as the case may be, by a maximum discount of 10%); and
 - The issue price of the securities conferring access to the share capital of the Company shall be determined so that the amount immediately received by the Company, plus, as the case may be, any amount that may be received by the Company in the future, be at least equal, for each share issued as a result of the issue of such securities, to the issue price determined in the paragraph above;

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8. Decided that the Board of Directors will have full powers, with the option to delegate such powers to any duly empowered person to the full extent permitted by law, to perform this delegation of authority, *inter alia* for the purposes of:
 - Deciding on the issuance of the securities, determining the form and characteristics of any issuance, in particular the amount, the dates, the issue price, the terms of subscription, their dividend entitlement date (with a retroactive dividend entitlement date, where applicable), the terms under which the securities issued pursuant to this delegation of authority will confer access to equity securities of the Company;
 - Determining the nature, number and characteristics, of the securities to be issued (including, where applicable, rights to conversion, exchange, redemption, including through the delivery of assets of the Company attached to the shares or securities conferring access to the share capital to be issued) and, if the securities to be issued consist in or are associated with debt securities, their term, fixed or perpetual, their subordination or absence thereof (and, where applicable, their ranking), their remuneration, the compulsory or optional events of suspension or non-payment of interest, the ability to reduce or increase the nominal amount of the securities and other terms of issuance (including the fact of granting guarantees or security thereon) and of redemption (including redemption by delivery of assets of the Company); amending, during the lifetime of the relevant securities, the characteristics referred to above in compliance with the applicable formalities;
 - Determining the terms under which the Company will have the option, where applicable, to purchase or exchange on the market, at any time or during specific time periods, the securities issued or to be issued immediately or in the future, with the purpose of canceling such securities or not, taking into account the applicable legal provisions;
 - Providing the option to suspend, potentially, the exercise of the rights attached to such securities in accordance with the legal and regulatory provisions;
 - Determining and carrying out any adjustments intended to take into account the impact of transactions on the capital of the Company, and determining any of the terms allowing to ensure, where applicable, the upholding of the rights of the holders of securities conferring access to the share capital;
 - At its sole option, charging the expenses of the share capital increase against the amount of the relevant premiums and deducting from such amount the necessary amounts for the legal reserve; and
 - Taking all appropriate actions and entering into any agreements in view of the performance of this delegation of powers, in particular in view of the proper performance of the contemplated issuances, acknowledging their completion and amend the by-laws accordingly, and carrying out any appropriate formalities and declarations for the issuance, listing and financial servicing of the securities issued pursuant to this delegation of powers and for the exercise of the rights attached thereto, and applying for any necessary authorizations for the completion and proper performance of these issuances;
9. Decided that the Board of Directors will not be able, except with the prior approval of the Shareholders' Meeting, to use this delegation of authority as from the filing by a third party of a public offer on the Company's securities and until the end of the offer period;
10. Decided that this delegation of powers is granted for a term of 26 months as from the date of this Shareholders' Meeting; and
11. Decided that this delegation of powers shall cancel and supersede any previous delegation of powers having the same purpose, as regards the unused portion of these delegations.

Nineteenth resolution

(Delegation of authority to be granted to the Board of Directors in view of increasing the amount of the issuances carried out with upholding or cancellation of the preferential subscription right of the shareholders, pursuant to the sixteenth, seventeenth and eighteenth resolutions)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Extraordinary Shareholders' Meetings,

Having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, deciding in accordance with the provisions of Articles L.225-135-1 of the French Commercial Code:

1. Delegated to the Board of Directors its authority, with the option to delegate such powers to any duly empowered person in accordance with the legal and regulatory provisions, to decide to increase the number of shares, equity securities or other securities to be issued in the context of any issuance undertaken pursuant to the sixteenth, seventeenth and eighteenth resolutions above, at the same price as that applied to the initial issuance, within a time period and subject to the limitations set forth by the applicable regulations at the date of the

issuance (at the date of this Shareholders' Meeting, for a period of 30 days as from the closing of the subscription period and within a limit of 15% of the initial issuance);

2. Decided that the nominal amount of the issuance decided upon pursuant to this delegation shall be deducted from the initial issuance limit and the overall limit of €720 million set by the sixteenth resolution (or by any resolution of the same nature that may substitute for it) of this Shareholders' Meeting;
3. Decided that the Board of Directors will not be able, except with the prior approval of the Shareholders' Meeting, to use this delegation of authority as from the filing by a third party of a public offer on the Company's securities and until the end of the offer period;
4. Decided that this delegation of powers is granted for a term of 26 months as from the date of this Shareholders' Meeting; and
5. Decided that this delegation of powers shall cancel and supersede any previous delegation of powers having the same purpose, as regards the unused portion of these delegations.

Twentieth resolution

(Delegation of powers to be granted to the Board of Directors to decide to issue ordinary shares or securities conferring access to the share capital of the Company within the limit of 10% of the share capital with cancellation of the preferential subscription right of the shareholders, in consideration for contributions in kind granted to the Company)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Extraordinary Shareholders' Meetings,

Having reviewed the report of the Board of Directors and of the Statutory Auditors' special report, in resolving accordance with the provisions of Articles L.225-129 *et seq.* of the French Commercial Code and the provisions of Articles L.22-10-49 *et seq.* of the French Commercial Code:

1. Delegated its authority to the Board of Directors, when the provisions of Article L.22-10-54 of the French Commercial Code are not applicable, with the option to subdelegate such powers to any duly empowered person in accordance with

the legal and regulatory provisions, to decide, based on the report of the valuing auditor(s) (*Commissaire(s) aux apports*) referred to in §2 of Article L.225-147 of the French Commercial Code, upon the issuance of ordinary shares or securities conferring access, immediately or in the future, to equity securities of the Company as a consideration for the contributions in kind granted to the Company and consisting of shares or securities conferring access to the share capital;

2. Decided that the limit of the global nominal amount of the share capital increase(s) that may be carried out, immediately or in the future, pursuant to this delegation may not exceed 10% of the share capital of the Company appraised at the date of the decision of the Board of Directors, it being specified that:
 - This limit shall be deducted from the total nominal limit of €140 million determined by the seventeenth resolution of this Shareholders' Meeting and from the total nominal amount of

€720 million determined in the sixteenth resolution (or by any resolution of the same nature that may substitute for it) of this Shareholders' Meeting; and

- This limit does not take into account the nominal amount of the additional ordinary shares to be issued in order to maintain the rights of the holders of securities or other rights giving access to the share capital of the Company, in accordance with the applicable legal and regulatory provisions and with any applicable contractual provisions providing for other cases of adjustment;
3. Decided to cancel, as needed, the preferential subscription right of the shareholders to these ordinary shares or securities to the benefit of the holders of shares or securities that are the purpose of the contribution in kind, and acknowledged that this delegation of powers implies a waiver by the shareholders of their preferential subscription right for the ordinary shares of the Company to which the securities that may be issued pursuant to this delegation may give right;
 4. Decided that the Board of Directors shall have full powers, with the option to delegate such powers to any duly empowered person in accordance with the legal and regulatory provisions, to perform this delegation of authority, *inter alia* for the purposes of:
 - Approving the report of the valuing auditor(s) (*Commissaire(s) aux apports*) referred to in §2 of Article L.225-147 of the French Commercial Code, the valuation of the contributions and,

where applicable, the granting of specific benefits and their values;

- Determining the number of shares to be issued in consideration of the contributions as well as the dividend entitlement date of the shares to be issued;
 - Deducting, if applicable and if it deems appropriate, from the relevant premiums, the fees and expenses resulting from the issues and charge against such amounts the amounts necessary to increase the legal reserve to one tenth of the new share capital; and
 - Acknowledging the final completion of the share capital increases carried out pursuant to this delegation of powers, amend the by-laws accordingly, carry out any formalities and declarations and apply for any necessary authorizations for the completion of such contributions;
5. Decided that the Board of Directors will not be able, except with the prior approval of the Shareholders' Meeting, to use this delegation of authority as from the filing by a third party of a public offer on the Company's securities and until the end of the offer period;
 6. Decided that this delegation of powers is granted for a term of 26 months as from the date of this Shareholders' Meeting; and
 7. Decided that this delegation of powers shall cancel and supersede any previous delegation of powers having the same purpose, as regards the unused portion of these delegations.

Twenty-first resolution

(Authorization to be granted to the Board of Directors to increase the share capital by issuance of ordinary shares or securities that are equity securities giving access to other equity securities of the Company or giving right to the allocation of debt securities, or of securities giving access to equity securities to be issued, with cancellation of the shareholders' preferential subscription right, to the benefit of members of a savings plan)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Extraordinary Shareholders' Meetings,

Having reviewed the report of the Board of Directors and the Statutory Auditors' special report and deciding in accordance with, on the one hand, the

provisions of Articles L.225-129-2, L.225-129-6 and L.225-138-1 of the French Commercial Code and the provisions of Articles L.22-10-49 *et seq.* of the French Commercial Code and, on the other hand, the provisions of Articles L.3332-1 *et seq.* of the French Labor Code:

1. Authorized the Board of Directors, with the option to subdelegate such authorization to any duly authorized person in accordance with legal and regulatory provisions, to decide to increase the share capital, in one or several occurrences, upon its sole decisions, at the time and in accordance with the terms that it shall determine by the issuance (i) of ordinary shares, and/or (ii) of securities that are equity securities giving access, immediately or in the future, to other equity

securities or giving right, immediately or in the future, to the allocation of debt securities, and/or (iii) of securities conferring access to equity securities to be issued by the Company, reserved for members of one or several company savings plan(s) (*plan d'épargne d'entreprise*) or group savings plan(s) (*plan d'épargne de groupe*) established jointly by the Company and the French or foreign companies that are linked to the Company within the meaning of Article L.225-180 of the French Commercial Code and of Article L.3344-1 of the French Labor Code;

2. Decided to cancel the shareholders' preferential subscription rights in respect of new shares to be issued pursuant to this authorization for the benefit of the beneficiaries referred to in the first paragraph above;
3. Acknowledged that this delegation of powers implies a waiver by the shareholders of their preferential right to subscribe for the equity securities of the Company to which the securities that may be issued pursuant to this delegation give right;
4. Decided that the issue price(s) of the new shares or of the securities conferring access to the share capital shall be determined in accordance with the provisions of Articles L.3332-19 *et seq.* of the French Labor Code and that the maximum discount shall amount to 30% of the average of the first trading prices during the 20 trading days preceding the date of the Board of Directors' decision determining the opening date of the subscription period. Nevertheless, the Shareholders' Meeting expressly authorized the Board of Directors to reduce or eliminate the discount, in order to take into account, in particular, the regulations applicable in the countries where the offer will be implemented;
5. Decided that the maximum nominal amount of the share capital increase(s) which may be carried out pursuant to this authorization may not exceed 2% of the share capital of the Company appraised as at the date of the decision of use of this authorization by the Board of Directors, it being specified that:
 - The nominal maximum amount of the share capital increase(s) that may be carried out pursuant to this resolution, as well as to the twenty-first resolution of the Extraordinary Shareholders' Meeting of April 21, 2022 or any other substitute resolution (in particular, the twenty-second resolution of this Shareholders'

Meeting if adopted), may not exceed a limit of 2% of the share capital of the Company;

- The maximum nominal amount of any share capital increase(s) that may be carried out pursuant to this authorization shall be deducted from the overall limit set by the fifteenth resolution of the Extraordinary Shareholders' Meeting of April 22, 2021 or by any resolution of the same nature that may substitute for it (in particular, the sixteenth resolution of this Shareholders' Meeting if adopted); and
 - These amounts do not include the nominal amount of the additional ordinary shares to be issued in order to maintain the rights of the holders of securities or other rights giving access to the share capital of the Company, in accordance with applicable legal and regulatory provisions and with any applicable contractual provisions providing for other cases of adjustment;
6. Decided, pursuant to the provisions of Article L.3332-21 of the French Labor Code, that the Board of Directors may decide on the allocation to the beneficiaries referred to in the first paragraph above, free of charge, of shares to be issued or existing, or of other securities conferring access to the share capital of the Company, issued or to be issued, in respect of (i) the contribution (*abondement*) that may be paid pursuant to the regulations of the employee savings plan of the Company or of the Group, and/or (ii) if applicable, the discount;
 7. Decided that, should the beneficiaries referred to in the first paragraph above not subscribe the share capital increase in full within the allocated time period, such share capital increase would only be completed for the amount of subscribed shares; unsubscribed shares may be offered again to such beneficiaries in the context of a subsequent share capital increase;
 8. Granted full powers to the Board of Directors, with the option to delegate or subdelegate such powers, in accordance with legal and regulatory provisions, to implement this authorization, and in particular, for the purposes of:
 - Determining the eligibility criteria for companies whose employees may benefit from the issuances carried out pursuant to this authorization, establishing the list of such companies;
 - Determining the terms and conditions of the transactions, the characteristics of the shares,

and if applicable, of the other securities, determine the subscription price calculated in accordance with the method defined in this resolution, determine the dates of opening and of closing of the subscription and the dividend entitlement dates and determine the dates and terms and conditions of payment of the subscribed shares;

- Taking any necessary action for the admission to trading of the issued shares in any place where it shall deem appropriate; and
- Deducting from the "issuance premiums" account the amount of the expenses relating to these share capital increases and charging, if it deems fit, on this account the necessary

amounts to increase the legal reserve to one tenth of the new share capital after each issuance, amending the by-laws accordingly and, in general, carrying out directly or indirectly, any transactions and formalities related to the share capital increases carried out pursuant to this authorization;

9. Decided that the authorization granted to the Board of Directors pursuant to this resolution shall be effective for a term of 26 months as from the date of this Shareholders' Meeting;
10. Decided that this authorization shall make void any prior authorization with the same purpose, up to the unused portion of this authorization.

Twenty-second resolution

(Delegation of authority to the Board of Directors to decide upon the issuance of ordinary shares or securities that are equity securities giving access to other equity securities or giving right to the allocation of debt securities, or of securities giving access to equity securities to be issued, with cancellation of the shareholders' preferential subscription right for the benefit of certain categories of beneficiaries in order to allow the implementation of employee shareholding transactions)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Extraordinary Shareholders' Meetings,

Having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, deciding in accordance with the provisions of Articles L.225-129-2 *et seq.* of the French Commercial Code, the provisions of Article L.225-138 of the French Commercial Code and the provisions of Articles L.22-10-49 *et seq.* of the French Commercial Code:

1. Delegated to the Board of Directors, with the option to subdelegate such powers to any duly empowered person in accordance with legislative and regulatory provisions, the authority necessary to increase, on one or more occasions, at such time or times and in the amounts that it shall decide, the share capital through the issue of (i) ordinary shares, and/or (ii) securities that are equity securities giving access, immediately or in the future, to other equity securities of the Company or giving right, immediately or in the future, to the allocation of debt securities, and/or (iii) securities giving access, immediately or in the future, to equity

securities to be issued of the Company, such an issue being reserved for persons meeting the criteria in the categories defined in paragraph 3 below;

2. Decided that the maximum nominal amount of the share capital increase(s) that may be carried out pursuant to this delegation shall not exceed 1% of the share capital of the Company, considered as at the date of the decision of use of this authorization by the Board of Directors, it being specified that:
 - The maximum nominal amount of the issuance(s) carried out pursuant to this delegation, as well as to the twentieth resolution of the Extraordinary Shareholders' Meeting of April 21, 2022 or any other substitute resolution (in particular, the twenty-first resolution of this Shareholders' Meeting if adopted), may not exceed a limit of 2% of the share capital of the Company;
 - The maximum nominal amount of any share capital increase(s) that may be carried out pursuant to this authorization shall be deducted from the overall limit set by the fifteenth resolution of the Shareholders' Meeting of April 21, 2022 or any other substitute resolution (in particular, the sixteenth resolution of this Shareholders' Meeting if adopted); and
 - These amounts do not include the nominal amount of the additional ordinary shares to be issued in order to maintain the rights of the holders of securities or other rights giving access to the share capital of the Company, in accordance with applicable legal and regulatory provisions and with any applicable

contractual provisions providing for other cases of adjustment;

3. Decided to eliminate shareholders' preferential subscription rights to securities which may be issued pursuant to this delegation, and to reserve the right to subscribe to beneficiaries satisfying the following criteria:

- a) Employees and corporate officers of foreign companies which are related to the Company within the meaning of Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labor Code; and/or
- b) Employee shareholding UCITS or other entities, with or without an independent legal existence, which are invested in securities of the Company, and whose unitholders or shareholders are comprised of the individuals described in (a) above; and/or
- c) Any banking institution or subsidiary of such an institution involved upon the Company's request for the purposes of implementing a shareholding or savings plan for the benefit of the persons mentioned in (a) of this paragraph, insofar as recourse to the subscription of the person authorized in accordance with this resolution would allow the employees or corporate officers mentioned above to benefit from employee shareholding or savings formulae equivalent in terms of economic advantage to those from which the other Rexel Group employees would benefit in comparable situations; and/or
- d) One or several financial institutions mandated in connection with the Share Incentive Plan (SIP) established for the benefit of employee and corporate officers of companies of the Rexel Group which are related to the Company within the meaning of Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labor Code whose registered offices are located in the United Kingdom;

4. Acknowledged that this delegation of powers implies a waiver by the shareholders of their preferential right to subscribe for the equity securities of the Company to which the securities that may be issued pursuant to this delegation give right;

5. Decided that the issue price of the new shares shall be determined in the following manner, depending on the case:

- a) In case of issuance referred to in paragraphs 3 (a) to (c) above, the subscription price(s) of the new shares shall be determined on the basis of an average of the Company's share price on the regulated market of Euronext in Paris over a period of up to twenty trading sessions prior to the date of the decision setting the opening date of the subscription period. The discount shall be set at a maximum of 30% of the retained average share price. However, the Shareholders' Meeting expressly authorized the Board of Directors to reduce or eliminate the discount, in order to take into account, in particular, the market practices, the regulation applicable in the countries where the offer will be implemented; and

- b) Alternatively, in the event of an issue under a Share Incentive Plan (SIP) under English law referred to in paragraph 3 (d) of the proposed resolution or a plan under US law based on Rule 423 of the Internal Revenue Code, the subscription price shall be equal to (i) the share price on the regulated market of Euronext in Paris at the opening of the reference period of this plan, such period may not exceed 12 months, or (ii) the share price recorded following the close of such period within a period set in application of the said applicable regulations, or (iii) the lower of the two share prices. This price shall be set without a discount to the retained share price in the context of a SIP and with a maximum discount of 15% in the context of a "423" Plan;

6. Decided that the Board of Directors shall have full powers, with the option to delegate or subdelegate such powers, in accordance with the legislative and regulatory provisions, under the limits and conditions set forth above, particularly in order to:

- Determine the list of beneficiary(ies), from among the categories above, in favor of whom the preferential subscription rights have been eliminated as well as the number of shares to be subscribed by each of them;
- Set the amounts of the issuances that will be carried out pursuant to this delegation of authority and to fix, in particular, the issue price, the dates, the time limits, the methods and terms and conditions of subscription, payment, delivery, entitlement to dividends, the rules in reducing the subscriptions in the event of an oversubscription as well as any

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other terms and conditions of the issuances, within the legislative and regulatory limits in force;

- To set the period of unavailability of the issued shares or securities and the exceptions to such unavailability;
- To acknowledge the share capital increase up to the amount of the shares subscribed (after any potential reduction in the event of an oversubscription); and
- As applicable, charge the expenses related to the share capital increase to the premiums

from this increase, and deduct from that amount the amounts necessary to bring the legal reserve to one-tenth of the new share capital after the share capital increase;

7. Decided that the authorization granted to the Board of Directors pursuant to this resolution shall be valid for a period of 18 months as from the date of this Shareholders' Meeting;
8. Decided that this authorization shall cancel any previous authorization having the same purpose, as regards the unused portion of this authorization.

Twenty-third resolution

(Delegation of authority to be granted to the Board of Directors to decide to increase the share capital by incorporation of premiums, reserves, profits or other items that may be capitalized)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Extraordinary Shareholders' Meetings,

Having reviewed the report of the Board of Directors and of the Statutory Auditors' special report, in accordance with the provisions of Articles L.225-129 *et seq.* of the French Commercial Code, the provisions of Article L.225-130 of the French Commercial Code and the provisions of Articles L.22-10-49 *et seq.* of the French Commercial Code:

1. Delegated to the Board of Directors, with the option to subdelegate such powers to any duly empowered person to the full extent permitted by the legal and regulatory provisions, the authority to decide one or several increases to the share capital, in proportion to and at such times as it deems appropriate by successive or simultaneous capitalization of reserves, profits, share premiums, contribution or merger premiums, or any other amounts that may be capitalized in accordance with the law and the by-laws of the Company, in the form of an allocation of free shares and/or an increase in the nominal value of existing shares;
2. Decided that the nominal amount of the share capital increase that may be carried out pursuant to this delegation may not exceed €200 million, it being specified that:
 - This limit may be complemented, as the case may be, by the additional amount of the ordinary shares to be issued in order to maintain the rights of the holders of securities

or other rights conferring access to equity securities of the Company, in accordance with the law and with any applicable contractual provisions providing for other cases of adjustment; and

- The nominal amount of the share capital increases which may be carried out pursuant to this resolution will not be deducted from the global limit determined by the sixteenth resolution of this Shareholders' Meeting;
3. Decided that in the event of a share capital increase in the form of an allocation of free shares and in accordance with the provisions of Article L.225-130 of the French Commercial Code, the Board of Directors may decide that the allocation rights on fractional shares will not be tradable and that the corresponding shares will be sold, with the proceeds of the sale being allocated to the holders of such rights in accordance with the applicable legal and regulatory requirements;
 4. Granted full powers to the Board of Directors, with the option to subdelegate such powers to any duly empowered person in accordance with the legal and regulatory provisions, to implement this delegation of authority, *inter alia* for the purposes of:
 - Determining the amount and nature of the amounts to be capitalized;
 - Determining the number of new shares to be issued and/or the nominal amount by which the existing shares shall be increased, the date, including a retroactive date, as of which the new shares shall entitle to dividend rights or the effective date of the increase in the nominal value of the shares; and

- Acknowledging the completion of each share capital increase and in general, taking any action and carrying out any required formalities for the proper performance of each share capital increase and amending the by-laws accordingly;
5. Decided that the Board of Directors will not be able, except with the prior approval of the Shareholders' Meeting, to use this delegation of authority as from the filing by a third party of a public offer on the Company's securities and until the end of the offer period;
 6. Decided that this delegation of authority be granted for a period of 26 months, as from the date of this Shareholders' Meeting; and
 7. Decided that this delegation shall supersede any prior authorization with the same purpose, up to the unused portion of this delegation.

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Twenty-fourth resolution

(Amendment of Article 16.2 of the by-laws of the Company relating to the age limit of the Chairman of the Board of Directors)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Extraordinary Shareholders' Meetings,

Having reviewed the report of the Board of Directors, decided to amend the age limit of the

Chairman of the Board of Directors in order to bring it to 72 and to accordingly amend Article 16.2 of the by-laws of the Company as follows:

"The Chairman of the Board of Directors may not exceed the age of 72; his duties shall cease ipso jure as at December 31 of the year his 72nd birthday".

The remainder of Article 16.2 of the Company's Articles of Association remains unchanged.

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Twenty-fifth resolution

(Power to carry out legal formalities)

The Shareholders' Meeting, deciding under the quorum and majority requirements for Extraordinary Shareholders' Meetings, granted full

powers to the bearers of an original, of copies or extracts of these minutes for the purposes of carrying out all publication, filing or other formalities that may be necessary.

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7

Person Responsible for the Universal Registration Document / Statutory Auditors

7

Person Responsible for the Universal Registration Document / Statutory Auditors



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7.2.1	Acting Statutory Auditors	455	7.2.2	Deputy Statutory Auditor	455
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7.1 Person responsible for the Universal Registration Document

7.1.1 Person responsible for the Universal Registration Document

Guillaume Texier, Chief Executive Officer of Rexel.

7.1.2 Responsibility statement

I hereby certify that the information contained in this Universal Registration Document reflects, to my knowledge, the reality and that no omissions have been made that are likely to have a bearing thereon.

I certify that, to my knowledge, the financial statements have been prepared in accordance with applicable accounting standards, and give a true view of the assets, financial condition and results of operations of the Company and of all of the companies included in the scope of consolidation

and that the management report contained in this Universal Registration Document, according to the correlation table presented in Section 8.3, provides an accurate description of the business trends, results of operations and financial condition of the Company and all of the companies included in the scope of consolidation and describes the main risks and uncertainties that are faced by the latter.

Guillaume Texier
Chief Executive Officer of Rexel
Paris, March 9, 2023

7.1.3 Person responsible for the financial communication

Ludovic Debailleux

Investors Relations Director

Address: 13, boulevard du Fort de Vaux, 75017 Paris

Telephone: +33 (0)1 42 85 85 00

Fax: +33 (0)1 42 85 92 05

7.1.4 Indicative financial information timetable

Financial information reported to the public by Rexel are available on the Rexel website (www.rexel.com).

7.2 Statutory Auditors

7.2.1 Acting Statutory Auditors

- KPMG S.A.
Represented by Éric Jacquet
Tour Eqho
2, avenue Gambetta
92066 Paris-La Défense Cedex

KPMG S.A. was initially appointed as acting Statutory Auditor by the shareholders' meeting of Rexel of May 25, 2016 for a term of six financial years, in replacement of Ernst & Young. Its duties of acting Statutory Auditor were renewed by the Shareholders' Meeting of Rexel of April 21, 2022. Its duties are therefore to expire at the end of the Shareholders' Meeting convened to resolve on the financial statements for the financial year ending December 31, 2027.

KPMG S.A. is a member of the regional body of Statutory Auditors in Versailles and Centre (*"Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre"*).

- PricewaterhouseCoopers Audit
Represented by Amélie Wattel and Pierre Clavié
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

PricewaterhouseCoopers Audit was appointed acting Statutory Auditor at the shareholders' meeting of Rexel held on May 16, 2012, for a term of six financial years, in replacement of KPMG S.A. Its duties were therefore renewed upon the shareholders' meeting of Rexel held on May 24, 2018, for a term of 6 financial years. Its term of office is therefore to expire at the end of the shareholders' meeting convened to resolve on the financial statements for the year ending December 31, 2023.

PricewaterhouseCoopers Audit is a member of the regional body of Statutory Auditors in Versailles and Centre (*"Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre"*).

7.2.2 Deputy Statutory Auditor

- Salustro Reydel
Tour Eqho
2, avenue Gambetta
92066 Paris-La Défense Cedex

Salustro Reydel was initially appointed Deputy Statutory Auditor by the shareholders' meeting of Rexel of May 25, 2016, for a term of six financial years, in replacement of Auditex. Its duties of Deputy Statutory Auditor were renewed by the

Shareholders' Meeting of Rexel of April 21, 2022. Its duties are therefore to expire at the end of the shareholders' meeting convened to resolve on the financial statements for the financial year ending December 31, 2027.

Salustro Reydel is a member of the regional body of Statutory Auditors in Versailles and Centre (*"Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre"*).

7.3 Documents accessible to the public

All of the legal and financial documents relating to Rexel and that are to be made available for the shareholders and the market in accordance with

the regulations in force, may be consulted at the registered office of Rexel or on Rexel's website (www.rexel.com).

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Correlation tables



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Correlation tables



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8.6	Correlation table with the information on the Global Initiative Report (GRI)	470

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8.1 Correlation table with delegated regulation (EU) 2019/980 dated March 14, 2019

The following correlation table allows to identify, in this Universal Registration Document, the information required by Annex 1 and Annex 2 of the delegated regulation (EU) 2019/980 dated March 14, 2019.

DELEGATED REGULATION 2019/980 DATED MARCH 14, 2019 – ANNEX 1 AND ANNEX 2		UNIVERSAL REGISTRATION DOCUMENT	
N°	SECTION	PARAGRAPH(S)	PAGE(S)
1.	PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL	7.1	454
1.1.	Persons responsible for the information contained in the registration document	7.1.1	454
1.2.	Declaration of persons responsible for the information contained in the registration document	7.1.2	454
1.3.	Expert's statement or report	n.a.	
1.4.	Statements regarding third-party information	n.a.	
1.5.	Statement without prior approval by the competent authority	Cover page	
2.	STATUTORY AUDITORS	7.2	455
2.1.	Name and address of the issuer's Statutory Auditors	7.2.1, 7.2.2	455
2.2.	Statutory Auditors having resigned, dismissed or not reappointed during the relevant period	n.a.	
3.	RISK FACTORS	2	41 to 68
4.	INFORMATION ABOUT THE ISSUER	1.2	17 and 18
4.1.	Corporate name and trade name	1.2.1	17
4.2.	Place and number of incorporation, and legal entity identifier ("LEI")	1.2.2	17
4.3.	Date of incorporation and term	1.2.3	17
4.4.	Registered office, legal form, jurisdiction, country of origin, address and phone number of registered office and website	1.2.4	17
5.	BUSINESS OVERVIEW	1.3	19 to 32
5.1.	Principal activities	1.3.2, 1.3.3, 1.3.4	22 to 32
5.1.1.	Nature of the operations and principal activities	1.3.2, 1.3.3, 1.3.4	22 to 32
5.1.2.	New products and/or services	1.3.2, 1.3.3, 1.3.4	22 to 32
5.2.	Principal Markets	1.3.1	20 to 22
5.3.	Important events in the development of business	1.3	19 to 32
5.4.	Strategy and objectives	1.3.3	29 to 32
5.5.	Information regarding the extent to which the Company is dependent, on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes	1.3.4	32
5.6.	Basis for any statements made by the issuer regarding its competitive position	General information	4
5.7.	Investments	1.6	37 and 38
5.7.1.	Material investments made	1.2, 1.6.1	17 and 18, 37
5.7.2.	Investments in progress or for which firm commitments have already been made	1.1, 1.6.2	14 to 16, 37
5.7.3.	Joint ventures and undertakings in which the issuer holds a proportion of the capital likely to have significant effect on the assessment of its own assets and liabilities, financial position or profits and losses	1.4.2	33 to 35

DELEGATED REGULATION 2019/980 DATED MARCH 14, 2019 – ANNEX 1 AND ANNEX 2		UNIVERSAL REGISTRATION DOCUMENT	
N°	SECTION	PARAGRAPH(S)	PAGE(S)
5.7.4.	Environmental issues that may affect the issuer's utilization of the tangible fixed assets	4.4	231 to 247
6.	ORGANIZATIONAL STRUCTURE	1.4	33 to 35
6.1.	Brief description of the Group	1.4.1	33
6.2.	List of the significant subsidiaries	1.4.2	33 to 35
7.	OPERATING AND FINANCIAL REVIEW	5	287 to 403
7.1.	Financial condition	5.1.1	292 to 303
7.1.1.	Issuer's development and performance, financial condition, changes in financial condition for each year and interim period, for which historical financial information is required	5.1.1	292 to 303
7.1.2.	Issuer's likely future development and activities in the field of research and development	1.3.4, 5.1.3	32, 308 and 309
7.2.	Operating results	5.1.1	292 to 303
7.2.1.	Significant factors, including unusual or infrequent events or new development materially impacting the operating income	5.1.1	292 to 303
7.2.2.	Reasons for material changes in net sales or revenues	5.1.1	292 to 303
8.	CAPITAL RESOURCES	5.1.2	304 to 307
8.1.	Information concerning the issuer's capital resources	5.1.2	304 to 307
8.2.	Sources, amounts and narrative description of the issuer's cash flows	5.1.2	304 to 307
8.3.	Information on the borrowing requirements and funding structure of the issuer	5.1.2	304 to 307
8.4.	Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the issuer's operations	5.1.2	304 to 307
8.5.	Information regarding the anticipated sources of funds needed to fulfil commitments referred to in item 5.7.2	1.2, 1.6, 5.1.1, 5.2.1	17 and 18, 37 and 38, 292 to 303, 314 to 377
9.	REGULATORY ENVIRONMENT	1.7	38 and 39
9.1.	Description of the regulatory environment that the issuer operates in and that may materially affect its business, together with information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations	1.7	38 and 39
10.	TREND INFORMATION	1.3, 5.1	19 to 32, 292 to 311
10.1.	Most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year to the date of the registration document	1.3, 5.1	19 to 32, 292 to 311
10.2.	Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year	5.1.3	308 and 309
11.	PROFIT FORECASTS OR ESTIMATES	5.1.3	308 and 309
11.1.	Published profit forecasts or estimate	5.1.3	308 and 309
11.2.	Principal assumptions upon which the issuer has based its forecast or estimate	5.1.3	308 and 309
11.3.	Statement of comparability with the historical financial information and compliance with the issuer's accounting policies	5.1.3	308 and 309

DELEGATED REGULATION 2019/980 DATED MARCH 14, 2019 – ANNEX 1 AND ANNEX 2		UNIVERSAL REGISTRATION DOCUMENT	
N°	SECTION	PARAGRAPH(S)	PAGE(S)
12.	ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES AND SENIOR MANAGEMENT	3.1	72 to 111
12.1.	Information in relation to members of the administrative, management, and supervisory bodies	3.1.1 to 3.1.6	72 to 110
12.2.	Administrative, management, and supervisory bodies and senior management conflicts of interests	3.1.7, 3.3	111, 148 to 150
13.	REMUNERATION AND BENEFITS	3.2	112 to 147
13.1.	Amount of remuneration paid and benefits in kind granted by the issuer and its subsidiaries	3.2.1 to 3.2.3	112 to 150
13.2.	Total amounts set aside or accrued by the issuer or its subsidiaries to provide pension, retirement or similar benefit	3.2.2, 3.2.3	130 to 150
14.	BOARD PRACTICES	3.6.2	152 to 158
14.1.	Date of expiration of the current terms of office and period during which the person has served in that office	3.1.1, 3.1.2, 3.1.3	72 to 109
14.2.	Information about members of the administrative, management or supervisory bodies' service contracts with the issuer or any of its subsidiaries providing for benefits upon termination of employment, or an appropriate statement to the effect that no such benefits exist	3.1.8	111
14.3.	Information about the issuer's Audit Committee and Remuneration Committee	3.1.2.1, 3.1.2.3	103 to 105, 107 to 109
14.4.	Statement as to whether or not the issuer complies with the corporate governance regime(s) applicable to the issuer	3	69 to 187
14.5.	Potential material impacts on the corporate governance	3.1	72 to 111
15.	EMPLOYEES	4.3	215 to 230
15.1.	Number of employees at the end of the period or average for each financial year for the period covered by the historical financial information and breakdown of persons employed by main category of activity and geographic location	4.3.1	216 to 219
15.2.	Shareholdings and stock options	3.7.2.4 to 3.7.2.6	166
15.3.	Arrangement for involving the employees in the capital of the issuer	3.7.2.4	166
16.	PRINCIPAL SHAREHOLDERS	3.7.1	164
16.1.	Name of any person other than a member of the administrative, management or supervisory bodies who, directly or indirectly, has an interest in the issuer's capital or voting rights which is notifiable under the issuer's national law, together with the amount of each such person's interest or, if there are no such persons, or appropriate statement to that effect that no such person exists	3.7.1, 3.7.2	164 to 175
16.2.	Different voting rights, or appropriate statement to the effect that no such voting rights exist	3.7.3	175
16.3.	Direct or indirect ownership or control of the issuer	3.7.2	164 to 175
16.4.	Arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer	3.7.5	175

DELEGATED REGULATION 2019/980 DATED MARCH 14, 2019 – ANNEX 1 AND ANNEX 2		UNIVERSAL REGISTRATION DOCUMENT	
N°	SECTION	PARAGRAPH(S)	PAGE(S)
17.	RELATED PARTY TRANSACTIONS	3.3, 5.2.21, 5.4.7	148 to 150, 373, 398
17.1.	Details of related party transactions	3.3, 5.2.21, 5.4.7	148 to 150, 373, 398
18.	FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	5.2, 5.3	314 to 382, 386 to 403
18.1.	Historical financial information	5.2, 5.3	314 to 382, 386 to 403
18.1.1.	Audited financial information for the financial year ended on December 31, 2022	5.2, 5.3	314 to 382, 386 to 403
18.1.2.	Change of accounting reference date	n.a.	
18.1.3.	Accounting standards	5.2.1	314 to 377
18.1.4.	Change of accounting framework	5.2.1 (note 24)	314 to 377
18.1.5.	Audited financial information prepared according to national accounting standards	5.3	386 to 403
18.1.6.	Consolidated financial statements	5.2	314 to 382
18.1.7.	Date of latest financial information	5.2, 5.3	314 to 382, 386 to 403
18.2.	Interim and other financial information	n.a.	
18.2.1.	Quarterly or half-year financial information	n.a.	
18.3.	Auditing of historical annual financial information	5.2.2, 5.3.2	378 to 382, 399 to 403
18.3.1.	Independent auditing of historical financial information	5.2.2, 5.3.2	378 to 382, 399 to 403
18.3.2.	Other information in the registration document that has been audited by the auditors	4	189 to 285
18.3.3.	Financial information not extracted from issuer's audited financial statements	n.a.	
18.4.	<i>Pro forma</i> financial information	n.a.	
18.4.1.	Significant gross change	n.a.	
18.5.	Dividend policy	5.1.4	309
18.5.1.	Description of the policy on dividend distributions and any restrictions thereon	5.1.4	309
18.5.2.	Amount of dividend per share	5.1.4	309
18.6.	Legal proceedings and arbitration	5.2.1 (note 22)	314 to 377
18.6.1.	Significant proceedings	5.2.1 (note 22)	314 to 377
18.7.	Significant changes in the issuer's financial position	5.1.5	309 and 310
18.7.1.	Description	5.1.5	309 and 310
19.	ADDITIONAL INFORMATION	3.6, 3.7, 3.8	152 to 186
19.1.	Share capital	3.8	175 to 186
19.1.1.	Amount of issued and authorized share capital, number of shares issued and fully paid and issued but not fully paid, par value per share, reconciliation of the number of shares outstanding at the beginning and end of the year	3.8.1	175 to 180
19.1.2.	Information about shares not representative of share capital	3.8.2	181
19.1.3.	Number, book value and face value of shares held by or on behalf of the issuer itself or by subsidiaries of the issuer	3.8.3	181 to 185
19.1.4.	Information about the amount of convertible securities, exchangeable securities or securities with warrants	3.8.4	185
19.1.5.	Information about and terms of any acquisition rights and/or obligations over authorized but unissued capital or an undertaking to increase the capital	n.a.	

DELEGATED REGULATION 2019/980 DATED MARCH 14, 2019 – ANNEX 1 AND ANNEX 2		UNIVERSAL REGISTRATION DOCUMENT	
N°	SECTION	PARAGRAPH(S)	PAGE(S)
19.1.6.	Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate	n.a.	
19.1.7.	Share capital history	3.8.5	185
19.2.	Memorandum of association and by-laws	3.6	152 to 163
19.2.1.	Register and corporate purpose	1.2.2, 3.6.1	17, 152
19.2.2.	Rights, preferences and restrictions attaching to each class of the existing shares	3.6.3	159
19.2.3.	Provisions of the issuer's articles of association, statutes, charter or by-laws that would have an effect of delaying, deferring or preventing a change in control of the issuer	3.6.6	162
20.	MATERIAL AGREEMENTS	5.2.1 (notes 18 and 19)	314 to 377
20.1.	Summary of each material agreement	5.2.1 (notes 18 and 19)	314 to 377
20.2.	Information from a third party	n.a.	
21.	DOCUMENTS AVAILABLE	7.3	455
21.1.	Statement on documents that can be inspected	7.3	455

8.2 Correlation table with the annual financial report

The following correlation table allows to identify, in this Universal Registration Document, the information that are comprised in the annual financial report to be published pursuant to articles L.451-1-2 of the French Monetary and Financial Code and 222-3 of the General rules of the French *Autorité des marchés financiers*.

ANNUAL FINANCIAL REPORT		UNIVERSAL REGISTRATION DOCUMENT	
N°	SECTION	PARAGRAPH(S)	PAGE(S)
1.	Annual financial statements	5.3.1	386 to 398
2.	Consolidated financial statements	5.2.1	314 to 377
3.	Management report (see paragraph 8.3)	1 to 6	5 to 449
4.	Declaration of persons responsible for the information contained in the Registration Document	7.1	454
5.	Report of the Statutory Auditors on the annual financial statements	5.3.2	399 to 403
6.	Report of the Statutory Auditors on the consolidated financial statements	5.2.2	378 to 382

8.3 Correlation table with management report (including the report on Corporate governance)

The following correlation table allows to identify, in this Universal Registration Document, the information that is comprised in the management report to be published pursuant to article L.22-10-34 of the French Commercial Code.

MANAGEMENT REPORT		UNIVERSAL REGISTRATION DOCUMENT	
N°	SECTION	PARAGRAPH(S)	PAGE(S)
1.	Activity and financial position	1.2, 1.3, 5.1.1, 5.1.2, 5.1.5	17 and 18, 19 to 32, 292 to 307, 309
2.	Recent events, trends and prospects	5.1.1 to 5.1.3, 5.2.1 (note 2), 5.3.1	292 to 309, 314 to 377, 386 to 398
3.	Research and development	1.3.4	32
4.	Description of main risks and uncertainties	2	41 to 68
5.	Internal monitoring and risk management	2.3	63 to 68
6.	Use of financial instruments	5.2.1 (note 18)	314 to 377
7.	Subsidiaries and holdings	1.4, 5.2.1, 5.3.1	33 to 35, 314 to 377, 386 to 398
8.	Dividend distributions over the past three financial years	6.1	408 to 428
9.	Payment periods	5.1.6	310
10.	Table of the Company's results for the past five financial years	5.1.7	311
11.	Report on corporate governance	3	69 to 187
12.	Choice of organization of the Executive Management	3.1.3	109
13.	Limitations placed of the powers of the Chief Executive Officer	3.1.1.3	95 to 101
14.	Board of Directors composition, conditions governing the preparation and organization of the Board of Directors' work	3.1.1	72 to 90
15.	List of offices and directorships held by each of the corporate officers in any company during the financial year	3.1.1.1	76 to 90
16.	Compensation policy for corporate officers	3.2.1	112 to 130
17.	Remuneration of the corporate officers	3.2.2	130 to 144
18.	Relative proportion of fixed and variable compensation	3.2.1	112 to 130
19.	Use of the possibility of requesting the return of variable compensation	n.a.	
20.	Level of compensation of executive corporate officers compared to the average and median compensation of employees	3.2.2.5	141 and 142
21.	Annual changes in compensation, company performance, average employee compensation and equity ratios over the last five fiscal years	3.2.1, 3.2.2	112 to 144
22.	Description of how the total compensation complies with the approved compensation policy and how the performance criteria are applied	3.2.2	130 to 144

MANAGEMENT REPORT		UNIVERSAL REGISTRATION DOCUMENT	
N°	SECTION	PARAGRAPH(S)	PAGE(S)
23.	Way in which the vote of the last ordinary general meeting on the information mentioned in Article L.22-10-9 of the French Commercial Code was taken into account	3.2.1	112 to 130
24.	Variations and exemptions applied in relation to the compensation policy	n.a.	
25.	Commitments made with regard to the corporate officers	3.3.2	148 and 149
26.	Summary of transactions on Rexel securities carried out by corporate officers and their closely related parties in 2021	3.7.2.3	165 and 166
27.	Description of the procedure for regularly assessing whether agreements relating to current operations and concluded under normal conditions meet these conditions and its implementation	3.3.1	148
28.	Description of the diversity policy applied to the Board of Directors	3.1.1.2, 3.1.5	91 to 95, 110
29.	Description of the objectives, implementation arrangements and results achieved during the financial year	3.1.1.2 to 3.1.1.4	91 to 102
30.	Provisions of the Afep-Medef Code not applied and reasons for that choice	3.5	151
31.	Special rules for shareholder participation in the General Meeting	3.6.5	160 to 162
32.	Elements with the potential to have an impact in the event of a public offer for the purchase or exchange of Rexel securities	3.9	186 and 187
33.	Information concerning share capital (capital structure, statutory requirements and employees shareholding)	3.8	175 to 176
34.	Summary table of current delegations	3.8.1	175 to 180
35.	Statement of non-financial performance	4.1 to 4.9 (see paragraph 8.4 of this chapter)	192 to 274
36.	Vigilance plan	4.10	274 to 281

8.4 Correlation table with the information on corporate and environmental responsibility

The following correlation table allows to identify, in this Universal Registration Document, the information on corporate and environmental responsibility.

SOCIAL AND ENVIRONMENTAL RESPONSIBILITY		UNIVERSAL REGISTRATION DOCUMENT	
N°	SECTION	PARAGRAPH(S)	PAGE(S)
I.	Information regarding business model	4.1.1	193 to 195
II.	Social, environmental and societal information		
1.	Social information	4.3	215 to 230
	a) Employment		
	Total headcount and breakdown of employees	4.3.1	216 to 219
	Hires and dismissals	4.3.1.1 and 4.3.1.2	216 to 219
	Compensation and changes	4.3.1.2	217 to 219
	b) Work organization		
	Organization of working hours	4.3.5	228 to 230
	Absenteeism	4.3.3	221 to 223
	c) Health and safety		
	Health and safety at work	4.3.5	228 to 230
	Accidents at work and occupational diseases	4.3.5	228 to 230
	d) Social relationships		
	Organization of the social dialogue	4.3.3	221 to 223
	Overview of collective agreements	4.3.3	221 to 223
	e) Training		
	Policies applied	4.3.2	219 to 221
	Total number of training hours	4.3.2	219 to 221
	f) Equal treatment		
	Measures taken in favor of gender equality	4.3.4.1	224 to 226
	Measures taken in favor of the employment and insertion of disabled persons	4.3.4.3	227
	Anti-discrimination policy	4.1.2.1, 4.2.2, 4.3.3, 4.3.4, 4.5.1	196, 213 and 214, 221 to 227, 247 to 250
2.	Environmental information	4.4	231 to 247
	a) General environmental policy		
	Organization of the Company	4.4.1	231 to 234
	Employee training and information actions	4.4.1	231 to 234
	Means devoted to the prevention of environmental risks and pollution	4.4.1	231 to 234
	Amount of provisions and guarantees for environmental risks	4.4.1	231 to 234
	b) Pollution and waste management		
	Emission prevention, reduction and remediation measures	4.4.1, 4.4.4	231 to 234, 247
	Waste prevention, recycling and disposal measures	4.4.3	244 to 247
	Means of addressing noise pollution and other pollution generated by a given activity	4.4.4	247

SOCIAL AND ENVIRONMENTAL RESPONSIBILITY		UNIVERSAL REGISTRATION DOCUMENT	
Nº	SECTION	PARAGRAPH(S)	PAGE(S)
	c) Circular economy		
	i) Prevention and waste management		
	Prevention, recycling, reuse, other forms of recovery and disposal of waste	4.4.3	244 to 247
	Actions against food waste	4.7.2	263 and 264
	ii) Sustainable use of resources		
	Water consumption and procurement	4.4.4, 4.6	247, 257 to 261
	Consumption of raw materials and measures taken to improve their efficient use	4.4.3	244 to 247
	Energy consumption and measures taken to improve energy efficiency and the use of renewable energies	4.4.3	244 to 247
	Land use	4.4.4	247
	d) Climate change		
	Material GHG emissions categories emitted in the course of Company's activity, including through the use of goods and services produced	4.4.2	234 to 244
	Measures undertaken to adapt to the consequences of climate change	4.4.2	234 to 244
	Objectives for reducing greenhouse gas emissions and means implemented	4.4.2	234 to 244
	e) Protection of biodiversity		
	Measures taken to preserve or develop biodiversity	4.4.4	247
3.	Societal information		
	a) Societal commitments to sustainable development		
	Company's business impact in relation to employment and local development	4.1.2	196 to 204
	Company's business impact on neighboring or local populations	4.1.2	196 to 204
	Relationship with stakeholders	4.1.2.2	196 to 199
	Partnership or philanthropic actions	4.1.2.2, 4.5.4	196 to 199, 254 to 256
	b) Sub-contracting and suppliers		
	Means of addressing social and environmental challenges in the purchasing policy	4.1.2, 4.5.1	196 to 204, 247 to 250
	Consideration given to the social and environmental responsibility of suppliers and sub-contractors	4.1.2, 4.5.1	196 to 204, 247 to 250
	c) Fair practices		
	Measures taken in favor of consumer health and safety	4.2.2, 4.5.2	213 and 214, 250 to 253
4.	Other information		
	1º) Anti-bribery actions	4.2.2	213 and 214
	2º) Information on human rights actions	4.2.2	213 and 214
	a) Promotion of and compliance with the provisions of the core conventions of the International Labour Organization	4.2.2, 4.5.1, 4.10.2.3	213 and 214, 247 to 250, 278
	Respect of the freedom of association and right to collective bargaining	4.1.2.1	196
	Elimination of discrimination in respect of employment and occupation	4.3.4	224 to 227
	Elimination of forced or compulsory labor	4.1.2.1, 4.5.1	196, 247 to 250
	Effective abolition of child labor	4.1.2.1, 4.5.1	196, 247 to 250
	b) Other actions in favor of human rights	4.1.2, 4.2.2, 4.5.1	196 to 204, 213 and 214, 247 to 250

8.5 Correlation table with all ten principles of the United Nations Global Compact

United Nations Global Compact

PRINCIPLES OF THE GLOBAL COMPACT	OUR COMMITMENTS	OUR INITIATIVES AND INDICATORS	PAGE(S)
Support and respect protection of internationally proclaimed human rights	Ethics guide	4.2.2	213 and 214
	Clauses covering the corporate and environmental responsibility of suppliers included in agreements	4.1.1, 4.2, 4.5.1	193 to 195, 207 to 214, 247 to 250
Refuse to be accomplice of human rights abuses	Corporate social responsibility policies	4.1.1, 4.2 to 4.3.5	193 to 195, 207 to 230
	Charter of social commitment	4.1.2.2	213 and 214
	Rexel Foundation for energy efficiency	4.1.2.2, 4.5.4	196 to 199, 254 to 256
Uphold freedom of association and collective bargaining	Ethics guide	4.2.2	213 and 214
Elimination of all forms of forced and compulsory labor	Clauses covering the corporate and environmental responsibility of suppliers included in agreements	4.1.2.2, 4.5.1	196 to 199, 247 to 250
	Corporate social responsibility policies	4.1.1, 4.3.1 to 4.3.4	193 to 195, 216 to 227
Effective abolition of child labor			
Elimination of discrimination in respect of employment and occupation			
Support a precautionary approach to environmental challenges	Ethics guide	4.2.2	213 and 214
	Clauses covering the corporate and environmental responsibility of suppliers included in agreements	4.1.2.2, 4.5.1	213 and 214, 247 to 250
Undertake initiatives to promote greater environmental responsibility	Environmental charter	4.4.1	231 to 234
	Environmental policies	4.4.3	244 to 247
Encourage the development and diffusion of environmentally friendly technologies	Environmental charter	4.4.1	231 to 234
	Charter of social commitment	4.1.2.2	196 to 199
	Rexel Foundation for a better energy future	4.1.2.2, 4.5.4	196 to 199, 254 to 256
Work against all forms of corruption, including extortion and bribery	Ethics guide	4.2.2	213 and 214
	Anti-money laundering and anti-corruption policies	2.1.4, 4.2.2	58 to 61, 213 and 214

8.6 Correlation table with the information on the Global Initiative Report (GRI)

N°	GRI DISCLOSURE	URD
GRI 100		
GRI 102 – General disclosures		
Organizational profile		
102-1	Name of the organization	1.2.1 Corporate name
102-2	Activities, brands, products, and services	1.3 Business and strategy
102-3	Location of headquarters	1.2.4 Registered office, legal form, and applicable law
102-4	Location of operations	1.3.1.2 The geographical breakdown of the Rexel Group markets and its positioning
102-5	Ownership and legal form	1.2.4 Registered office, legal form, and applicable law
102-6	Markets served	1.3.1 Rexel Group's Markets
102-7	Scale of the organization	1.3 Business and strategy
102-8	Information on employees and other workers	1.3.2.3 A model adapted to customer expectations 4.3 Involving and supporting employees
102-9	Supply chain	1.3.3 The Rexel Group's strategy and its mid-term ambition
102-10	Significant changes to the organization and its supply chain	1.3.3 The Rexel Group's strategy and its mid-term ambition
102-11	Precautionary Principle or approach	4.10 Vigilance plan
102-12	External initiatives	4.1 Energy efficiency for a sustainable future 4.10 Vigilance plan
102-13	Membership of associations	4.1.2.3 Stakeholders 4.5.4 Lutte pour le progrès énergétique
Strategy		
102-14	Statement from senior decision-maker	editorial of the annual report
102-15	Key impacts, risks and opportunities	2.1. Risk factors 4.1.2.2. A sustainable development approach across the value chain
Ethics and integrity		
102-16	Values, principles, standards and norms of behavior	4.2 Business ethics
102-17	Mechanisms for advice and concerns about ethics	4.2 Business ethics 4.10 Vigilance plan
Governance		
102-18	Governance structure	3.1 Administration Bodies and Management
102-19	Delegating authority	3.1 Administration Bodies and Management
102-20	Executive-level responsibility for economic, environmental and social topics	4.1.2.2. A sustainable development approach across the value chain
102-21	Consulting stakeholders on economic, environmental, and social topics	4.1.2.2. A sustainable development approach across the value chain

Nº	GRI DISCLOSURE	URD	
102-22	Composition of the highest governance body and its committees	3.1.1 Board of Directors	
102-23	Chair of the highest governance body	3.1.1.3 Rules governing the membership and operation of the Board of Directors	
102-24	Nominating and selecting the highest governance body	3.1.1.3 Rules governing the membership and operation of the Board of Directors	
102-25	Conflicts of interest	3.1.7 Conflict of interests	
102-26	Role of highest governance body in setting purpose, values, and strategy	3.1.1.3 Rules governing the membership and operation of the Board of Directors	1
102-27	Collective knowledge of highest governance body	3.1.1.2 A membership of the Board of Directors based on skills and diversity	
102-28	Evaluating the highest governance body's performance	3.1.1.3 Rules governing the membership and operation of the Board of Directors	2
102-29	Identifying and managing economic, environmental, and social impacts	2.1. Risk factors 4. Corporate responsibility 4.1.2.2. A sustainable development approach across the value chain 4.1.3. Main non-financial risks	3
102-30	Effectiveness of risk management processes	2.3.2.3 The Group Internal Audit, Risk Management and Internal Control Department: the cornerstone of the system at the border between the second and third lines of defense 2.3.3.1. Steering by the Group Executive Committee 4.1.2 Creating a responsible value chain	4
102-31	Review of economic, environmental, and social topics	4.1.2.2. A sustainable development approach across the value chain	5
102-32	Highest governance body's role in sustainability reporting	4.1.2.2. A sustainable development approach across the value chain	
102-33	Communicating critical concerns	4.2 Business ethics 4.10 Vigilance plan	6
102-34	Nature and total number of critical concerns	4.2 Business ethics 4.10 Vigilance plan	
102-35	Remuneration policies	4.3.1.2 Retaining talent	
102-36	Process for determining remuneration	4.3.1.2 Retaining talent	7
102-37	Stakeholders' involvement in remuneration	4.3.1.2 Retaining talent	
102-38	Annual total compensation ratio	4.3.1.2 Retaining talent	
102-39	Percentage increase in annual total compensation ratio	4.3.1.2 Retaining talent	
Stakeholder engagement			8
102-40	List of stakeholder groups	4.1.2.3 Stakeholders	
102-41	Collective bargaining agreements	4.1.2.3 Stakeholders	
102-42	Identifying and selecting stakeholders	4.1.2.3 Stakeholders	
102-43	Approach to stakeholder engagement	4.1.2.3 Stakeholders	
102-44	Key topics en concerns raised	4.1.2.3 Stakeholders	

N°	GRI DISCLOSURE	URD
Reporting practice		
102-45	Entities included in the consolidated financial statements	4.6 Methodology
102-46	Defining report content and topic boundaries	4.1.2.2. A sustainable development approach across the value chain 4.6 Methodology
102-47	List of material topics	4.1.2.2. A sustainable development approach across the value chain 4.6 Methodology
102-48	Restatements of information	4.6 Methodology
102-49	Changes in reporting	4.6 Methodology
102-50	Reporting period	4.6 Methodology
102-51	Date of most recent report	2022
102-52	Reporting cycle	4.6 Methodology
102-53	Contact point for questions regarding the report	7.1.3 Person responsible for the financial communication
102-54	Claims of reporting in accordance with the GRI Standards	Partial compliance
102-55	GRI content index	GRI (Global Reporting Initiative) concordance table
102-56	External assurance	4.11 Independent verifier's report
GRI 200		
GRI 201 – Economic performance		
201-1	Direct economic value generated and distributed	1.3.2 The Rexel Group's businesses and competitive advantages
201-2	Financial implications and other risks and opportunities due to climate change	4.4.2 Climate commitment
201-3	Defined benefit plan obligations and other retirement plans	4.3.1.2 Retaining talent
201-4	Financial assistance received from government	not available
GRI 202 – Market presence		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	not available
202-2	Proportion of senior management hired from the local community	4.3.4.2 Generational diversity
GRI 203 – Indirect economic impacts		
203-1	Infrastructure investments and services supported	not available
203-2	Significant indirect economic impacts	not available
GRI 204 – Procurement practices		
204-1	Proportion of spending on local suppliers	not available
GRI 205 – Anti-corruption		
205-1	Operations assessed for risks related to corruption	4.2 Business ethics
205-2	Communication and training about anti-corruption policies and procedures	4.5 Promoting responsible practices throughout the value chain
205-3	Confirmed incidents of corruption and actions taken	4.10 Plan de vigilance

Nº	GRI DISCLOSURE	URD
GRI 206 – anti-competitive behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	4.2 Business ethics 4.5 Promoting responsible practices throughout the value chain 4.9 Vigilance plan
GRI 207 – Tax		
207-1	Approach to tax	4.2 Business ethics
207-2	Tax governance, control and risk management	4.5 Promoting responsible practices throughout the value chain
207-3	Stakeholder engagement and management of concerns related to tax	4.10 Vigilance plan
207-4	Country-by-country reporting	
GRI 300		
GRI 301 – Materials		
301-1	Materials used by weight or volume	not available
301-2	Recycled input materials used	not available
301-3	Reclaimed products and their packaging materials	not available
GRI 302 – Energy		
302-1	Energy consumption within the organization	4.4.2 Climate commitment
302-2	Energy consumption outside the organization	
302-3	Energy intensity	
302-4	Reduction of energy consumption	
302-5	Reductions in energy requirements of products and services	
GRI 303 – Water and effluents		
303-1	Interactions with water as a shared resource	not available
303-2	Management of water discharge-related impacts	not available
303-3	Water withdrawal	not available
303-4	Water discharge	not available
303-5	Water consumption	not available
GRI 304 – Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	not available
304-2	Significant impacts of activities, products, and services on biodiversity	not available
304-3	Habitats protected or restored	not available
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	not available
GRI 305 – Emissions		
305-1	Direct (Scope 1) GHG emissions	4.4.2 Climate commitment
305-2	Energy indirect (Scope 2) GHG emissions	
305-3	Other indirect (Scope 3) GHG emissions	
305-4	GHG emissions intensity	
305-5	Reduction of GHG emissions	
305-6	Emissions of ozone-depleting substances (ODS)	not available
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	not available

N°	GRI DISCLOSURE	URD
GRI 306 – Waste		
306-1	Waste generation and significant waste-related impacts	4.4.3 Sustainable resource management
306-2	Management of significant waste-related impacts	
306-3	Waste generated	
306-4	Waste diverted from disposal	
306-5	Waste directed to disposal	
GRI 307 – Environmental compliance		
307-1	Non-compliance with environmental laws and regulations	n/a
GRI 308 – Supplier environment assessment		
308-1	New suppliers that were screened using environmental criteria	4.5.1 Working with suppliers
308-2	Negative environmental impacts in the supply-chain and actions taken	4.5 Promoting responsible practices throughout the value chain
GRI 400		
GRI 401 – Employment		
401-1	New employee hires and employee turnover	4.3.1.2 Retaining talent
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	n/a
401-3	Parental leave	4.3.4.1 Diversity and gender equality
GRI 402 – Labor management relations		
402-1	Minimum notice periods regarding operational changes	not available
GRI 403 – Occupational Health and Safety		
403-1	Occupational health and safety management system	4.3.5 Employee health, safety and well-being of employees
403-2	Hazard identification, risk assessment, and incident investigation	
403-3	Occupational health services	
403-4	Worker participation, consultation, and communication on occupational health and safety	
403-5	Worker training on occupational health and safety	
403-6	Promotion of worker health	
403-7	Prevention and mitigation of occupational health and safety	
403-8	Workers covered by an occupational health and safety management system	
403-9	Work-related injuries	
403-10	Work-related ill health	

Nº	GRI DISCLOSURE	URD	
GRI 404 – Training and education			
404-1	Average hours of training per year per employee	4.3.2 Employee development	
404-2	Programs for upgrading employee skills and transition assistance programs	4.3.1.2 Retaining talent 4.3.2 Employee development	
404-3	Percentage of employees receiving regular performance and career development reviews	4.3.1.2 Retaining talent	
GRI 405 – Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	4.3.4 Diversity, inclusion and equal opportunities	1
405-2	Ratio of basic salary and remuneration of women to men	4.3.4 Diversity, inclusion and equal opportunities 4.3.4.1 Diversity and gender equality	
GRI 406 – Non discrimination			
406-1	Incidents of discrimination and corrective actions taken	4.3.4 Diversity, inclusion and equal opportunities 4.9.2.4 Whistleblowing and reporting mechanism for the existence or emergence of risks prepared in consultation with the representative trade union organizations within the Group	2
GRI 407 – Freedom of Association and Collective Bargaining			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	4.2 Business ethics 4.10 Vigilance plan	3
GRI 408 – Child labor			
408-1	Operations and suppliers at significant risk for incidents of child labor	4.2 Business ethics 4.10 Vigilance plan	4
GRI 409 – Forced or Compulsory Labor			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	4.2 Business ethics 4.10 Vigilance plan	5
GRI 410 – Security Practices			
410-1	Security personnel trained in human rights policies or procedures	4.2 Business ethics	
GRI 411 – Rights of Indigenous Peoples			
411-1	Incidents of violations involving rights of indigenous peoples	n/a	6
GRI 412 – Human Rights Assessment			
412-1	Operations that have been subject to human rights reviews or impact assessments	4.2 Business ethics 4.5 Promoting responsible practices throughout the value chain 4.10 Vigilance plan	7
412-2	Employee training on human rights policies or procedures	4.2 Business ethics 4.10 Vigilance plan	
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	not available	8
GRI 413 – Local Communities			
413-1	Operations with local community engagement, impact assessments, and development programs	not available	
413-2	Operations with significant actual and potential negative impacts on local communities	n/a	

N°	GRI DISCLOSURE	URD
GRI 414 – Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	4.5.1 Working with suppliers
414-2	Negative social impacts in the supply-chain and actions taken	4.5 Promoting responsible practices throughout the value chain
GRI 415 – Public policy		
415-1	Political contributions	4.1.2.3 Stakeholders
GRI 416 – Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	4.5.2 Responsible offering for the energy transition
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	4.10 Vigilance plan
GRI 417 – Marketing and Labeling		
417-1	Requirements for product and service information and labeling	Not available
417-2	Incidents of non-compliance concerning product and service information and labeling	Not available
417-3	Incidents of non-compliance concerning marketing communications	Not available
GRI 418 – Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	4.2 Business Ethics 4.10 Vigilance plan
GRI 419 – Socioeconomic Compliance		
419-1	Non-compliance with laws and regulations in the social and economic area	n/a



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