

2023

Universal
Registration
Document



ReXel

a world of energy

2023

Universal Registration Document



The French version of the Universal Registration Document has been filed on March 11, 2024 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.

1

Presentation of the Rexel Group



1 Presentation of the Rexel Group



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Message from Guillaume Texier

Chief Executive Officer of Rexel

In 2023, Rexel improved its financial performance to a historically high level for the third consecutive year, breaking numerous symbolic records even though the global economic environment was not particularly favorable:

- Our sales exceeded the 19 billion euro mark for the first time, whereas they had never exceeded 14 billion euros before 2020; at 19.2 billion euros, same-day sales were up 4.3% over the year, and they have grown by more than 8% per year since 2019.
- Our adjusted EBITA also reached a record at 1.3 billion euros, with margin of 6.8% of sales, exceeding 6% for the third consecutive year in a row while it had never reached this symbolic bar before 2020.
- Finally, our free cash flow before interest and tax reached close to one billion euros, an increase of 123 million euros year-on-year, more than double the average annual cash generation for the 2016–2019 period. This allows us to display a conversion rate of 73%, significantly above our target of more than 60%.

This record performance allows us to maintain the dividend we are proposing for 2023 at its record 2022 level of 1.20 euros per share. With the exception of 2020, a year marked by Covid, the dividend has grown regularly every year since 2016, with a payout policy of more than 40% of our recurring net profit (43% this year). In addition, and always with the aim of ensuring attractive remuneration to our shareholders, we are continuing our share buyback plan of 400 million euros over four years. Launched in 2022, it is already half-achieved at mid-term.

But much more than the results per se, it is how we achieved them that is worth highlighting, because Rexel's 2023 performance attests to the dual transformation of our markets and, above all, of our company.



I draw two main reasons for satisfaction from our performance over the past year. First of all, if we were able to meet, or even exceed expectations, on all our objectives, it is because Rexel has more than 27,000 employees in its 1,970 branches in 19 countries who are committed on a daily basis to providing their customers with the products, services and solutions they need, as evidenced by an employee engagement rate of 81%. May they be warmly and sincerely thanked.

Second reason for satisfaction, our performance confirms that the Group's transformation is bearing fruit, on two essential levels: Rexel is positioned in the right markets, and Rexel continues its march towards operational excellence.

In terms of markets, Rexel is indeed positioned on the right growth vectors and its strategy is adapted to the immense challenge of the energy transition through electrification, which already represents 22% of our sales. We have made notable progress on the Power Up 2025 roadmap we unveiled in mid-2022 and which aims to complete the transformation of Rexel from a distributor of electrical products, as it once was, to a major player in tomorrow's solutions: Electric Vehicle chargers, installation of solar energy solutions, industrial automation or heat pumps. Our ambition is to grow these product categories linked to electrification at twice the rate of our traditional business.

Rexel is also continuing its path towards excellence, by positioning itself on the most cutting-edge tools and levers. Of course, we still have a way to go, but we are well on our way. Let us judge by some concrete examples:

An increasingly technological group: Digitalization is progressing rapidly at Rexel, reaching 5.4 billion euros in sales in 2023, or 28% of the total – and even 40% in Europe. Our digital sales have grown four times faster than the rest of our activities, and our business model is becoming more omnichannel every day, allowing our customers to have access to our online offering 24 hours a day. And digital is much more than a sales channel: it is also a factor in improving our productivity and our efficiency, which will only be strengthened thanks to Artificial Intelligence, which makes it possible, for example, to predict the behavior of our customers and personalize our offers. And technology is also increasingly present in our supply chain: in 2023, we opened three new automated distribution centers in Germany, Austria and England, allowing us to optimize our stocks or make deliveries to our customers even faster. We now have nine automated logistics solutions.

Acquisitions as a growth engine: Rexel's model is becoming more and more balanced, standing on two legs, organic growth and acquisitions. Since 2021, we have acquired eleven companies – including six in 2023 alone – which contributed 2.3 billion euros in additional sales. These acquisitions meet two strategic imperatives: strengthening Rexel in its key geographies or in high-growth activities. This is the case with our latest acquisition, Wasco in the Netherlands, consolidating our positions in the heat pump market, at the heart of the energy transition,

while accelerating our presence in digital. The integration of this acquisition, like that of Mayer in the United States before it, is progressing in line with our objectives and we are confident in the achievement of the expected synergies.

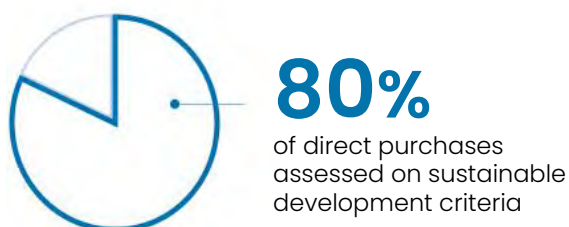
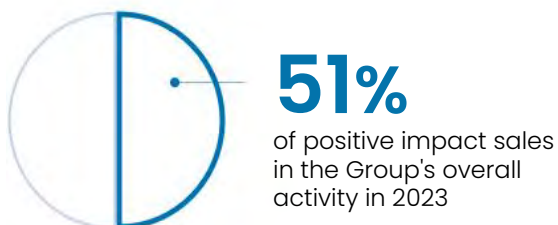
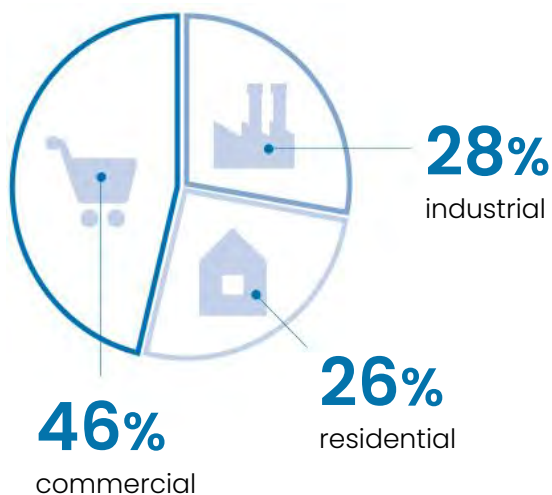
ESG at the heart of our strategy: Rexel does not only invest in its own operations, by installing photovoltaic panels, electric vehicle chargers or energy-saving systems on its premises. Rexel sees itself as an essential player in the value chain that helps its customers adopt energy-efficient solutions. In 2023, we launched a selection of sustainable products, chosen for their low environmental impact. ESG has also been integrated into our financial policy: the Group successfully completed the placement of Sustainability-Linked Bonds for an amount of 400 million euros, the interest rate of which can be increased if Rexel does not achieve its objectives in terms of reducing its greenhouse gas emissions by 2025. Rexel thus brings to life in its day-to-day activities its purpose, launched at the beginning of 2023: *"Electrifying solutions that make a sustainable future possible."*

These advances on various fronts make me extremely confident about Rexel's medium-term prospects. We remain ambitious for 2024 despite a somewhat mixed context in our different markets, and we will continue to post high and resilient profitability. In June, we will share our updated roadmap for the years to come. With the support of our Board of Directors and the commitment of our teams, Rexel has all the assets to continue its profitable growth trajectory, providing excellent service to its clients and strong returns to its shareholders.

Group key figures

as of 12/31/2023

Breakdown of sales by end-market



Digital sales



More than €5.4bn
digital sales

86.8 million
visits to our websites each year

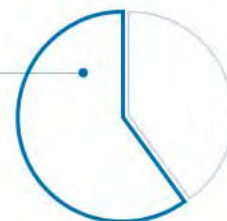
400,000
customers with a web account

39 million
order lines on our web platforms

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

60%

- 60% reduction in CO₂ emissions of its operations (Scopes 1 and 2) in absolute terms, compared to 2016.
- 45% reduction in CO₂ emissions from the use of products sold (Scope 3) in absolute terms, compared to 2016.

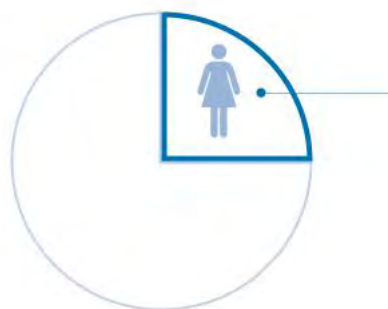


(1) Science Based Targets initiative.



over 26,078

employees received training in 2023,
i.e. 94.4% of total workforce



28%

Share of women among
Group executives
(vs 22% in 2022)

1

Power Up 2025

Year 2 achievements

Power Up 2025

4% to 7% organic growth over 4 years

6.5% to 7%

of adj. Ebita margin in 2025

> 60% of FCF conversion each year

€400m of share buyback over 4 years

Up to **€2bn** of M&A contribution
to sales in 4 years

Between **€200m & €500m**
of divestments

40% of digital sales in 2025

Becoming a leader in ESG

Year 2 achievements (2023)

4.3% same-day sales growth in 2023
CAGR 2021/2023: 9.2%

6.8% adj. Ebita margin

73% FCF conversion

€200m of share buyback cumulated

€1bn of sales acquired cumulated

€480m of sales disposed over 2022/2023

28% of digital revenues;
i.e. 30% of Q4 2023

Net Zero ambition validated by SBTi

Global footprint

as of 12/31/2023

Group



Europe



19
countries

€19.2bn
in sales

+ 1,950
branches

+ 27,000
employees



50%
of sales

+ 1,050
branches

+ 15,100
employees

13 countries

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

North America



- Canada,
- United States

43%

of sales

+ 650

branches

+ 9,300

employees

2 countries

Asia-Pacific



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

7%

of sales

+ 230

branches

+ 2,400

employees

4 countries

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, 2023, 2022 and 2021.

■ Principal key figures of Rexel's consolidated income statement

(in millions of euros, unless specified otherwise)

	2023	2022	2021
Sales	19,153.4	18,701.6	14,690.2
Growth on a comparable basis and same number of working days ⁽¹⁾	4.3%	14.1%	15.6%
Gross profit	4,876.4	4,868.6	3,871.6
As a percentage of sales	25.5%	26.0%	26.4%
EBITA ⁽²⁾	1,285.9	1,344.8	963.7
Adjusted EBITA ⁽²⁾	1,300.1	1,368.5	906.0
As a percentage of sales	6.8 %	7.3%	6.2%
Operating income	1,216.6	1,343.0	911.8
Net income	774.7	922.3	597.6
As a percentage of sales	4.0 %	4.9%	4.1%
Net income attributable to the Rexel Group	774.7	922.3	597.2
Net income per share (in euro per share)	2.57	3.04	1.97
Net recurring income ⁽³⁾	823.3	911.8	575.0
Net recurring income per share (in euro per share)	2.73	3.00	1.89

(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 EBITA adjusted for 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)

	2023	2022	2021
Operating income	1,216.6	1,343.0	911.8
(-) Other income ⁽¹⁾	(5.6)	(54.1)	(12.4)
(+) Other expenses ⁽¹⁾	50.7	42.0	57.0
(+) Amortization of intangible assets arising on the purchase price allocation of acquisitions	24.3	13.9	7.3
= EBITA	1,285.9	1,344.8	963.7
(+)/(−) Non-recurring effect resulting from changes in copper-based cable prices ⁽²⁾	14.2	23.7	(57.8)
= Adjusted EBITA	1,300.1	1,368.5	906.0
Adjusted EBITA margin (in % of sales)	6.8%	7.3%	6.2%

(1) See note 8 of the Notes to the consolidated financial statements of Rexel for the year ended December 31, 2023 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>	2023	2022	2021
Net income	774.7	922.3	597.6
(+)/(–) Non-recurring effect resulting from changes in copper-based cable prices ⁽¹⁾	14.2	23.7	(57.8)
(–) Other income ⁽²⁾	(5.6)	(54.1)	(12.4)
(+) Other expenses ⁽²⁾	50.7	42.0	57.0
(+) Financial expenses related to refinancing transactions	–	–	22.6
(–) Tax impact of the items above and other non-recurring tax effects	(10.7)	(22.1)	(32.1)
= Net recurring income	823.3	911.8	575.0

(1) See paragraphs "Margin deterioration resulting from raw materials price fluctuation, including that of copper" of Sections 2.1.3 "Financial risks" and 5.1.1.4 "Impact of changes in copper price" of this document.

(2) See note 8 of the Notes to the consolidated financial statements of Rexel for the year ended December 31, 2023 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)</i>	2023	2022	2021
Cash flow from operating activities	942.1	840.1	717.7
(–) Repayment of lease liabilities	(221.1)	(212.1)	(188.9)
(+) Paid interests	101.3	59.9	56.1
(+) Paid taxes	327.4	310.8	199.0
= Cash flow from operating activities before net interest and income taxes	1,149.7	998.7	783.9
(–) Acquisition of tangible and intangible fixed assets	(158.2)	(131.4)	(109.3)
(+) Disposal of tangible and intangible fixed assets	4.8	5.9	6.1
= Free cash flow before net interest and income taxes ⁽¹⁾	996.4	873.3	680.6
Conversion rate of the cash flow (in % of EBITDAaL) ⁽²⁾	73.5%	61.4%	65.7%

(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>	2023	2022	2021
EBITA	1,285.9	1,344.8	963.7
(+) Depreciation & amortization of fixed assets	347.1	335.9	300.7
= EBITDA	1,633.0	1,680.8	1,264.4
(+) Capitalized leased payments	(276.7)	(258.6)	(229.3)
= EBITDAaL	1,356.4	1,422.2	1,035.2

■ Principal key figures of Rexel's consolidated balance sheet

(in millions of euros, unless specified otherwise)

	2023	2022	2021
Total assets	13,649.6	12,909.7	11,553.7
Non-current assets	6,931.1	6,180.9	5,999.7
Working capital requirements	2,416.0	2,231.9	1,753.6
Shareholders' equity	5,531.1	5,281.8	4,560.8
Net financial debt ⁽¹⁾	1,961.5	1,458.4	1,551.2
Other non-current liabilities	1,854.5	1,672.6	1,641.1

(1) See note 18.1 of the Notes to the consolidated financial statements of Rexel for the year ended December 31, 2023 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:

(in millions of euros)

	2023	2022	2021
Net financial debt ⁽¹⁾	1,961.5	1,458.4	1,551.2
Redemption costs	(12.9)	(17.5)	(28.8)
Foreign exchange effect ⁽²⁾	(4.8)	2.4	(35.8)
Adjusted total net debt	1,943.7	1,443.3	1,486.6
EBITDAaL	1,356.4	1,421.7	1,035.2
Effect of changes in scope of consolidation	53.2	3.5	55.5
Share-based payments and employee profit sharing	61.5	57.3	52.3
Non-recurring effect related to changes in copper-based cable prices	14.2	23.7	(58.3)
Adjusted EBITDA	1,466.9	1,506.2	1,084.7
Leverage Ratio (Adjusted total net debt / Adjusted EBITDA)	1.33x	0.96x	1.37x

(1) See note 18.1 of the Notes to the consolidated financial statements of Rexel for the year ended December 31, 2023 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* (CFAO), of which CDME, renamed Rexel and later Rexel Distribution, was a subsidiary.

On December 10, 2004, 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 then progressively transferred all their holdings, with the latest disposals taking place in 2014.

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 our 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 sizes. This enabled it to reinforce its position in targeted zones. It has also acquired companies in countries with strong growth potential. Between 2010 and 2016, the Rexel Group completed several 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 subjects. Thus, between 2021 and 2023, 14 acquisitions and equity investments were made, in North America and Europe, of which the main were:

- Mayer, electrical distribution in the United States in November 2021;
- Wasco, HVAC distribution in the Netherlands in September 2023;
- Wesco Utility, specialized electrical distribution in Canada in February 2021;
- Horizon solutions, electrical distribution and industrial automation in the United States in August 2022;
- Buckles Smith Electric Company, a regional industrial automation distributor in the United States in January 2023;
- Trilec, electrical distribution in Belgium in July 2022; and
- Freshmile, services and software platform for electric mobility in France in March 2021.

Finally, since early 2015, Rexel has also reviewed its business portfolio in order to refocus on its "core" businesses. Thus, the Group:

- sold in September 2015 its activities in Latin America;
- in April 2016, disengaged from its activities in Poland, Slovakia and the Baltic countries;
- sold its activities in South-East Asia in 2018;
- refocused on its electrical distribution activities in the United States, with the sale of the non-core business Gexpro Services on February 2020;
- divested its operations in Russia, Spain and Portugal in 2022 by selling these activities; and
- finalized the divestment of its operations in Norway in March 2023 and divested its Middle East operations.

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 2023 in terms of sales and number of branches. At December 31, 2023, it operated in 19 countries, essentially spread over three geographical regions: Europe, North America and Asia-Pacific.

In 2023, the Rexel Group's sales reached €19,153.4 million, of which 50% was generated in Europe, 43% in North America and 7% in Asia-Pacific. Rexel Group reported an Adjusted EBITA of €1,300.1 million in 2023, representing 6.8% of 2023 sales.

The Rexel Group serves three end-markets in which it supplies electrical equipment. It operates in connection with construction, extension, renovation or upgrading projects:

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

- The commercial 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.

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.

■ The breakdown of the Rexel Group's sales in 2023 by end-market and by region is as follows:

	NORTH AMERICA	EUROPE	ASIA-PACIFIC	REXEL GROUP
Residential	7%	44%	18%	26%
Commercial	60%	36%	23%	46%
Industrial	34%	20%	59%	28%

For these markets, the Rexel Group is a key link of the value chain between electrical equipment suppliers and customers and end-users. 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 may be higher in certain countries and for certain product ranges. However, this diversity allows the Rexel Group to avoid being dependent on any customer.

The Rexel Group's offering is divided into sixteen families: distribution and management of electrical energy; industrial processes; cables; lighting; building equipment and control; systems for recharging electric vehicles; photovoltaic products;

conduits and cable trays; tools, measuring and fastening; electric heating, heat pumps and air-conditioning and ventilation systems; security and communication; sanitary ware; software applications; infrastructure and networks; household appliances and services. The Group generates 22% of its sales from high-growth electrification products (photovoltaic solutions, air conditioning/ventilation/heat pumps, electric vehicle charging stations, industrial automation). 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, 2023, the Rexel Group has a network of 66 logistical centers and of 1,972 branches grouped around different commercial banners. It makes out 5.4 billion euros of sales online, representing more than 28% of its global

revenue. Rexel employs 26,815 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, 2023. 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 by the increasing consumption of electricity in the residential, commercial and industrial markets. Indeed, the portion of electricity consumption should grow from 28% of the mix in 2022 to 48% in 2050, based on commitments announced by the States (source: IEA WEO 2023).

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

- The acceleration of State’s, 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;
- Tension and volatility of 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 around €260 billion in 2023, slightly growing at constant currency, following the strong growth observed over 2021 and 2022 notably linked to post-Covid effects, the acceleration of the electrification trends described above, and macroeconomic 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 or 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, Belgium, 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 2023 sales amounted to €19,153.4 million, broken down as follows:

	IN MILLIONS OF EUROS	IN PERCENTAGE
Europe	9,619.1	50%
North America	8,231.6	43%
Asia-Pacific	1,302.7	7%
Total	19,153.4	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 2023 market share of approximately 15%. It considers that the residential, commercial and

industrial markets represented respectively 44%, 36% and 20% of its 2023 sales in Europe.

At December 31, 2023, the Rexel Group operated in 13 European countries.

North America

According to its estimates and based on its 2023 sales, the Rexel Group's market share was approximately 7% 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 7%, 60% and 34% of its 2023 sales in North America.

Asia-Pacific

Based on its estimates and its 2023 sales, the Rexel Group considers that it is number two in Asia-Pacific, with a market share of approximately 3% in 2023.

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

respectively 18%, 23% and 59% of the Rexel Group's 2023 sales in Asia-Pacific.

At December 31, 2023, the Rexel Group operated in 4 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, 2023, the Rexel Group estimates that it held globally a market share of approximately 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 footprint

The three main geographical zones where Rexel operates are Europe, North America and Asia-Pacific. Based on its 2023 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, 2023, the Rexel Group had 1,972 branches. By geographical zone, the number of branches changed as follows between December 31, 2021 and December 31, 2023:

(Number of branches)	AT DECEMBER 31		
	2023	2022	2021
Europe	1,080 ⁽¹⁾	1,054	1,096
North America	656	645	637
Asia-Pacific	236	237	233
Total	1,972	1,936	1,966

(1) Including Wasco's 35 branches in the Netherlands.

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. 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	
	2023	2022
50% of purchases	28	28
80% of purchases	318	338
100% of purchases	7,628	9,042

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

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 17% of 2023 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);
 - transformers; and
 - pneumatics;

- cables (representing 15% of 2023 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 2023 sales), which include systems for connection to the electricity grid and energy management;
- lighting (representing 11% of 2023 sales), which includes:
 - LED and non-LED interior lighting (representing 6% of 2023 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 2023 sales) such as outdoor wall and ceiling lights, lanterns, sign and signage lighting;
- LED and non-LED sources (representing 2% of 2023 sales) such as low-energy incandescent, halogen or fluorescent bulbs or tubes; and
- various LED and non-LED lighting / equipment (representing 1% of 2023 sales);
- building equipment and control (representing 5% of 2023 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 2023 sales);
- photovoltaic products (representing 6% of 2023 sales) mainly including photovoltaic panels, inverters and batteries for energy storage, for example;
- piping and cable trays (representing 7% of 2023 sales);
- tooling, measuring and fastening (representing 7% of 2023 sales), including in particular protective and safety equipment and hand tools;
- electric heating, heat pumps as well as air conditioning and ventilation systems (representing 6% of 2023 sales), covering all products and services related to HVAC as well as hydraulic heating and plumbing related to green energy and fossil fuels;
- security and communication (representing 3% of 2023 sales), which mainly include:
 - voice, data and image (VDI) transmission applications, and
 - detection (intrusion and fire), video-surveillance and access control systems.

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 the specific services of certain specialized Rexel Group entities, such as Rexel Energy Solution or Capitol Light in the United States.

The Rexel Group's sales in these other activities were approximately 10% in 2023.

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 comfort, security, ergonomics, home automation, automation, and energy performance. 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.

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 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, Zebra 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 2023 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 (e.g. Freshmile in France);
- Specialized software addressing all markets addressed by Rexel;
- Electrical installations design services and photovoltaic solutions (e.g. pvXpert in Austria);
- Support for major projects, in particular for logistics needs (e.g. OPEN);

- 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 (e.g. OPEN);
- Services to measure and optimize the carbon impact of our clients' activities (Carbon Tracker); 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 and to applications requiring the acquisition of additional business expertise in line with the growing trend towards electrification, such as the installation of heat pumps.

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 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 more than 28% of the Group sales in 2023.

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.

Qualified and experienced teams

The Rexel Group stands out for the technical nature of its business, which is closely linked to the electrical standards specific to each country and to constant innovation with the introduction of new products in its offer. To meet these requirements, Rexel employs experienced staff who receive regular training on changes in standards and products. As a result, Rexel employees have in-depth knowledge of product specificities, local needs, and current regulations.

This technical expertise and the training offered to customers enable Rexel to guide them towards high value-added solutions that meet their specific needs. By acting as a prescriber of technical solutions, Rexel builds customer loyalty and increases its market share.

Rexel places great importance on training its employees, both technically and commercially, in order to optimize their performance and guarantee their employability. Against a backdrop of increasing digitalization, Rexel is committed to enabling its employees to develop their skills. To achieve this, the Group relies on its digital platform,

Rexel Academy, which brings together all training modules relating to the company, new products, and key issues such as digital transformation and decarbonization.

In preparation for its digital transformation, Rexel has also put in place measures to attract talent with the necessary skills. The Group supports its sales forces and teams to help them adopt the new digital tools available to them.

Rexel also pays particular attention to developing the managerial skills of its employees. The Group offers specific training programs focusing on leadership and strategic decision-making. These initiatives aim to strengthen the ability of Rexel managers to lead their teams effectively and to foster a collaborative, high-performance work environment.

Finally, Rexel's management team has extensive experience in the professional distribution sector. The members of the management team have developed solid expertise in sales, operations, finance and mergers & acquisitions, enabling them to effectively guide the Group's development.

1.3.2.4 Strategy reflected in the operational and financial performances

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, 2023, the Rexel Group estimates that the structure of its operating expenses before amortization consists in:

- Variable costs depending on the level of activity, of 29%. These costs include for example transportation, commissions, etc.; and
- Fixed costs, flexible in the short- to medium-term, of 71%. 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 cost 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 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);
- An increase in product inventories of about €150 million between 2016 and 2018; and
- The opening of 57 additional sales outlets over the period.

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

An economic model that generates cash flow

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 0.8% of its annual sales in order to accelerate its IT and digital transformation.

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 an investor presentation, 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. In line with these orientations, Rexel plans to present an updated vision of its Power Up 2025 roadmap at its next investor event scheduled for June 7, 2024.

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 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 agency/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 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 has launched a new model of service in the Paris region in 2020 and in the Lyon region in 2022. 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. By combining the latest generation logistics tool, expanded hours and lockers on-site and off-site 24/7, with the option of express delivery within 2 hours, and the latest application being rolled out since 2023 across all countries with a design dedicated to mobility and personalized

content, Rexel has significantly improved 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 has made significant investments 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. Evolution of our business models towards a reference service proposition in the field
 - 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 aspects:
 - An internal aspects. 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 aspects. 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 aspects. 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 aspects 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 :

- net-zero greenhouse gas (GHG) ESG targets by 2050 validated by SBTi, and targets set for 2030:
 - 60% reduction in CO₂ emissions of its operations (Scopes 1 and 2) in absolute terms, compared to 2016; and
 - 45% reduction in CO₂ emissions from the use of products sold (Scope 3) in absolute 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 3 sustainability bond issuances (400 million euros issued in April and May 2021, 600 million euros in November 2021 and 400 million euros in September 2023).

Rexel had committed to reducing, in connection with its first two bonds emissions:

- by 23% greenhouse gas (GHG) emissions related to the use (and not 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").

The Sustainability-Performance Targets, or review dates for the objectives of the 2021 loans, expired

at the end of 2023. Rexel confirms the achievement of the targets, both for KPI 1 (ambition to reduce GHG Scope 3 in intensity) and for KPI 2 (ambition to reduce Scope 1&2 GHGs in absolute terms).

The bond taken out in 2023 reiterates Rexel's commitment to its decarbonization roadmap. The ambitions set as part of this issue of bonds indexed to sustainable development indicators are part of the trajectory reinforced and validated by the SBTi in July 2022, *i.e.* aiming to achieve a Net Zero objective in 2050.

As part of the September 2023 issue, Rexel has undertaken to reduce :

- by 45% greenhouse gas (GHG) emissions linked to the use (and not the consumption) of products sold, per euro of revenue (Scope 3) by December 31, 2025, compared with 2016 ("Sustainable Performance Objective 1"); and
- by 38% greenhouse gas emissions linked to energy consumption in its operations (Scopes 1 and 2) by December 31, 2025, compared with 2016 ("Sustainable Performance Objective 2").

The interest rate on the bonds will be increased by 25 base points to 5.50% per annum from September 15, 2026, if Rexel does not achieve these sustainable performance targets compared to 2016. These objectives are in line with Rexel's objectives for 2030 to reduce GHG emissions of Scope 1&2 and Scope 3.

All share plans and performance elements are detailed in Chapter 4 "Corporate responsibility" of this Universal Registration Document.

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 has acquired in 2021, an operator of electric vehicle charging stations in France, and in 2023, Wasco, a distributor of heat pumps in the Netherlands (indirect acquisition of the control of Mavisun at a level of 51% of the share capital and the voting rights by Rexel), a distributor of photovoltaic solutions for the residential segment in France.

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 with numerous acquisition opportunities, the Rexel Group believes that its size and 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 aspects:

- strengthening its market shares and/or size in key markets;

- expanding into new and/or related growth segments; and
- investing in value-added models based on digital solutions and services.

Therefore, since 2010, the Rexel Group has made 61 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;
- implemented procedures allowing a systematic approach and monitoring of acquisition projects; 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 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 billion in sales over the period; and
 - share buyback of around €400m over the period.
- an indebtedness ratio of around 2x.

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.

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, Gigamedia and Zebra; 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.

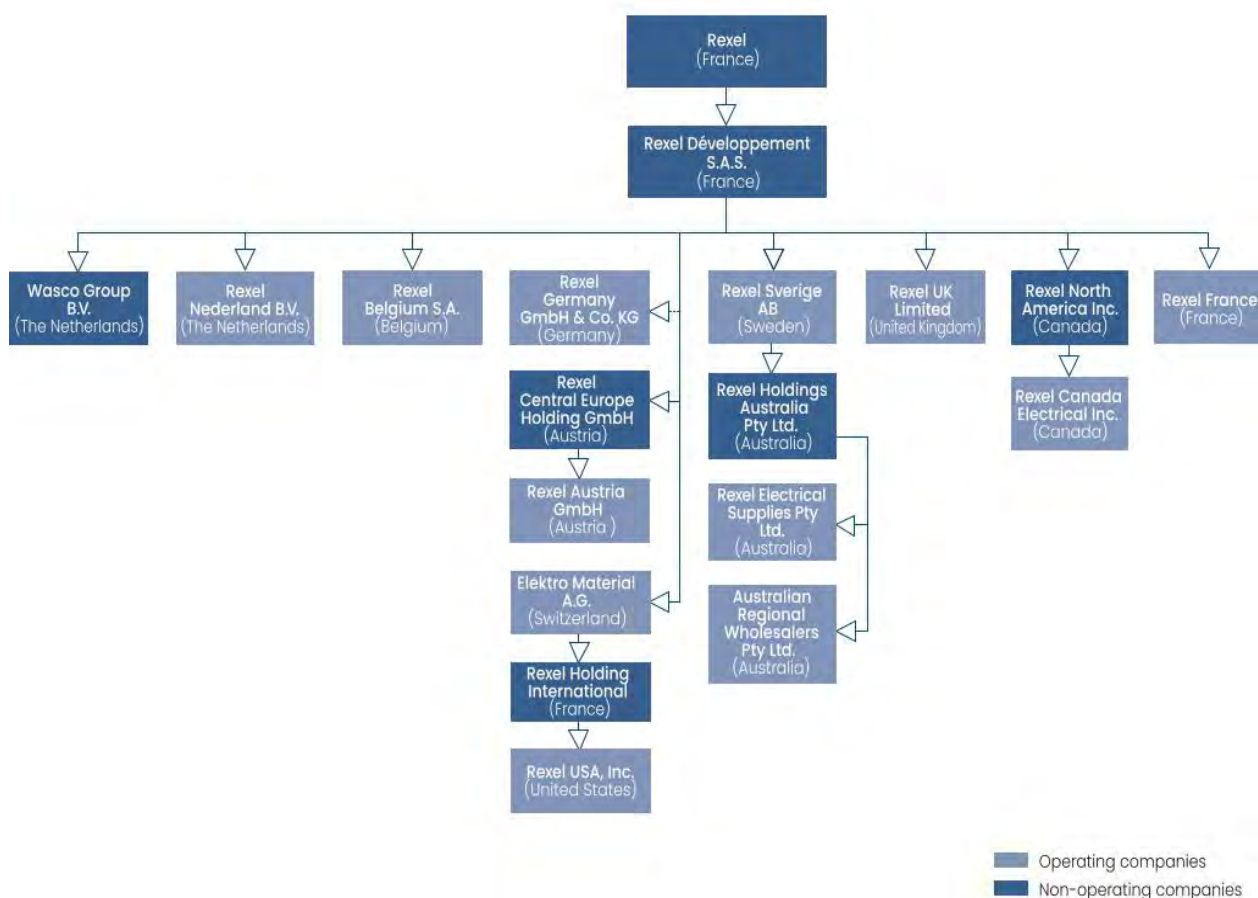
In April 1998, Rexel Distribution signed an agreement on the coexistence and global use of the "Rexel" trade name worldwide. This agreement was entered into with a company that had already registered the trade name, and that operates in a different sector than the Rexel Group. Under the terms of this 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, 2023. As at December 31, 2023, the Rexel Group comprised 102 companies. The list of all of the companies consolidated by Rexel as of December 31, 2023, 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.

1.4.2 Principal subsidiaries as of December 31, 2023

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, Stg4. 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., 80939, 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 Box 103, 125 23 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.

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, 8048, Zürich-Altstetten, 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.

Wasco Group B.V. is a company governed by the laws of the Netherlands (*besloten vennootschap met beperkte aansprakelijkheid*) with a share capital of 110 euros. Its registered office is at Leigraaf 54, 7391 AL Twello, the Netherlands. It is registered in the Dutch trade register under number 73327557. Its main activity is the participation, financing and holding of interests or shares in any legal entity, partnership or business. 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\$10.01. 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 International.

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 8,381,744 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.

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, 2023, 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, 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, for those in Europe (excluding France) and 20,000 square meters for those situated in France; and

- 1,972 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, 2023, 2022, and 2021:

<i>(in millions of euros)</i>	2023	2022	2021	Total 2021-2023
Capital expenditure				
Information systems / Digital	58.4	56.8	51.2	166.4
Renovation and opening of branches	40.4	33.9	32.2	106.5
Supply chain	33.3	51.6	11.0	95.9
Other	12.3	6.1	8.6	27
Total gross capital expenditure	144.4	148.4	103	395.8
Change in fixed assets suppliers payable	13.7	(17.1)	6.3	2.9
Disposals of fixed assets	(4.8)	(5.9)	(6.1)	(16.8)
Total net capital expenditure	153.3	125.4	103.2	381.9
Acquisitions and disposals of subsidiaries				
Acquisitions	686.6	150	426.3	1,262.9
Disposals	(135.4)	(97.4)	9.6	(223.2)
Total acquisitions and disposals of subsidiaries	547.2	52.6	435.9	1,035.7

Gross capital expenditure made during 2023, 2022 and 2021 respectively represented 0.8%, 0.8% and 0.7% of the consolidated sales of the Rexel Group. They have been adjusted in 2023 along the increase of the Group's sales.

Investments made during 2023 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.

Capital expenditure is stable in 2023 given the projects in IT and digital solutions and those in automated supply chain solutions, in line with our Power Up 2025 strategy to triple the number of automated 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 around 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 July 1, 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 No. 2018/675/UE 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 RoHS Directive and 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. Once taken back, it 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.

2

Risk factors and internal control



2 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 or its prospects, 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

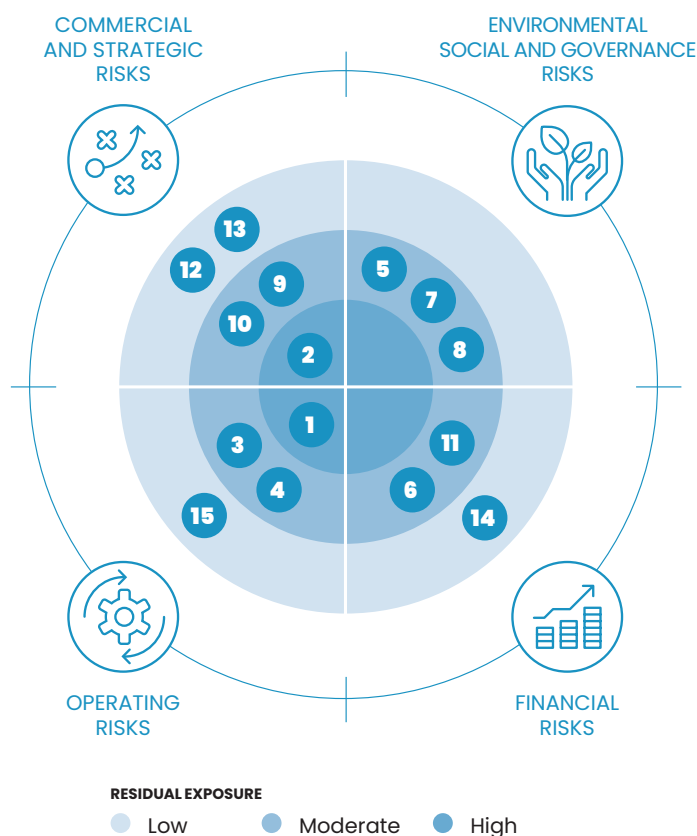
In a constantly changing environment, Rexel is committed to protecting the interests of its shareholders, employees, clients, suppliers, and all other stakeholders, while achieving its objectives. In this context, Rexel is implementing an active risk identification and management policy to be able to 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 or its perspectives. The 15 risks are grouped in four categories (commercial and strategic risks, operating risks, and ethics environmental risks and 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 decreasing order of importance within each category, the risks with the greatest residual exposure are presented first.

In parallel and for the purposes of the extra-financial performance declaration, Rexel carried out a specific analysis to address 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 Profitability deterioration due to inadequate management of fluctuations in sale prices and raw material prices (inflation/deflation), as well as inflation in operating expenses
- 7 Events impacting the health and safety of Group employees or third parties (including psychosocial risks)
- 8 Insufficient or inadequate actions to meet stakeholders' expectations in terms of environment protection and social responsibility
- 9 Difficulty for the Group to generate the synergies and results expected from significant acquisitions
- 10 Less favorable commercial and competitive environment for Rexel
- 11 Significant fraud due to the misappropriation of assets or accounting manipulation
- 12 Difficulties in adapting Rexel's business model to changing customer expectations and the digital context
- 13 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
- 14 Difficulties in collecting customer receivables and/or increased collection costs
- 15 Major disruption of Rexel's supply chain (due to internal and/or external causes)



* The risk of "Increased difficulties in human resources to attract, develop and retain talent and prepare their succession" is identified and detailed in the main non-financial risks in chapter 4 of the Universal Registration Document.

2.1.1 Commercial and strategic risks



Risk No. 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%, 43% and 7% of the revenue of the Group in 2023, 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 (€1,300.1 million of adjusted EBITA as of December 31, 2023), an increase in bad debt (€144.6 million of impairment losses on receivables as of December 31, 2023, for a total of €2,768.4 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. Nevertheless, the situation in Russia and Ukraine may indirectly impact the Group and its activities. Indeed, the current geopolitical environment is fraught with uncertainty, as evidenced by the crisis in the Middle East in 2023. In this changing context, significant variations in prices and production capacities may be observed on the energy and raw materials markets. Indeed, in 2022, the crisis in Ukraine led to a sharp rise in wholesale electricity and gas prices in Europe, as well as high volatility. These prices fell in 2023, notably due to the diversification of supply sources in affected countries and massive investment in renewable energies. Nevertheless, they remain higher than pre-crisis levels. A rise in energy prices could both impact negatively Rexel's business, potentially affecting economic activity and price levels, and positively, as Rexel is directly involved in electrification and energy-saving applications that help mitigate the impact of such increases. In fact, the direct consequence of higher energy prices is to improve the attractiveness of these solutions, thanks to a higher level of return on investment and increased energy-saving potential.

On the macroeconomic level, the significant rise in inflation in 2021 and 2022 has led to an across-the-board increase in central bank interest rates, in order to contain price rises. This increase continued into 2023, reducing the outlook for economic activity. In particular, this downturn has resulted in a significant decline in the new construction market, and to a lesser extent in the renovation market in 2023. Considering this causal relationship, the current lack of visibility on the evolution of these rates adds to the uncertainty surrounding the evolution of business activity. A downward trend would provide significant leverage to improve the outlook for economic growth, while a further rise would affect the current outlook.

Lastly, the difficulties experienced by some suppliers in their procurement chain, in particular due to the uncertain geopolitical context, have clearly receded in 2023 in view of the fluidity of logistics flows and the reduction in component shortages affecting production lines. Uncertainty regarding developments on the geopolitical front opens up the possibility of a resurgence of these difficulties, which would result in 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.

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 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 2023, gross investment totaled €144.4 million, i.e. 0.75% of sales, compared to €148.4 million in 2022 (i.e. 0.8% of sales), whereas distribution and administrative expenses amounted to €3,590.5 million in 2023 (i.e., approximately 18.7% of sales) compared to €3,523.7 million in 2022 (i.e. approximately 19% of sales).

The Rexel Group's ability to offer its customers relevant energy solutions in response to rising energy prices has been reinforced in recent years by the development of business activities associated with electrification, which is a strategic priority for the Group. On the energy production front, Rexel has developed its photovoltaic and energy storage solutions to meet rising demand. On the electrification front, the Group has also significantly boosted its activities and value offering in heating electrification and electric vehicle recharging solutions, notably through the strategic acquisition of Wasco.

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, 2023, with a positive free cash flow before interest and taxes of 996.5 million euros for the whole of 2023, compared to 873.3 million in 2022. In addition, with regard to supplier procurement difficulties, Rexel, as a multi-brand distributor, has capacity 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 No. 9: 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 "Power Up 2025" strategic plan announced to investors in June 2022, is based in part on ambitious external growth, which has resulted in 10 acquisitions of securities or assets made since June 2022, representing nearly 1 billion euros of acquired revenue.

For instance, in the spring of 2023 Rexel acquired one of the leading distributors of heating and air-conditioning products and services in the Netherlands. This distributor reported sales of approximately 540 million euros over the last twelve months to the end of April 2023. With this acquisition, Rexel has doubled its size in the Netherlands, making it the Group's fourth largest country.

The realization of the benefits expected from such external growth operations depends in part on the realization of the expected synergies and integration.

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, accompanied by a detailed operational integration plan.

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 No. 10: 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 approximately 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 total approximately 25% 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's sales, and lead to a loss of market shares and a deterioration in purchase pricing conditions.

The Group also competes with specialists in new electrification trends, who are extending their expertise to more traditional electrical products in order to offer their customers comprehensive solutions.

Finally, the Rexel Group is exposed in a limited number of 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 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 over 1,972 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) who respond to customers' questions and meet their expectations on site or by telephone and who have developed very 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), 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 €20.5 million provision for expected credit losses and bad debt losses in 2023 for trade receivables of more than €2,624 million).

Finally, the Group is strengthening its position in electrification products by recruiting and training teams, as well as through acquisitions, thereby enhancing its competitiveness in these new market segments.

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.



Risk No. 12: Difficulties in adapting Rexel's business model to changing customer expectations and the digital context

RESIDUAL EXPOSURE

● Low

RISK IDENTIFICATION AND EXPOSURE

The business activities of the Rexel Group are carried out in a highly competitive environment, where consumption patterns, customer and business partner expectations are materially and quickly 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 this purpose, Rexel carries on the transformation of its business model, the roll-out of new tools and solutions (some 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. 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 adjusted, since it is based on a significant capital expenditure program (€58.7 million of gross capital expenditure related to information systems and digital in 2023, *i.e.* 41% 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 28% of sales, and even nearly 38% in Europe (compared to 25% and 36% respectively at the end of 2022), 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 "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 €58.7 million in gross capital expenditure related to information systems and digital in 2023 (*i.e.* 41% of the Group's gross capital expenditure), compared to €57.2 million in 2022 (*i.e.* 39% of the 2022 gross capital expenditure). Operating expenses related to digital transition amounted to €67.7 million in 2023 compared to €59 million in 2022.

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 No. 13: 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 2023, the residential market accounted for approximately 41% of sales in France, compared to 0% in China and 7% in North America, while the industrial market accounted for approximately 18% of sales in France, compared to 100% in China and 34% 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 changes 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, Rexel could not be able to improve its marketing capabilities and leverage them to reinforce its customer and data-driven marketing approach in every geography of the Group. 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 145.6 million euros in 2023 compared to 131.3 million euros in 2022). 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 2023, the Group invested €58.7 million in gross capital expenditure related to information systems and the digital sector (representing 41% of total gross capital expenditure of the Group), compared to €57.2 million in 2022 (representing 39% of total 2022 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 the country level where Rexel operates, 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 No. 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 2023, the Rexel Group generated over €5.4 billion (approximately 28% of its total sales) through its digital services, compared to approximately €4.7 billion in 2022 (approximately 25% of its total sales in 2022).

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.

Moreover the Group has increased its efforts to prevent and raise awareness among its employees, an essential aspect of the cyber-security program, 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 No. 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 entirely 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. 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 (€58.7 million in gross capital expenditure related to information systems and digital in 2023 compared to €57.2 million in 2022) 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.

The Group has also set up two digital centers, in France and the United States, bringing together more than 201 digital and data experts, to support the various data management and exploitation solutions within the Group's entities.

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



Risk No. 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 636,000 customers and deliver its products. 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 2023, the Group hired 5,171 new staff, out of a total workforce of 27,627 employees, i.e., about 19% of the personnel. 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 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 customers a differentiating 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 4,258 employees under permanent contracts left the Rexel Group in 2023 (compared to 4,368 in 2022), of which 64% resigned (70% in 2022), 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, 2023, 34.4% of the Group's employees were over 50 years old (compared to 33.2% at the end of 2022) while those under 30 years old represented 17% (compared to 17.8% in 2022), 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, 2023, the average age of all Group employees was increasing to 41.9 years (compared to 41.5 years at the end of 2022).

CONTROL SYSTEMS

Employee development 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 2023, 489,161 hours of training were provided (excluding safety training), compared to 327,250 hours in 2022, covering approximately 94.4% of the total workforce compared to 89.7% in 2022.

In order to retain talents within the company, several programs at the Group level 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. Mentoring programs have been set up at Group and country level to encourage exchanges between seniority levels and stimulate a stronger internal development culture.

To retain talent as effectively as possible, various measures are taken at country level to encourage the integration of new employees and reduce turnover (mentoring, follow-up interviews, integration seminars, etc.). Functional and geographic mobility is also a key factor in retaining talent, offering employees opportunities for career development. In 2023, 2,873 employees on permanent contracts benefited from mobility (3,110 in 2022), i.e. 10.8% of the permanent workforce (11.9% in 2022).

Hirings in 2023 (5,171 recruitments) demonstrate the Rexel Group's ability to recruit and attract. Hiring to support the "Power Up 2025" strategy in the areas of transformation and digitalization is key. In addition, the mobility, redeployment of resources and increasing the Group's attractiveness are fundamental elements of the company's global strategy.*

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.

Furthermore, 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. 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.

Finally, once a year, the Group conducts a satisfaction survey among all its employees, in order to measure the results of the actions listed below and better target corrective actions. Taking into account all these control elements, the Group's residual exposure is assessed as moderate.

* The risk of "Increased difficulties in human resources to attract, develop and retain talent and prepare their succession" is identified and detailed in the main non-financial risks in chapter 4 of the Universal Registration Document.



Risk No. 15: Major disruption of Rexel's supply chain (due to internal and/or external causes)

RESIDUAL EXPOSURE

● Low

RISK IDENTIFICATION AND EXPOSURE	CONTROL SYSTEMS
<p>As a distributor of electrical products for professionals, it is essential for Rexel to have a high-performance 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>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 operated 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 has the capacity to process a very large number of lines each month (over 10 million). The average rate of orders delivered complete and on time to customers was approximately 87% in 2023.</p> <p>As a result, the Group's residual exposure is assessed as low.</p>

2.1.3 Financial risks



Risk No. 6: Profitability deterioration due to fluctuations in sale prices and raw material prices (inflation/deflation), as well as inflation of operating expenses costs

RESIDUAL EXPOSURE

● ● Moderate

RISK IDENTIFICATION AND EXPOSURE

After an inflationary context, resulting in particular from the strong economic recovery since 2021, which saw Rexel facing volatility in the prices of raw materials and a sharp increase of products sold by the Group, inflation in 2023 came back to weaker levels, although with contrasts depending on the product group. For instance, between January and December 2023, the price of copper decreased from approximately \$9,055 per ton to \$8,489 per ton, a 6.3% decrease, and a 7.3% decrease in euros.

While, at first glance, an inflationary context constitutes an opportunity for Rexel, such an increase requires strong discipline to transfer this inflation to its customers, without which the Group would see its margin shrink. This discipline requires rapid and consistent updating of sale 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 a context of lesser inflation, if not deflation on certain products, a similar discipline is necessary to avoid any risk on inventory value.

In this context, and considering the high volatility of prices, any inability of the Group to renegotiate with its suppliers in case of price decrease, in order to offset underlying losses on inventories, could materially affect the Group's profitability, as sales of cables, for instance, which are approximately 60% copper, represent approximately 15.6% of the Group's sales in 2023.

Inflation in operating costs, in particular in transport, energy and salary costs, accelerated in 2023, while inflation on sales decreased. The Group, in the absence of corrective measures, may be affected by shrinking 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 its financial results without considering the impact of copper price volatility on its results.

Rexel was able to demonstrate its ability to transfer inflation to its customers, and showed discipline in the management of its administrative and commercial costs, as evidenced by the better absorption in its costs as a percentage of sales from 17% in 2022 to 16.9% in 2023. This results from the implementation of productivity measures, accelerated by the digitalization of some of our processes and progressive automation of certain logistical centers.

This demonstrates the Group's ability to adapt to certain inflationary contexts and uphold its profitability level.

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



Risk No. 11: Significant fraud due to the misappropriation of assets or accounting manipulation

RESIDUAL EXPOSURE

● ● Moderate

<p>RISK IDENTIFICATION AND EXPOSURE</p> <p>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 (28% of sales in 2023, compared to 25% in 2022), 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.</p> <p>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 logistic centers and branches which carry inventory (valued at a total of €2,386.4 million as of December 31, 2023).</p> <p>The Group could also be a victim of accounting fraud in one or more of its subsidiaries as well as at its head office, which could result in financial penalties and, potentially, prison sentences for Group managers and harm the Group's reputation.</p>	<p>CONTROL SYSTEMS</p> <p>The Rexel Group has deployed a control system dedicated to the fight against fraud for many years. The Group conducts fraud awareness-raising and training actions for its employees on a regular basis. Rexel implemented robust accounting and financial controls, 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.</p> <p>Consequently, the residual exposure of the Group is assessed as moderate.</p>
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Risk No. 14: 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, 2023, the total amount of trade receivables held by the Group represented €2,624 million, compared to €2,617 million as at December 31, 2022.

In view of the economic conditions, in particular linked to inflation, interest rates rising, as well as the end of State aids that followed the sanitary crisis in particular in Europe, which have 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 €144.6 million at December 31, 2022, compared to €151.6 million at December 31, 2022. 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 €144.6 at December 31, 2023 out of total receivables of €2,623.8 million, *i.e.* an impairment rate of 5.5%, compared with 5.8% at December 31, 2022 (€151.6 million of impairment for a total of €2,617 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 €1,013.8 million as of December 31, 2023, *i.e.* 38.6% of the Group's total receivables, compared to €1,034.2 million as of December 31, 2022 (approximately 39.5% 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 €411.1 million at December 31, 2023, compared with €406.8 million at December 31, 2022.

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

2.1.4 Ethics and environmental risks



Risk No. 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.

On October 26, 2023 the Investigation Department issued a Report which maintains the charges against Rexel. Rexel filed its comments in reply to the Report on January 10, 2024, in which it continues to dispute the charges notified. The procedure will continue with a hearing before the College of the Authority and the issuance of a decision. At this stage, the multiplicity of variables used and the leeway given to the College of the Authority in this area make it impossible to assess a possible penalty amount.

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 prejudice 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>).

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 No. 5: Unethical behavior within the Group (corruption, anticompetitive agreements, embargoes, personal data protection) (continued)

RESIDUAL EXPOSURE

● ● Moderate

RISK IDENTIFICATION AND EXPOSURE	CONTROL SYSTEMS
<p>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.</p> <p>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> <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>	



Risk No. 7: 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. Approximately 22% of the Rexel Group's employees work in warehouses and approximately 54% hold sales positions and may regularly travel by car in the context of their duties, thus directly exposing them to a health and safety risk at work. The logistic handling of new products such as photovoltaic panels, batteries and other chemical products is also likely to create new risks.

The number of working days lost as a result of work-related accidents was 7,393 in 2023, compared with 8,925 in 2022. In 2023, the vast majority of work-related accidents resulting in lost time were in the logistics function (185 accidents, or 74%) and the commercial/sales function (61 accidents, or 24%). 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 5.4 in 2023, a slight decrease compared to 5.8% in 2022. 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 0.16 in 2023, compared to 0.2 in 2022.

Beyond these major human consequences, any accident may also have financial, legal or reputational impacts for the Group.

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. It aims at guaranteeing a safe working environment in all the places where Rexel operates. 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.

Safety-related training courses are held throughout the Group every year. 20,815 employees benefited from it in 2023, compared with 22,173 in 2022.

In addition, some countries have chosen to commit to the ISO 45001 occupational health and safety certification process. Subsidiaries in Austria, Finland, 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 No. 8: 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 more than 91% of the greenhouse gas emissions of its value chain.

Present in 21 countries in 2023 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 6.3 million liters of diesel fuel and 3 million liters of gasoline in 2023, i.e. energy consumption of 92,580 MWh at current scope (note that transport is outsourced by some entities of the Group). The commercial fleet consumed nearly 3.5 million liters of diesel fuel and 5.6 million liters of gasoline. This amounts to an energy consumption of 92,519 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 89,878 ktCO₂ in 2023, compared to 86,228 ktCO₂ in 2022.
- 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 2023 is estimated at 20,028 tons, based on a scope which includes 100% of the Rexel Group's sales, compared with 17,877 tons in 2022.
- 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 54 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, employability of seniors, 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 2023, the Rexel Group carried out a study to identify the extra-financial risks likely to entail material consequences for its employees, shareholders, business partners, other external stakeholders, the environmental impacts of its activities. This study, presented in paragraph 4.1. "Main extra-financial Risks" of this Universal Registration Document, allows for a proactive management of social, environmental, human-rights-related or anti-corruption risks.

The "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 (23% 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 7.5% 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 4.1.2.3 "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.

2.2 Insurance

In accordance with the risk management procedure described below, the Rexel Group is engaged in a constant risk identification and assessment approach and implements a global policy of prevention and protection to reduce the probability of occurrence, and the impact of potential losses, in particular: awareness-raising procedures and actions, implementation of good practices, audit of main sites, follow-up of guidelines from security professionals.

This process provides for the transfer to the insurance markets of unpredictable and difficult-to-control risks, the occurrence of which could significantly affect or jeopardize the operations of the Rexel Group. It takes into account insurance market limitations and local regulations.

Accordingly, the Rexel Group has set up worldwide insurance programs covering, for its business and all its infrastructure and assets, the consequences of the occurrence of damage to property and assets, as well as damage to third parties, in particular:

- Property damage to the assets of the Rexel Group caused by an external unexpected event, including fire, explosion, water damage, natural hazards, as well as subsequent operating losses; and
- Civil liability: due to damage suffered by third parties and that the Rexel Group may be responsible for in the context of its activities, for operating risks and after service.

The Rexel Group's insurance programs are underwritten by insurance companies of

international reputation, with the assistance of insurance brokers of international stature.

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

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.

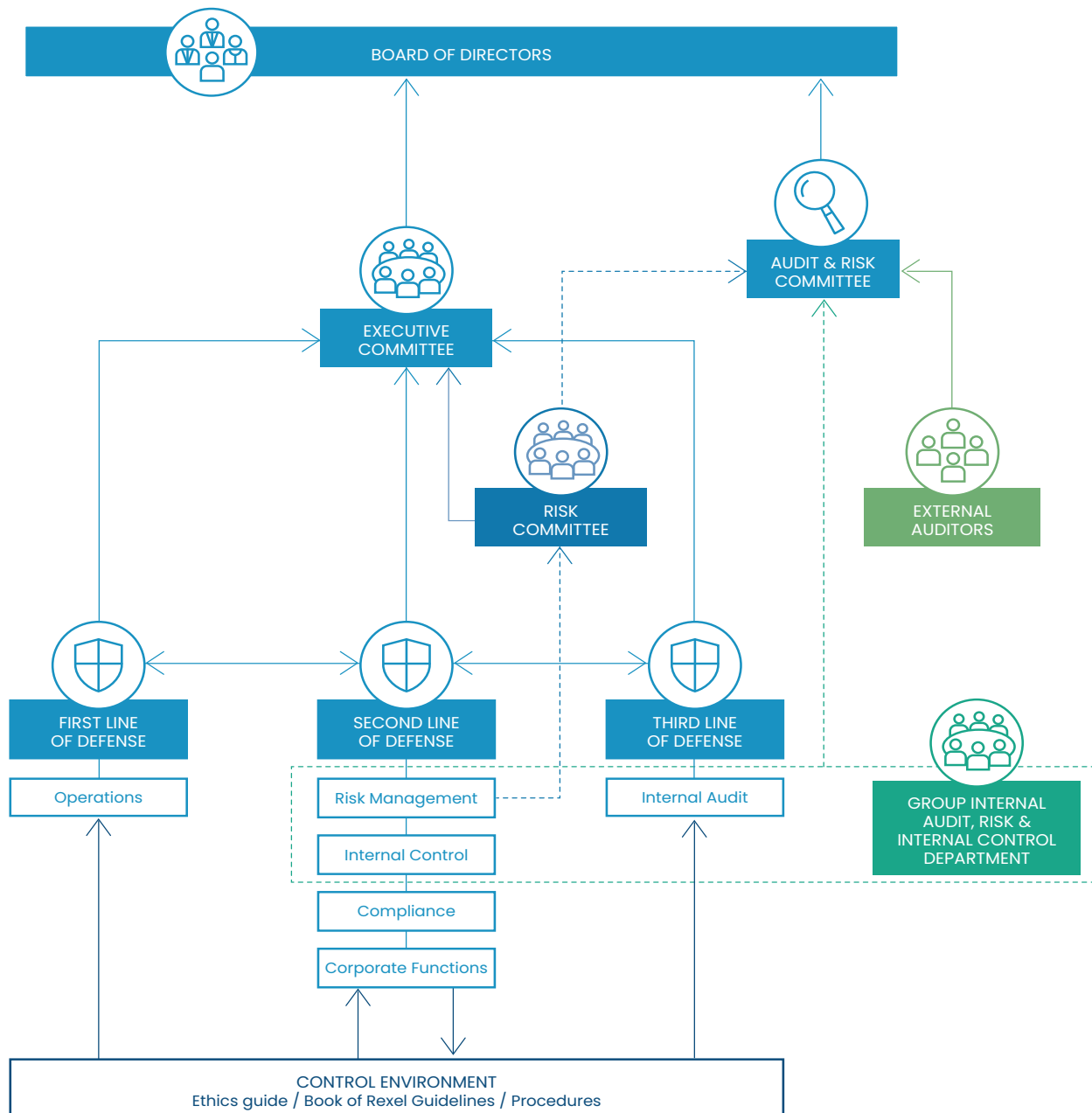
Furthermore, the Rexel Group believes that the impact of losses on its financial situation can be mitigated due to the density of its network, business recovery solutions through temporary structures, the diversity of its product offering, and distribution channels. These factors enable the Group to alleviate the consequences of losses experienced by one or more of its sites.

Furthermore, 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 Rexel. 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. The manual is updated yearly, 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 2023 version has been significantly circulated within the Group, especially to the management of each entity. It includes about

250 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.

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.

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 keeping up-to-date 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 strategic management, 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 country or 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.
- 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.

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 2023) and an internal audit service (including one manager and six internal auditors at the end of 2023).

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 2023, 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, CSR and 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 seven auditors at the end of 2023. 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 2023, the Group internal audit team was able to carry out 23 assignments in 2023. 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 32 local internal controllers and auditors (at the end of 2023) in the main Group subsidiaries (Australia, The Netherlands, 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 2023, the local internal controllers and auditors carried out 620 audits of the branch network and logistics centers. Where necessary, country internal controls and internal auditors may be called upon to assist Group internal auditors on certain assignments.

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 the Chief Financial Officer for the Europe region, UK/Ireland cluster Director 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 fifteen 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 4 times in 2023 for the update of the Group risk mapping and reported on its work and formulated its recommendations to the

Executive Committee. The duties of this committee have been extended to include the management of extra-financial risks arising from new regulatory requirements (CSRD sustainability report).

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 L.225-37 of the French Commercial Code.

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

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* (AfeP) 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 AfeP (www.afep.com), of Medef (www.medef.fr) or at the registered office of Rexel.

3.1 Administration Bodies and Management

Rexel is a public limited company with a Board of Directors.

The Board of Directors determines the broad lines of the Company's business and oversees its implementation, in accordance with its corporate interests, taking into account the social and

environmental challenges of its activity. Subject to the powers expressly vested in the Shareholders' Meetings, and within the limits of the corporate purpose, the Board deals with all matters concerning the operations of the Company, and settles all matters that concern it through its deliberations.

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

The Board of Directors is chaired by Agnès Touraine, 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 demanding 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.

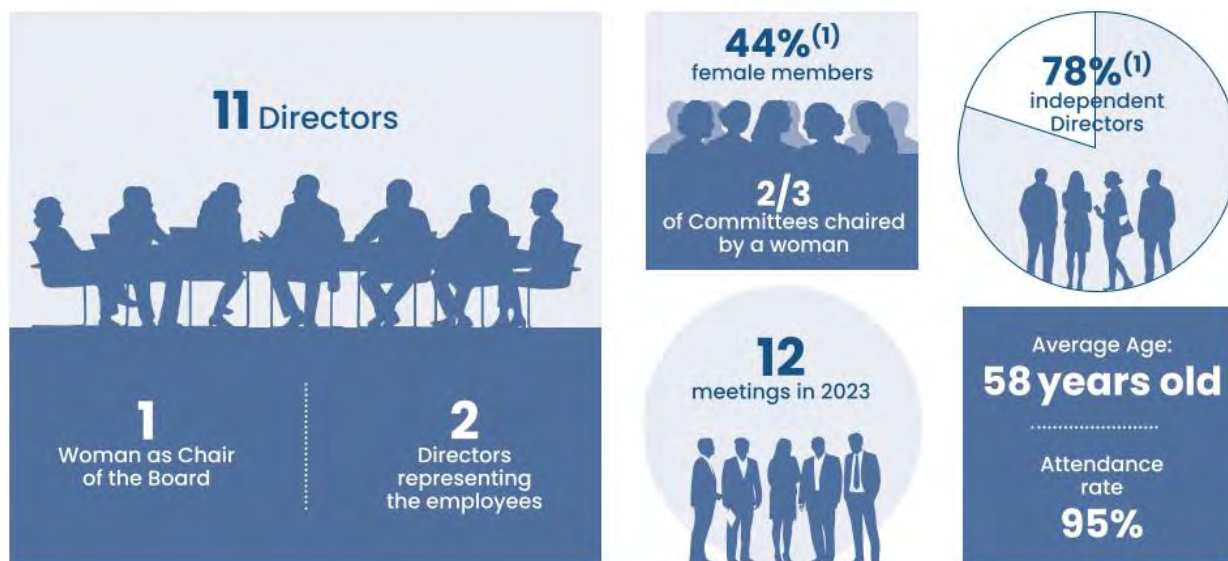
The Directors are appointed for a maximum term of 4 years.

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, 2023, the Board of Directors was made up of 11 Directors, including two Directors representing the employees.

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

- 78% of independent members (i.e. 7 members out of 9); and
- 44% of female members (i.e. 4 females out of 9).



(1) Excluding the Directors representing the employees.

Committees

3

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, Governance and Corporate Social Responsibility Committee and the Compensation Committee.



(1) Excluding the Directors representing the employees.

The table below summarizes the membership of the Board of Directors as at December 31, 2023:

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	YEARS OF PRESENCE	NUMBER OF SHARES
							AUDIT AND RISK COMMITTEE	NOMINATION, GOVERNANCE AND CORPORATE SOCIAL RESPONSIBILITY COMMITTEE	COMPENSATION COMMITTEE				
DIRECTOR													
Agnès Touraine	Chairwoman	Female	French	69	Yes	Yes	●	●	●	February 10, 2017 ⁽¹⁾	2026 Shareholders' Meeting	6	8,712
François Auque	Vice-President Chairman of the Audit and Risk Committee	Male	French	67	Yes	Yes	■			May 23, 2019	2026 Shareholders' Meeting	4	3,000
Marcus Alexanderson	Director	Male	Swedish	48	No	No	●	●		May 15, 2017	2025 Shareholders' Meeting	6	5,000
Steven Borges ⁽²⁾	Director	Male	US	55	Yes	No	●			April 20, 2023	2027 Shareholders' Meeting		1,000
Brigitte Cantaloube	Director Chairwoman of the Compensation Committee	Female	French	56	Yes	No		●	■	February 12, 2020	2024 Shareholders' Meeting	3	1,800
Barbara Dalibard	Director Chairwoman of the Nomination, Governance and Corporate Social Responsibility Committee	Female	French	65	Yes	Yes		■	●	December 3, 2021	2026 Shareholders' Meeting	2	2,400
François Henrot	Director	Male	French	74	Yes	Yes	●		●	October 30, 2013	2025 Shareholders' Meeting	10	7,133
Antoine Hermelin ⁽³⁾	Director representing the employees	Male	French	40	–	No			●	April 13, 2023	2024 Shareholders' Meeting	1	3,492
Toni Killebrew ⁽⁴⁾	Director representing the employees	Female	US	45	–	No		●		November 19, 2020	2024 Shareholders' Meeting	3	–
Maria Richter	Director	Female	US and Panama	69	Yes	Yes	●	●		May 22, 2014	2025 Shareholders' Meeting	9	6,500
Guillaume Texier	Director	Male	French	50	No	Yes				April 22, 2021, effective September 1, 2021	2025 Shareholders' Meeting	2	10,000

● Committee member ■ Committee chairman

(1) In her capacity as Director, Agnès Touraine has been Chairman of the Board of Directors since September 1, 2023.

(2) Appointed at the Annual Shareholders' Meeting of April 20, 2023. He has therefore not yet served a full year on the Board of Directors.

(3) Appointed on April 13, 2023 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.

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, 2023:

■ Board of Directors

NUMBER OF MEETINGS	AVERAGE ATTENDANCE RATE	NUMBER OF DIRECTORS	INDEPENDENCE RATE ⁽¹⁾	REPRESENTATION OF WOMEN ⁽¹⁾	AVERAGE AGE
12	95%	11	78%	44% • 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 ⁽¹⁾	INDEPENDENCE RATE ⁽¹⁾	REPRESENTATION OF WOMEN	AVERAGE AGE
5	97%	6	83%	33%	63.5

■ Nomination, Governance and Corporate Social Responsibility Committee ⁽¹⁾

NUMBER OF MEETINGS	AVERAGE ATTENDANCE RATE	NUMBER OF DIRECTORS	INDEPENDENCE RATE ⁽²⁾	REPRESENTATION OF WOMEN ⁽²⁾	AVERAGE AGE ⁽²⁾
5	90%	6	80%	80%	58.5

(1) Following the General Meeting on April 20, 2023, the Board of Directors decided to expand the responsibilities of the Nomination Committee to include Corporate Social Responsibility (CSR) issues and to change its name to the Nomination, Governance, and Corporate Social Responsibility Committee.

(2) 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 ⁽¹⁾
5	87%	5	100%	75%	60.5

(1) Excluding the Director representing the employees.

3.1.1.1 Membership of the Board of Directors

As at December 31, 2023, the Board of Directors was made up of 11 Directors, the details of whom are set out below.

AGNÈS TOURAINE

(69 years old)

Professional address:

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

Number of Rexel shares held:

8,712

Experience and expertise

Chairwoman of the Board of Directors, Member of the Audit and Risk Committee, of the Nomination, Governance and Corporate Social Responsibility Committees and of the Compensation 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.

She was appointed as Chairwoman of the Board of Directors upon the meeting of the Board of Directors of July 27, 2023. She started her duties as Chairwoman of the Board of Directors on September 1, 2023.

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 and SNCF, and of the Supervisory Board of Tarkett. She previously acted as non-executive Director of Cable&Wireless Plc (UK), Neopost, Darty Plc and Proximus. 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

- Chairwoman of the Board of Directors of Rexel
- Member of Rexel's Compensation Committee
- Member of Rexel's Nomination, Governance and Corporate Social Responsibility Committee
- Member of Rexel's Audit and Risk Committee

Abroad

–

Over the last five financial years:

In France

- Vice-President of Rexel's Board of Directors / Senior Independent Director
- Chairwoman of Rexel's Nomination, Governance and Corporate Social Responsibility Committee
- Chairwoman of Rexel's 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 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)
- Director of Proximus (Belgium – listed company)

FRANÇOIS AUQUE

(67 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. He was appointed as Deputy Chairman of the Board of Directors on July 27, 2023, effective September 1, 2023.

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 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

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

Over the last five financial years:

In France

–

Abroad

–

MARCUS ALEXANDERSON

(48 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 Nomination, Governance and Corporate Social Responsibility 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 Audit and Risks Committee
- Member of Rexel's Nomination, Governance and Corporate Social Responsibility 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

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

Over the last five financial years:

In France

–

Abroad

–

STEVEN BORGES

(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

Steven Borges was appointed as a Director by the Shareholders' Meeting of April 20, 2023.

Steven Borges is a US citizen.

Steven Borges is currently Executive Vice-President and Chief Operating Officer of Diversified Manufacturing Services at Jabil Inc, a global player in the production of electronic products. He joined Jabil Inc. in 1993 and has held positions of increasing seniority within the company's sales, production and supply chain departments over his 30-year career. Prior to his current role, he was Executive Vice-President and Chief Executive Officer of the Regulated Industries division, with additional responsibilities in additive manufacturing.

He is also a Member of the Board of Trustees at Johns Hopkins All Children's Hospital.

Steven Borges is a graduate of Fitchburg State College.

Term of office

First appointment:

April 20, 2023

Current term of office:

From April 20, 2023 until the Shareholders' Meeting deciding on the accounts for the financial year ending December 31, 2026

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

Abroad

–

Over the last five financial years:

In France

–

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

–

Abroad

- Executive Vice-President and Chief Operating Officer of the Diversified Manufacturing Services branch at Jabil Inc. (United States, listed company)

Over the last five financial years:

In France

–

Abroad

- Executive Vice-President and Chief Operating Officer of the Regulated Industries and Healthcare Division branches at Jabil Inc. (United States, listed company)

BRIGITTE CANTALOUBE

(56 years old)

Professional address:

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

Number of Rexel shares held:

1,800

Experience and expertise

Director, Chairwoman of the Compensation Committee, member of the Nomination, Governance and Corporate Social Responsibility 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 PSA Group's Chief Digital Officer from February 2016 to November 2017, in charge of leading the Group's digital transformation. She previously held various executive positions within the Yahoo! group, including Vice-President and Chief Commercial Officer in charge of the EMEA region from 2014 to 2016, Managing Director of Yahoo! France from 2009 to 2014 and General Manager from 2006 to 2009.

Brigitte Cantaloube began her career with the L'Expansion group (1992-2006), where she held various executive positions, including Sales Director in charge of *La Vie Financière magazine* (1996-1999), Director of Partnerships and Marketing for the Internet department (2000-2002) and Sales Director of *L'Express* (2003-2006).

She holds a master's degree in management from EDHEC 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
- Chairwoman of Rexel's Compensation Committee
- Member of Rexel's Nomination, Governance and Corporate Social Responsibility Committee

Abroad

–

Over the last five financial years:

In France

- Member of Rexel's Audit and Risks Committee

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

–

Abroad

–

Over the last five financial years:

In France

–

Abroad

–

BARBARA DALIBARD

(65 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, Chairwoman of the Nomination, Governance and Corporate Social Responsibility Committee and 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 were 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
- Chairwoman of Rexel's Nomination, Governance and Corporate Social Responsibility Committee
- 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)

FRANÇOIS HENROT

(74 years old)

Professional address:

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

Number of Rexel shares held:

7,133

Experience and expertise

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

François Henrot has served on the Board of Directors of Rexel as Director 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

François Henrot resigned from his position as director on March 6, 2024 with effect from the end of the General Meeting of April 30, 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

- Member of Rexel's Nomination, Governance and Corporate Social Responsibility 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
- Senior Independent Director of Rexel
- Deputy Chairman of the Board of Directors of Rexel

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

–

ANTOINE HERMELIN

(40 years old)

Professional address :

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

Number of Rexel shares held:

3,942

(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

Antoine Hermelin was appointed as a director representing employees on April 13, 2023 by the most representative trade union organization in France, in accordance with the provisions of paragraph 7.1 of Article 14 of Rexel's bylaws and Articles L.225-27-1 and L.22-10-7 of the French Commercial Code. The position of director representing employees was previously held by Julien Bonnel, who left the Group on February 17, 2023.

Antoine Hermelin is a French citizen.

He is Head of Category Management at Rexel France, which he joined in 2006. He began his career in sales positions, as a branch salesman, traveling salesman, point-of-sale manager and connected-home market development manager. He then moved to head office, where he held a number of data and digital-related positions, including Head of Personalization and Customer Journey.

Antoine Hermelin holds a "BTS" in Industrial Automation Maintenance.

Term of office

First appointment:

April 13, 2023

Current term of office:

From April 13, 2023 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 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

–

TONI KILLEBREW

(45 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, Governance and Corporate
Social Responsibility 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 has been the Region Merger &
Acquisitions Integration Director for Rexel Gulf
Central Region within 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,
Governance and Corporate Social
Responsibility 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

–

MARIA RICHTER

(69 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, Governance and Corporate Social Responsibility 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 Anglo Gold Ashanti plc. She was a member of the company's Audit and Risk Committee until mid-2023. Since May, 2019, she also serves as a chairwoman of the company's Human Resources & Compensation Committee and currently is a member of the Nomination and Governance Committee and the Social, Ethics and Sustainability 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 law firm Dewey Ballantine (1980-1985) before joining The Prudential (1985-1992) where she held a number of executive positions, notably 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, Governance and Corporate Social Responsibility 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, chairwoman of Compensation Committee and a member of the Nomination and Governance Committee and the Social, Ethics and Sustainability Committee of Anglo Gold Ashanti plc (United Kingdom – listed company)

Over the last five financial years:

In France

–

Abroad

- Non-executive Director and member of the Risk Committee and Compensation Committee of Barclays Bank plc (United Kingdom – listed company)
- Member of the Audit and Risk Committee of Anglo Gold Ashanti plc

GUILLAUME TEXIER

(50 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 Advisor to 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-President, 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, for a scope representing approximately €12 billion in revenue in 2020 and employing over 40,000 people.

He has also been 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

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

Abroad

–

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

During the financial year ended on December 31, 2023, the following changes took place in the membership of the Board of Directors:

DIRECTOR	APPOINTMENT/CO-OPTION/APPROVAL	RE-ELECTION	LEAVE	COMMENTS
Agnès Touraine	X			Appointment as Chairwoman of the Board of Directors by decision of the Board of Directors on July 27, 2023, effective September 1, 2023.
Marie-Christine Lombard	X		X	Appointment as Director by the Shareholders' Meeting of April 20, 2023. Resignation as Director with effect from December 13, 2023 ⁽¹⁾
Steven Borges	X			Appointment as Director by the Shareholders' Meeting of April 20, 2023
Antoine Hermelin	X			Appointment as Director representing the employees by CFDT on April 13, 2023
Ian Meakins			X	Resignation as Director effective August 31, 2023
Elen Phillips			X	Termination of her term of office as Director on April 20, 2023

(1) Marie-Christine Lombard resigned from her mandate as a Director on December 13, 2023 due to the time constraints resulting from recent changes in her activities.

In addition, François Henrot resigned from his position as director on March 6, 2024 with effect from the end of the General Meeting April 30, 2024.

It will be proposed to the Shareholders' Meeting of April 30, 2024 to:

- to renew Brigitte Cantaloube's term as a Director for 4 years;

- to appoint Éric Labaye as a Director for a duration of 4 years; and
- to appoint Catherine Vandendorre as a Director for a duration of 4 years.

ÉRIC LABAYE

(62 years old)

Professional address:

IDEL Partners
176, avenue Charles de Gaulle
92200 Neuilly sur Seine

Number of Rexel shares held:

0

Experience and expertise

Éric Labaye is a French citizen. He is Chairman and co-founder of IDEL Partners, a consulting firm specialized in business transformation.

From 2018 to 2023, Éric Labaye was Chairman and President of École Polytechnique, as well as of Institut Polytechnique de Paris from its creation in 2019.

Previously, he was a Senior Partner at McKinsey, which he joined in 1985, serving international companies in the high-tech and industrial sectors. Éric Labaye was Managing Partner of the French office, member of the Global Executive Committee in charge of Knowledge and Communication, and Chairman of the McKinsey Global Institute (MGI). He was also a member of McKinsey's Global Board of Directors for 9 years.

He is a member of the Board of Directors of Generation France, the International Advisory Board of ESSEC, the International Advisory Board of the University of Waterloo and the Strategic Council of the School of Public Affairs at Sciences Po. He was a member of the Commission "Release growth in France" and the French Economic Commission.

Éric Labaye is a graduate of École Polytechnique and Télécom Paris, and holds an MBA from INSEAD.

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

- Chairman and co-founder at IDEL Partners
- Member of the board of Generation France (France, association – unlisted)

Abroad

–

Over the last five financial years:

In France

- Chairman and President at Institut Polytechnique de Paris
- Chairman and President at Ecole Polytechnique

Abroad

–

CATHERINE VANDENBORRE

(53 years old)

Professional address:

Clos du Champ de Bourgeois, 11
1330 Rixensart, Belgium

Number of Rexel shares held:

0

Experience and expertise

Catherine Vandendorre is a Belgian citizen. She started her career at Coopers & Lybrand in 1993 as in the Auditing Department. She then joined the Office Central de Crédit Hypothécaire as Controller in the banking sector.

In 1999, Catherine Vandendorre joined Elia Group, where she successively held the positions of Head of Accounting and Finance and Head of Internal Audit and Programme Management. Previously, she was member of the Executive Committee of APX-ENDEX, an Anglo-Dutch gas and electricity company based in Amsterdam.

Catherine Vandendorre returned in 2012 to Elia Group as Chief Corporate Affairs, then Chief Financial Officer, and finally Chief Executive Officer Ad Interim, a position she has held since September 2023.

Catherine Vandendorre is a graduate of the Université Catholique of Louvain, the Ecole Supérieure des Sciences Fiscales of Bruxelles, the Université Saint-Louis of Bruxelles, Insead and Singularity 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

- Chief Executive Officer Ad Interim of Elia Group (Belgium – listed company)
- Chief Financial Officer of Elia Group (Belgium – listed company)
- Chairwoman of the Audit Committee and Independent Director of Proximus (Belgium – listed company)

Over the last five financial years:

In France

–

Abroad

- Independent Director of SN Airholding (Belgium – non-listed company)

Succession plan

The Nomination, Governance and Corporate Social Responsibility 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, Governance and Corporate Social Responsibility 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, Governance and Corporate Social Responsibility 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 twice a year.

The Board of Directors has been informed of the progress of the works relating to the establishment of the succession plan in 2023 after each meeting of the Nomination, Governance and Corporate Social Responsibility Committee. The Chairman of the Audit and Risk Committee and the Chairwoman of the Compensation Committee were involved in the work of the Nomination, Governance and Corporate Social Responsibility 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.

Implementation as part of Ian Meakins' succession following his resignation from his duties as director and Chairman of the Board of Directors

The Board of Directors, on the recommendation of an *ad hoc* committee specially set up on July 12, 2023 for the implementation of the succession plan of the Chairman of the Board of Directors, approved the evolution of the governance of the Company by appointing Agnès Touraine as Chairwoman of the Board of Directors as of September 1, 2023.

In addition, the Board of Directors, on the recommendation of the same committee, appointed François Auque as Vice-Chairman of the Board of Directors and deemed that it was not necessary to maintain the function of Lead Independent Director, given Agnès Touraine's expertise in corporate governance of French companies.

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 work 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 Board of Directors focused on skills and diversity" of this Universal Registration Document);

- 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, 2023, the members of the Board of Directors were between 40 and 74 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, Governance and Corporate Social Responsibility Committee. The Nomination, Governance and Corporate Social Responsibility 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.

■ Expertise of the Directors

Members of the Board of Directors are selected on the basis of the key expertise they have acquired in the course of their various duties, based on 6 key areas of expertise in relation to the Rexel Group's activities. These key areas of expertise are as follows:

	INTERNATIONAL MANAGEMENT EXPERIENCE	FINANCE	SERVICES SECTOR	DISTRIBUTION SECTOR	DIGITAL	ESG
DIRECTORS						
Marcus Alexanderson	✓	✓		✓		
François Auque	✓	✓			✓	
Steven Borges	✓		✓	✓		
Brigitte Cantaloube	✓		✓		✓	
Barbara Dalibard	✓		✓		✓	
François Henrot	✓	✓		✓		
Antoine Hermelin				✓	✓	✓
Toni Killebrew	✓			✓		✓
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, 2023, 4 Directors were foreign nationals (United States, Panama, 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; or
- 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, Governance and Corporate Social Responsibility 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, Governance and Corporate Social Responsibility 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 below.

As of December 31, 2023 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:

- 7 members out of 9 of the Board of Directors, excluding the Directors representing employees, were considered as independent: François Auque, Steven Borges, Brigitte Cantaloube, Barbara Dalibard, François Henrot, Maria Richter and Agnès Touraine, *i.e.*, an independence rate of 78%;
- 5 members out of 6 of the Audit and Risk Committee were considered as independent: François Auque, François Henrot, Steven Borges, Maria Richter and Agnès Touraine, *i.e.*, an independence rate of 83%;
- 4 members out of 5 of the Nomination, Governance and Corporate Social Responsibility Committee, excluding the Directors representing employees, were considered as independent: Brigitte Cantaloube, Barbara Dalibard, Maria Richter and Agnès Touraine, *i.e.*, an independence rate of 80%; and
- 4 members out of 4 of the Compensation Committee, excluding the Directors representing employees, were considered as independent: Brigitte Cantaloube, François Henrot, Barbara Dalibard and Agnès Touraine *i.e.*, an independence rate of 100%.

Based on the report drawn up by the Nomination, Governance and Corporate Social Responsibility Committee, the Board of Directors of February 14, 2024 reviewed the status of each Director. 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, Governance and Corporate Social Responsibility 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 0.1% in 2023); 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" are 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, Governance and Corporate Social Responsibility Committee, the Board of Directors concluded that the Directors met the independence criteria within the meaning of the AFEP-MEDEF Code. Except Marcus Alexanderson and Guillaume Texier are not concerned by these findings.

This analysis did not include Antoine Hermelin 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
DIRECTORS								
Marcus Alexanderson	✓	✓	✓	✓	✓	✓	⁽²⁾	Not independent
François Auque	✓	✓	✓	✓	✓	✓	✓	Independent
Steven Borges	✓	✓	✓	✓	✓	✓	✓	Independent
Brigitte Cantaloube	✓	✓	✓	✓	✓	✓	✓	Independent
Barbara Dalibard	✓	✓	✓	✓	✓	✓	✓	Independent
François Henrot	✓	✓	✓ ⁽¹⁾	✓	✓	✓	✓	Independent
Antoine Hermelin								Director representing the employees ⁽³⁾
Toni Killebrew								Director representing the employees ⁽³⁾
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, 2023, the Board of Directors comprised 4 female members out of a total of 9 members excluding directors representing the employees, *i.e.*, 44%. 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. Moreover, Agnès Touraine chairs the Board of Directors. Lastly, two out of the three Committees of the Board of Directors are chaired by a female: the Compensation Committee is chaired by Brigitte Cantaloube, and the Nomination, Governance and Corporate Social Responsibility Committee and the Compensation Committee are chaired by Barbara Dalibard.

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, Governance and Corporate Social Responsibility 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, Governance and Corporate Social Responsibility Committee.

The percentage of women will stay at 50% if the Shareholders' Meeting of April 30, 2024 approves the renewal of the term of office of Brigitte Cantaloube, and the appointments of Éric Labaye and Catherine Vandenborre and given the resignation of François Henrot from his position as director with effect from the end of the General Meeting of April 30, 2024.

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 20, 2023, the renewal of the term of office of Ian Meakins and the appointment of Marie-Christine Lombard and Steven Borges as Directors. It is

specified that Marie-Christine Lombard resigned from her mandate as director effective December 13, 2023, due to the time constraints resulting from the recent developments of her activities.

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 April 20, 2023. The main purpose of this update was to extend the remit of the Appointments Committee, which changed its name on this occasion, to include corporate social responsibility, and to reiterate the remit of the Board of Directors in this area.

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, Governance and Corporate Social Responsibility 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.

Duties of the Chairman/Chairwoman

The Board of Directors appointed Agnès Touraine as Chairwoman of the Board of Directors effective September 1, 2023, following the resignation of Ian Meakins from his duties as Director and Chairman of the Board of Directors.

During the financial year ended December 31, 2023, the successive Chairman of the Board of Directors:

- Kept 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;
- Have had numerous discussions with the Chief Executive Officer in relation to various material and strategic events for Rexel. Following these exchanges, they 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;
- Had several discussions with the members of the Executive Committee and various employees of the Group to discuss organizational, strategic, commercial and other issues; and
- Have exchanged regularly, 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.

Agnès Touraine also presented Rexel's governance and the workings of the Board of Directors and its Committees during a governance roadshow organized in February 2023 with investors and the main voting recommendation agencies. On these occasions, Agnès Touraine discussed the compensation policy for executive directors, and a report on these exchanges was presented to the Board to ensure that it was fully informed of the expectations of the main investors.

Deputy Chairman

In the absence or in the event of the death of the Chairman, the Deputy Chairman serves as Chairman and enjoys the same prerogatives. If the Chairman is unable to act, he is replaced for the duration of the impediment. In the event of death, the Chairman is replaced until the election of a new Chairman.

The Deputy chairs Board meetings in the absence of the Chairman.

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.

Duties of the Deputy Chairman and Senior Independent Director

François Henrot served as Deputy Chairman of the Board of Directors and independent lead director until April 20, 2023, when Agnès Touraine took up her duties as Deputy Chairman of the Board of Directors and lead director, before being appointed Chairman of the Board of Directors with effect from September 1, 2023.

As such, each and every one of them:

- Exchanged views on a regular basis with the Chief Executive Officer and members of the Board of Directors, notably on the Board's performance, and on the monitoring of investment and divestment transactions.
- Kept abreast of major events in the life of the Group and its competitors through regular contacts and meetings with the Managing Director and members of the Board of Directors.

With effect from the appointment of Agnès Touraine as Chairman of the Board of Directors and François Auque as Deputy Chairman of the Board of Directors, i.e. on September 1, 2023, the Board of Directors has decided that it is not necessary to retain the position of independent Lead Director, given Agnès Touraine's expertise in French corporate governance.

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 invited

to attend Board and Committee meetings in an advisory capacity for information purposes only.

Operation of the Board of Directors

Competence

The Board of Directors determines the direction of Rexel's business and oversees its implementation, in accordance with its corporate interests, taking into consideration the social, environmental, cultural and sporting challenges of its activity. Subject to the powers expressly attributed to shareholders' meetings, and within the limits of the corporate purpose, the Board deals with all matters concerning the proper operation of Rexel, and settles the matters that concern it through its deliberations.

In its dealings with third parties, Rexel is bound even by the acts of the Board of Directors that do not fall within the scope of the corporate purpose, unless it can prove that the third party knew that the act exceeded that purpose or that it could not have been unaware of it in view of the circumstances, it being excluded that the mere publication of the bylaws is sufficient to constitute such proof.

The Board of Directors carries out any controls and verifications it deems appropriate.

Each director receives all the information required to perform his or her duties. They may ask the Chairman to provide them with any documents they consider useful.

An integration program has been set up for new Directors. This includes a one-on-one interview with each member of the Group Executive Committee. These meetings enable them to learn more about the Group's activities, specific features and operating procedures. Finally, through their mandate, each Director has the opportunity to receive additional training on the specific characteristics of Rexel, its businesses, its sector of activity, and its challenges in terms of social and environmental responsibility.

In addition, directors representing employees receive training adapted to the exercise of their mandate. Given their specific status, directors representing employees are entitled to 15 hours'

preparation time before each meeting, and 40 hours' training per year. These training sessions may focus in particular on the functioning of the Board of Directors, the rights and duties of a director, and Rexel's business.

When he took office, Antoine Hermelin received training on the rights and duties of directors representing employees, and on corporate finance.

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 and compensation:

- 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 and fixing their compensation;
- It chooses the executive management organization method (separation of the functions of Chairman from the functions of Chief Executive Officer, or combination of both functions);
- It co-opts the Directors;
- It sets the compensation policy;
- It distributes the Directors' compensation;

- It is informed on the appointment, dismissal/termination of the members of the Executive Committee; and
 - It issues opinions on the compensation of the Executive Committee members.
- (iii) 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 appointment and reappointment of the Directors.
- (iv) 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), or
 - 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 by Rexel or one of its subsidiaries involving an amount in excess of a threshold determined by the Board of Directors.
- (v) Powers of social and environmental responsibility:
- On the proposal of the General Management, establishment and monitoring of the multi-year strategic plan for social and environmental responsibility;

- Review of key risks and opportunities related to social and environmental responsibility;
- Review of the Extra-Financial Performance Statement and Due Diligence Plan and review of other CSR publications;
- Review and follow-up of social and environmental responsibility ratings.

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.

For good corporate governance practice, the Chairman of the Board of Directors shall forward to the Chairman of the relevant committee within a reasonable time (taking into account the circumstances) all the elements and documents enabling the Committee to carry out its work and to formulate its opinions, recommendations or proposals on the draft decision of the Board of Directors.

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.

Loyalty and good faith: directors take no initiative that could harm the Company's interests, and act in good faith in all circumstances.

In addition to the obligation of discretion laid down in Article L. 225-37 of the French Commercial Code, all Directors are bound by professional secrecy with regard to any non-public information that may come to their knowledge in the course of their duties. They are personally committed to respecting the total confidentiality of the information they receive, the discussions in which they take part and the decisions taken.

Only the Chairman may speak on behalf of the Board of Directors, except in exceptional circumstances or where a specific mandate has been granted to another director. With the exception of the Chairman of the Board of Directors, all directors undertake to refrain from speaking about the Company or the Group, except during Board meetings or at the invitation or with the agreement of the Chairman. In the event of a proven breach of confidentiality by a director, the Chairman of the Board of Directors, after consulting the Lead Independent Director, if any, and the Appointments, Governance and Corporate Social Responsibility (CSR) Committee, will inform the Board of any action, including legal action, that he is considering as a result of the breach.

Professionalism and commitment:

Directors :

- commit to devoting the necessary time and attention to their duties,
- are expected to attend all meetings of the Board of Directors and the Committees of which they are members, unless this is impossible,

- keep themselves informed about the Company's business activities, challenges and values,
- strive to keep up to date the knowledge they need to carry out their duties,
- are required to request and take all necessary steps to obtain, within the appropriate timeframe, the information they deem essential to enable them to make informed decisions on behalf of the Board of Directors,
- make proposals for improving the working conditions of the Board and its Committees.
- comply with the provisions of any Company code of ethics drawn up by the Board of Directors.

Each director may, if he or she deems it necessary, benefit from additional training on the specific features of the company, its businesses, its sector of activity and its challenges in terms of social and environmental responsibility. In addition, directors representing employees benefit from training tailored to the exercise of their mandate.

Each director undertakes to resign from his or her position on the Board of Directors when he or she believes in good faith that he or she is no longer in a position to fully discharge his or her duties and obligations.

Independence and conflicts of interest: Directors take care to avoid any conflict of interest that may exist 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 or the Chairman of the Board 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 or the Chairman of the Board 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 and the contribution of individual and collective directors on a periodic basis and at least once a year. The assessment of the performance of the Board of Directors and the contribution of individual and collective 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 and individual interviews with them. The evaluation shall cover the Board of Directors, its Committees and their chairs and members. 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 and the contribution of individual and collective directors is carried out at least once every three years, with the assistance of an external consultant.

This external consultant must be independent of the company, its officers and directors. 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 2023, the assessment of the composition, the organization and operation of the Board of Directors and of its Committees was carried out, under the direction of Barbara Dalibard,

Chairwoman of the Nomination, Governance and Corporate Social Responsibility Committee, by an independent consultant, Egon Zehnder, on the basis of individual interviews. The conclusions were presented to the Board of Directors.

The assessment of the performance of the Board of Directors and the individual and collective contribution of directors shows that the Board of Directors has continued to improve its organisation and operation in recent years. A clear strategy has been set. The Board of Directors has been able to meet the governance challenges facing the Group (change in the Chairmanship of the Board, new Chairwomen of the Nomination, Governance and Corporate Social Responsibility Committee, of the Compensation Committee and changes in the composition of the Committees). On the appointment of Agnès Touraine as Chairwoman of the Board of Directors and François Auque as Vice-Chairman, the Board decided that it was no longer necessary to retain the role of Lead Director, given Agnès Touraine's experience in the governance of French companies. The composition of the Board of Directors is of quality and provides for balanced representation. The Board of Directors has been strengthened by the arrival of a wide range of profiles. The organisation of the Board of Directors appears to be efficient, particularly regarding the scheduling of meetings, the quality and availability of information, and the time devoted to discussions, which appears to be appropriate. The Board's important decisions are taken in a constructive, efficient, collective and considered manner by each of its members. In addition, increasing attention is paid to sustainability issues and cybersecurity. Finally, relations between the Shareholder represented at the Board, the Chairwoman and the Chief Executive are transparent and reflect a shared willingness to address all issues, including succession planning and strategy.

Some suggestions have also been made to improve the organisation of the Board of Directors: the adoption of new strategic competencies within the Board of Directors, in key sectors such as finance or energy.

Furthermore, in light of the recommendations made in previous exercises, the following measures have been implemented: regarding the composition of the Board of Directors, a director with significant US experience was appointed by the General Meeting of 20 April 2023. Steven Borges joined the Board of

Directors and the Audit and Risk Committee on the same date. Regarding the Board's missions, the Board of Directors has extended the powers of the Nominations Committee to include corporate social responsibility. Talent management and succession planning were closely monitored by the Nomination, Governance and Corporate Social Responsibility Committee and the Board of Directors. Finally, the Board of Directors was kept regularly informed of the roll-out of the Power Up 2025 strategic plan.

3.1.1.4 The work of the Board of Directors during the 2023 financial year

CHAIRMAN	NUMBER OF MEMBERS	INDEPENDENCE RATE ⁽¹⁾	FEMALE DIRECTORS ⁽¹⁾	NUMBER OF MEETINGS HELD IN 2023	AVERAGE ATTENDANCE RATE
Ian Meakins ⁽²⁾ and Agnès Touraine ⁽³⁾	11	78%	44%	12	95%

(1) Excluding the Directors representing the employees.

(2) The duties of Ian Meakins as Chairman of the Board of Directors ended on August 31, 2023.

(3) The duties of Agnès Touraine as Chairwoman of the Board of Directors started on September 1, 2023.

During the financial year ended on December 31, 2023, the Board of Directors met on 12 occasions.

The Board of Directors deliberated on, *inter alia*:

Financial statements and results	<ul style="list-style-type: none"> • The review of the financial statements for the financial year ended December 31, 2022, and for the first three quarters of 2023 • Related financial disclosure (press releases and presentations to analysts), review of quarterly sales communications • The review of provisional management documents • Rexel Group budget for 2024 financial year • The distribution proposal to be submitted to the Annual General Meeting of April 20, 2023 • Authorization to the Chief Executive Officer to issue securities, to deliver endorsements and guarantees • Authorization granted to the Chief Executive Officer to implement the share repurchase plan • Recognition of share capital, reduction of share capital by cancellation of treasury shares and corresponding amendment to the bylaws.
Corporate Governance	<ul style="list-style-type: none"> • Approval of the 2022 Universal Registration Document • The review of the management report, including the corporate governance report and the free share allocation report • Set the compensation policy of the executive Directors • Review of the succession plans for the Chief Executive Officer and the Chairman of the Board of Directors • Implementation of free share allocation plans • Annual review of related-party agreements • Preparation of Rexel's Annual General Meeting of Shareholders • Changes in the composition of the Board of Directors and its committees • The assessment of the Board of Directors • Review of the work of the Committees of the Board of Directors • Presentation of the expectations and positions of the main investors and proxy advisors
Strategy topics	<ul style="list-style-type: none"> • The envisaged disposals and acquisitions of the Rexel Group • Monitoring the implementation of the "Power Up 25" strategic plan • Review of annual outlook ("Guidance") • Review of the multi-year strategic plan for social and environmental responsibility • Assessment of the measures in place to prevent cyber-attacks • The review of the risk update and of risk management report
Compensations policy and human resources	<ul style="list-style-type: none"> • The information on the Group's Human Resources policy • Review of talent and succession plans for the Executive Committee members • The monitoring diversity objectives in management bodies • The monitoring and implementation of health and safety policy

The Board of Directors was further informed of the progress made on the main structuring projects conducted by the Rexel Group subsidiaries.

Independent directors sessions (Executive Sessions)

During the financial year ended December 31, 2023, all of the non-executive directors met on two occasions without the presence of the Chief Executive Officer and of the Executive Committee members. During these meetings, the non-executive directors exchanged, *inter alia*, on the

compensation of the Chief Executive Officer, the execution of his mandate, the work of the Board as well as on the changes in the Board of Directors (new directors and modification of the Chairman and Deputy Chairman the Board of Directors).

The meetings of the Board of Directors are organized in person and in exceptional cases remotely. The attendance rate at the meetings of the Board of Directors and of the Committees calculated on a *pro rata* basis for the duration of their mandate during the fiscal year, and therefore taking into account changes in the composition of the Board and its Committees in 2023 was as follows:

	BOARD OF DIRECTORS		AUDIT AND RISK COMMITTEE		NOMINATION, GOVERNANCE AND CORPORATE SOCIAL RESPONSIBILITY COMMITTEE		COMPENSATION COMMITTEE	
	NUMBER OF MEETINGS	ATTENDANCE RATE	NUMBER OF MEETINGS	ATTENDANCE RATE	NUMBER OF MEETINGS	ATTENDANCE RATE	NUMBER OF MEETINGS	ATTENDANCE RATE
DIRECTORS								
Agnès Touraine	12/12	100%	1/1	100%	5/5	100%	4/4	100%
François Auque	12/12	100%	5/5	100%				
Marcus Alexanderson ⁽¹⁾	12/12	100%	5/5	100%	3/3	100%	2/2	100%
Steven Borges ⁽²⁾	7/8	88%	2/2	100%				
Brigitte Cantaloube	12/12	100%	3/3	100%	3/3	100%	5/5	100%
Barbara Dalibard	12/12	100%	2/2	100%	2/2	100%	5/5	100%
François Henrot ⁽³⁾	11/12	92%	1/1	100%	0/2	0%	3/5	60%
Antoine Hermelin ⁽⁴⁾	9/9	100%					3/3	100%
Toni Killebrew	12/12	100%			5/5	100%		
Maria Richter	12/12	100%	5/5	100%	5/5	100%		
Guillaume Texier	12/12	100%						
DIRECTORS HAVING LEFT THEIR OFFICE DURING THE YEAR ENDED DECEMBER 31, 2023								
Julien Bonnel ⁽⁵⁾	0/2	0%					0/1	0%
Marie-Christine Lombard ⁽⁶⁾	4/7	43%					2/4	50%
Ian Meakins ⁽⁷⁾	9/9	100%	4/4	100%	3/3	100%	3/3	100%
Elen Phillips ⁽⁸⁾	3/4	75%	2/3	67%	1/2	50%		
Average rate		95%		97%		90%		87%

(1) Marcus Alexanderson left the Compensation Committee on April 20, 2023, and joined the Nomination, Governance, and Corporate Social Responsibility Committee on the same date.

(2) Steven Borges was appointed as a Director by the Annual General Meeting of April 20, 2023.

(3) François Henrot resigned from the Nomination, Governance, and Corporate Social Responsibility Committee on April 20, 2023. He joined the Audit and Risks Committee on October 19, 2023.

(4) Antoine Hermelin was appointed as a director representing employees on April 13, 2023.

(5) Julien Bonnel's mandate as an employee director ended, and he left the Board of Directors on February 17, 2023, the date on which he departed from the Rexel group.

(6) Marie-Christine Lombard was appointed as a Director by the Annual General Meeting of April 20, 2023 and resigned from her mandate with effect from December 13, 2023 due to the time constraints resulting from the recent developments of her activities.

(7) Ian Meakins resigned from his positions as Director and stepped down as Chairman of the Board of Directors, effective August 31, 2023.

(8) Elen Phillips' mandate as a Director ended at the Annual General Meeting of the Shareholders of April 20, 2023.

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, 2023, the three Committees of the Board of Directors were as follows:

- the Audit and Risk Committee;
- the Nomination, Governance and Corporate Social Responsibility Committee; and
- the Compensation Committee.

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.

3.1.2.1 Audit and Risk Committee

CHAIRMAN	NUMBER OF MEMBERS	INDEPENDENCE RATE	NUMBER OF MEETINGS HELD IN 2023	AVERAGE ATTENDANCE RATE
François Auque	6	83%	5	97%

Members of the Audit and Risk Committee

As at December 31, 2023, the Audit and Risk Committee was made up of the following members:

- François Auque (Chairman and Independent Director);
- Marcus Alexanderson (Non-independent Director);
- Steven Borges (Independent Director);
- François Henrot (Independent Director);
- Maria Richter (Independent Director); and
- Agnès Touraine (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 member of the Audit and Risk Committee possesses expertise in financial and/or accounting matters. Additionally, they are informed about the accounting, financial, or operational specificities of the Rexel Group. The skills of the Audit Committee members are detailed in paragraph 3.1.2.2 "A Board of Directors composition focused on skills and diversity" of this Universal Registration Document. 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, 2023, 5 out of the 6 members were therefore considered as independent, *i.e.*, an independence rate of 83%.

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 financial 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 elaboration 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.

In addition, with respect to information relating to sustainability, the Audit Committee will be in charge of the following assignments:

- Review and control of the information relating to sustainability:
 - Review of the scope as well as the procedures and methods for identifying, monitoring and processing sustainability information;
 - Review of the process of identifying, monitoring and processing sustainability information, and if necessary, formulation of recommendations to ensure its integrity;
 - Examination of the sustainability information to be included in the annual report;
 - Opinion to the Board of Directors on any draft adoption of significant changes to the procedures and methods used;
- Monitoring of the performance of their mission by the certifiers:
 - Monitoring of the work of the certifiers on sustainability information;
 - Reporting to the Board of Directors on the results of the certification mission of sustainability information, on how this mission contributed to the integrity of sustainability information and on the role it played in this process and informs it without delay of any difficulty encountered;

- Monitoring of the controls carried out by the competent authorities;
- Control of the independence of the certifiers:
 - Steering of the selection procedure of the certifiers;
 - Recommendation to the Board of Directors on the draft proposals to the general meeting regarding the appointment, replacement and renewal of the certifiers;
 - Knowledge of the amount of the certifiers' fees for opinion to the Board of Directors;
 - Control of the compliance by the certifiers with the conditions of independence;
- Monitoring of the effectiveness of the procedures for identifying, monitoring and processing sustainability information.

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.

The work of the Audit and Risk Committee during the financial year ended on December 31, 2023

The Audit and Risk Committee met on 5 occasions in the course of the 2023 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 97% for the 2023 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 2023, its work related to, in particular, the review of:

- The financial statements for the financial year ended December 31, 2022, the summary half-year financial statements as at June 30, 2023 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 results of the tender process launched as part of the expiry of the term of office of one of the two Statutory Auditors and the recommendation to be made to the Board of Directors;
- 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, 2022, 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, 2023 and September 30, 2023. They were also heard by the members of the Committee at each meeting excluding the presence of the management of the Rexel Group.

3.1.2.2 Nomination, Governance and Corporate Social Responsibility Committee

CHAIRWOMAN	NUMBER OF MEMBERS	INDEPENDENCE RATE	NUMBER OF MEETINGS HELD IN 2023	AVERAGE ATTENDANCE RATE
Barbara Dalibard	6	80% ⁽¹⁾	5	90%

(1) Excluding the director representing the employees.

As at December 31, 2023, the Nomination, Governance and Corporate Social Responsibility Committee was made up of the following members:

- Barbara Dalibard (Chairwoman and Independent Director);
- Marcus Alexanderson (Non-independent Director);
- Brigitte Cantaloube (Independent Director);
- Toni Killebrew (Director representing employees);
- Maria Richter (Independent Director); and

- Agnès Touraine (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, 2023, 4 out of 5 members of the Nomination, Governance and Corporate Social Responsibility Committee were considered as independent, *i.e.*, an independence rate of 80% (excluding the director representing employees).

Operation of the Nomination, Governance and Corporate Social Responsibility Committee

At the close of the Annual Shareholders' Meeting on April 20, 2023, the Board of Directors has decided to extend the responsibilities of the Nomination Committee to include CSR issues, and to change its name to the Nomination, Governance and Corporate Social Responsibility Committee.

The main stipulations of the internal regulations of the Nomination, Governance and Corporate Social Responsibility Committee are set out below.

Members

The Nomination, Governance and Corporate Social Responsibility 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, Governance and Corporate Social Responsibility Committee.

Powers

The Nomination, Governance and Corporate Social Responsibility Committee has the following responsibilities:

- Make proposals in relation to appointment, renewal and dismissal of the offices of the Directors and of the Chairman of the Board of Directors, of the members and of the chairmen of the Committees, of the Chief Executive Officer and of the Deputy Chief Executive Officers. It issues recommendations on the candidates considered, in terms of expertise, availability, appropriateness and complementarity with other members of the Board of Directors or of executive management;
- Review and recommend to the Board the appointment of new Directors. The Committee may appoint one or more internationally-renowned firms specializing in the selection of independent directors, and collect any suggestions from Directors. The Committee assesses candidates' knowledge and skills in the light of identified needs, in line with the Group's diversity policy. Interviews are organized between certain Directors and potential candidates. The Committee makes recommendations to the Board regarding the selection of new Directors;
- Be informed of any appointment, dismissal or termination of the functions of any Executive Committee member;
- Ensure compliance with the AFEP-MEDEF Code, to which the Company refers;
- 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;
- Draw up a succession plan for corporate officers, so as to be in a position to propose succession solutions to the Board, particularly in the event of an unforeseen vacancy;

- Issue a recommendation, on the Chief Executive Officer's proposal, on the Company's acceptance of and resignation from any office as a member of boards of directors or any equivalent body and on the nomination and dismissal of permanent representatives of the Company on such boards of directors or equivalent bodies;
- Review the Group's commitments in terms of social and environmental responsibility, in light of the challenges specific to its business and best practices in corporate governance;
- Review the Group's multi-year strategic plan for social and environmental responsibility, including qualitative and quantitative targets, and monitor its implementation;
- Review social and environmental responsibility reports (extra-financial performance declaration, vigilance plan, taxonomy, etc.);
- Review, more generally, the sustainability information produced or published by the Company;
- Review sustainability information.

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, Governance and Corporate Social Responsibility 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, Governance and Corporate Social Responsibility 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, Governance and Corporate Social Responsibility Committee during the financial year ended December 31, 2023

The Nomination, Governance and Corporate Social Responsibility Committee met on 5 occasions during the 2023 financial year.

The attendance rate at the meetings of the Nomination, Governance and Corporate Social

Responsibility Committee for the 2023 financial year was 90%.

It reported on its work to the Board of Directors.

In 2023, its work related to, in particular, the review of:

- The report on the independence of the Directors;
- The diversity policy of the Board of Directors;
- The annual review of the independence of the members of the Board;
- The Rexel policy on diversity and feminization of management;
- The annual renewal of directors and the evolution of the Board of Directors and Committees' composition, notably due to the appointment of new directors;
- The skills' matrix of the Board members;
- The evaluation of the Board of Directors and the choice of the external consultant in charge of the

2023 external Board assessment in accordance with the internal rules of the Board;

- The implementation of succession plans with a view to ensuring the continuity of the Chairmanship and Deputy Chairmanship of the Board;
- The talent review;
- The report on the governance roadshow;
- The analysis of the findings of the questionnaire on the engagement of the Group's employees;
- The monitoring regulatory developments and the analysis of market practices; and
- The schedule for implementing the Corporate Sustainability Reporting Directive (CSRD).

3.1.2.3 Compensation Committee

CHAIRWOMAN	NUMBER OF MEMBERS	INDEPENDENCE RATE	NUMBER OF MEETINGS HELD IN 2023	AVERAGE ATTENDANCE RATE
Brigitte Cantaloube	5	100% ⁽¹⁾	5	87%

(1) Excluding the Director representing the employees.

Members of the Compensation Committee

As at December 31, 2023, the Compensation Committee was made up of the following members:

- Brigitte Cantaloube (Chairwoman and Independent Director);
- Barbara Dalibard (Independent Director);
- François Henrot (Independent Director);
- Antoine Hermelin (Director representing the employees); and

- Agnès Touraine (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, 2023, 4 members out of 4 of the Compensation Committee were considered as independent *i.e.*, an independence rate of 100% (excluding the Director representing the employees).

Operation of the Compensation Committee

The main stipulations of the internal regulations of the Compensation Committee effective as at December 31, 2023, 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;
- 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; and

- Review the compensation policy; examine the information regarding compensation in the corporate governance report, as well as any other document required by law and regulations in force in this regard, and, more generally, ensure the information communicated to shareholders regarding compensation.

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, 2023

The Compensation Committee met on 5 occasions in the course of 2023.

The attendance rate at the meetings was 87% for the Compensation Committee in 2023.

It reported on its work to the Board of Directors.

In 2023, its works related to, in particular:

- The variable compensation in respect of the financial year ended December 31, 2022 of the Chief Executive Officer;
- The 2023 compensation policy of the corporate officers;
- The Directors' compensation;
- The review of the compensation policy of the Executive Committee;
- The implementation of the free share allocation plans and the terms of the delegation of authority

to issue and allot free shares to the Board of Directors by the Shareholders' Meeting of April 30, 2024;

- The follow-up of the regulatory updates and the analysis of market practices; 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 10 members, including 4 in charge of 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
Sabine Haman	Group Human Resources and Communications Officer
Isabelle Hoepfner-Leger	General Secretary, Secretary of the Board of Directors and Sustainable Development Director
Guillaume Dubrule	Group Digital, IT and Marketing Group
Operational functions	
Roger Little	Chief Executive Officer for the United States and leader of the North America cluster.
Robert Pfarrwaler	Chief Executive Officer, Austria, and Director of the Germany, Austria, Slovenia and Switzerland cluster
Pierre Benoît	Chief Executive Officer Belgium and Luxembourg, and Director of the Benelux, Scandinavia, Pacific cluster
Thomas Moreau	Chief Executive Officer of Rexel France and 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 conviction 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 key performance 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 28% in 2023 compared to 22% in 2022 and 2021.

The Board of Directors has 44% of women in 2023. The Board of Directors is chaired by Agnès Touraine. Two of its three Committees are chaired by a woman: Brigitte Cantaloube for the Compensation

Committee and Barbara Dalibard for the Nomination, Governance and Corporate Social Responsibility Committee. The Executive Committee has been made up of 20%.

In 2023, Rexel moved from the 60th to the 39th position in the 10th edition of the ranking for the feminization of executive boards of SBF 120 companies, established for the Ministry responsible for Gender Equality and the Fight against Discrimination. 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 indicators in 2023:

- 28% of women in the 150 positions of greatest responsibility, Group Executives (vs 22% in 2022);
- 44% women on the Board of Directors;
- 20% women on the Executive Committee;
- 23% 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 Chairwoman of the Board of Directors, Agnès Touraine, who is 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.

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.

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 2024 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 2024.

3

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 are analyzed in order to be 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

(1) In particular, the compensation structure, the assessment criteria or the evolution of compensation according to business lines, geographies or employee categories.

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 consist 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 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.

Below are the votes relating to the 2023 compensation policy and the votes relating to the compensation elements paid or granted for the 2022 financial year at the Shareholders' Meeting of April 20, 2023:

RESOLUTION	% VOTE	FAVORABLE OPINION / UNFAVORABLE OPINION
#5	99.84%	Favorable opinion
<i>Approval of the compensation policy, attributable to the Chairman of the Board of Directors for the 2023 financial year, referred to in Article L.22-10-8 of the French Commercial Code</i>		
#6	98.73%	Favorable opinion
<i>Approval of the compensation policy attributable to Directors for the 2023 financial year, referred to in Article L.22-10-8 of the French Commercial Code</i>		
#7	91.59%	Favorable opinion
<i>Approval of the compensation policy attributable to the Chief Executive Officer for the 2023 financial year, referred to in Article L.22-10-8 of the French Commercial Code</i>		
#8	97.08%	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, 2022</i>		
#9	99.84%	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 2022 financial year to Mr. Ian Meakins, Chairman of the Board of Directors</i>		
#10	94.19%	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 2022 financial year to Mr. Guillaume Texier, Chief Executive Officer</i>		

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;

The Board of Directors establishes the compensation policy applicable to directors, the Chairman of the Board, 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.

The 2024 compensation policy is identical to the 2023 compensation policy for the directors and the Chairman of the Board of Directors.

The 2024 compensation policy for the Chief Executive Officer is identical to the 2023 compensation policy.

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.

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 limits defined in the compensation policy, as approved by the shareholders "ex ante".

3.2.1.2 Compensation policy applicable to Directors for the financial year 2024

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 2024 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, 2023 is specified in paragraph 3.1.1.1 "Membership 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 budget

On May 22, 2014, Rexel's Shareholders' Meeting granted an aggregate budget of €1,315,000 in

directors' attendance fees. This budget has not been modified since this date.

Rules of allocation of the compensation to be paid in respect of 2024

The Board of Directors decided to renew for 2024 the rules of allocation of compensation defined for 2023, within the limit of the unchanged budget 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, Governance and Corporate Social Responsibility 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 who carries out the duties of Senior Independent Director of the Board

of Directors: a fixed portion of €100,000, the variable portion remaining identical to that mentioned above. He is not entitled to compensation in connection with the chairmanship of a Committee. The Deputy Chairman, when he does not act as Senior Independent Director of the Board of Directors, is not entitled to any specific compensation in respect of his position as Deputy Chairman of the Board of Directors. He is compensated in the same way as other members of the Board of Directors; 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 2024:

STATUS	FIXED PORTION	COMMITTEE CHAIRMANSHIP	DEPUTY CHAIRMAN AND SENIOR INDEPENDENT DIRECTOR	VARIABLE PORTION	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 / Governance and Corporate Social Responsibility	40,000	15,000	–	40,000	95,000	42%
Deputy Chairman and senior independent director	–	–	100,000	40,000	140,000	29%

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 2024

The term of office of the Chairman of the Board of Directors is specified in paragraph 3.1.1.1 "Membership 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 fixed annual compensation awarded to the Chairman of the Board of Directors amounts to a maximum of €500,000.

The amount of the fixed compensation allocated to the Chairman of the Board of Directors amounts to €400,000 for the 2024 financial year. This compensation was determined taking into account market practice and the duties assumed by Agnès Touraine since her appointment as Chairwoman of the Board of Directors.

The compensation policy would apply under the same terms and conditions to the Chairman of the Board of Directors newly appointed or reappointed.

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 2024

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 2024 – (*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 14, 2024 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 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 14, 2024 and submitted for approval to the Shareholders' Meeting of April 30, 2024, 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 overachievement, financial objectives are capped at a maximum of 150%, and non-financial objective are capped at a maximum of 100%. Variable compensation is capped at 162% of the fixed compensation. 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, 2024:

- 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%).

The targets for each of these criteria are determined by the Board of Directors on the basis of and taking into account the targets and forecasts communicated to the market as part of Rexel's financial disclosure.

- On the other hand, non-financial criteria which represent 30% of the annual variable target compensation. These criteria are:
 - ESG (25%);
 - Strategy and Digital (25%);
 - Operational excellence (25%); and
 - Talents (25%).

Non-financial criteria include several criteria linked to social and environmental responsibility. 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 financial 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 (1,000 on average per year).

Performance criteria

The performance criteria and their weighting, based on which shares will be allocated, are determined by the Board of Directors according to the criteria set by the general meeting of shareholders. The targets are determined by the Board of Directors taking into account the targets and forecasts communicated to the market as part of Rexel's financial communication.

The expected level of achievements targeted and the achieved performance are disclosed in a precise manner *ex-post* in the Universal Registration Document relating to the financial criteria. 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 relevant criteria and their weighting are as follows:

- the annual average growth rate of EBITA (40%);

- the average of the free cash flow to interest and taxes/EBITDAaL ratio (20%);
- the relative performance of Rexel's stock compared to the SBF 120 GR index (20%);
- the achievement of an ESG index composed of four internal criteria related to the implementation of the Corporate Social Responsibility policy (20%):

INDEX ESG (20%)	CRITERIA WEIGHTS
Reduction of carbon footprint in scopes 1, 2, and 3	40%
Diversity within executive bodies	20%
Reduction in the frequency of workplace accidents	20%
Employee satisfaction survey: high level of Group recommendation as a "good place to work" by employees	20%

Objectives and Achievement Levels

The Board of Directors defines quantifiable objectives over a 3-year period for each performance criterion, with each new allocation decision. Additionally, it ensures that these objectives are challenging to promote the growth, profitability, and sustainable development of the Group.

These objectives, along with the relationship between their achievement and the level of acquisition under the LTI plan, are detailed in paragraph 3.2.1.6 "Summary Tables of the Compensation Policy for the 2024 Financial Year (*Say on Pay Ex-ante*)" of this Universal Registration Document.

The financial objectives of the LTI plan are not disclosed in detail *ex-ante* for confidentiality reasons. However, they are determined by the Board of Directors in alignment with Rexel's publicly expressed ambitions during the Investor Day. Finally, the levels of achievement of the financial objectives are assessed on the plan delivery date, and the associated payment levels are precisely detailed *ex-post*: the objectives of the LTI plan granted in 2024 will be communicated in the 2026 Universal Registration Document.

The stock market objective of the LTI plan is, however, communicated *ex-ante*, along with triggering thresholds and caps. The ESG index objectives are also communicated *ex-ante*. This information is detailed in paragraph 3.2.1.6 "Summary Tables of the Compensation Policy for the 2024 Financial Year (*Say on Pay Ex-ante*)" of this Universal Registration Document.

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.

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 2024.

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 AFEF-MEDEF Code.

Performance history

The expected level of achievement and the actual performance attained are communicated very precisely *ex-post* in the Universal Registration Document. The three-year key financial criteria are based on objectives set by the Board of Directors.

These objectives translated into the following achievement levels for the most recent delivered plans:

PLAN	PERFORMANCE
2020	100%
2019	100%
2018	40%
2017	74%
2016	45%
2015	18%

The targets set are demanding and aligned with the Rexel Group's operating performance. Thus, considering market conditions and the Rexel Group's operating performance, the targets set for the 2019 and 2020 plans resulted in vesting levels of 100%. Conversely, in a more difficult market context, the targets set for the 2015 to 2018 plans resulted in vesting levels of between 18% and 74%.

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.

(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%.

For the calculation of the contribution for the 2024 financial year, the base of the reference compensation used to determine the annual contribution will be composed of the following elements:

- Base compensation paid during the 2024 financial year; and
- Variable compensation paid in financial year 2024 (awarded in respect of financial year 2023) up to a maximum of 80% of the fixed annual compensation paid in 2023.

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 2024 Shareholders' Meeting.

The main characteristics of this scheme are as follows:

OBJECTIVE AND LINK WITH THE STRATEGY	APPLICATION	MAXIMUM POTENTIAL VALUE	PERFORMANCE METRICS
New medium-term collective savings scheme To allow the setting up of a medium-term savings scheme for senior executives. No long-term undertakings for Rexel.	To offer an appropriate scheme for senior executives in mobility/international profiles.	<p>The annual contribution is equal to:</p> <ul style="list-style-type: none"> • 20% on the portion of compensation paid ranging between 4 and 20 PASS (1 PASS = €46,368 in 2024), • 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 (capped).

The amount of the annual contribution is subject to social security contributions and personal income tax.

Specific situation

The Board of Directors, on the recommendation of the Compensation Committee, has decided that

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.

the collective medium-term savings plan of Article 82 of the French General Tax Code will be applicable starting from 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 2024 – (Say on Pay Ex-ante)

At its meeting of February 14, 2024, the Board of Directors decided on the following items concerning the compensation of corporate officers for 2024.

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 2024 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. For the Deputy Chairman and Senior Independent Director of the Board of Directors: a fixed portion of €100,000.
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.
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.
Exceptional compensation	Directors do not benefit from any exceptional compensation.
Benefits of any kind	Directors do not benefit from any benefit in kind.
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.
Compensation as Committee Chairman	The directors who chair the Audit and Risk Committee, the Nomination, Governance and Corporate Social Responsibility 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.
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.

■ Agnès Touraine, Chairwoman of the Board of Directors

DESCRIPTION	AMOUNT
Fixed annual compensation	Agnès Touraine's gross annual fixed compensation amounts to €400,000, further to the decision of the Board of Directors of July 27, 2023, effective September 1, 2023.
Variable annual compensation	Agnès Touraine does not benefit from any variable annual compensation.
Deferred variable compensation	Agnès Touraine does not benefit from any deferred variable compensation.
Multi-annual variable compensation	Agnès Touraine does not benefit from any multi-annual variable compensation.
Exceptional compensation	Agnès Touraine does not benefit from any exceptional compensation.
Benefits of any kind	Agnès Touraine benefits from health care coverage identical to that of the Group's employees.
Long-term compensation: performance share allocation	Agnès Touraine does not benefit from any other long-term compensation.
Severance indemnity	Agnès Touraine does not benefit from any severance indemnity.
Non-compete indemnity	Agnès Touraine does not benefit from any non-compete indemnity.
Supplemental retirement scheme	Agnès Touraine 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 2023 is made up of 70% financial criteria and 30% non-financial criteria. The financial criteria may reach a maximum of 150% if the financial results exceed 100% of the financial 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 financial criteria are: volume-adjusted gross margin (40%), volume-adjusted EBITA (40%) and average operating working capital as a percentage of sales (20%).	
The non-financial criteria are: strategy and digital (25%), ESG (25%), operational excellence (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.
• Financial Objectives:	
– Target portion: 70% of annual variable target compensation $70\% \times 960,000 = €672,000$	Target value: 120% of fixed compensation $120\% \times 800,000 = €960,000$
– Maximum share $70\% \times 150\% = 105\%$ of annual variable target compensation $\times 960,000 = €1,008,000$	Maximum value: 162% of fixed compensation $(1,008,000 + 288,000) / 800,000 = 162\%$
• Non-financial Objectives:	
– 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 $\times 960,000 = €288,000$	

Financial targets⁽¹⁾

FINANCIAL CRITERIA	WEIGHT	MINIMUM	TARGET	MAXIMUM
Adjusted margin in volume terms ⁽¹⁾	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*.

Non-financial targets⁽¹⁾

NON-FINANCIAL CRITERIA	WEIGHT	DESCRIPTION ⁽¹⁾
ESG	25%	<ul style="list-style-type: none"> • Reduction of carbon emissions for scopes 1 and 2 • Launch of pilot action plans for scope 3 • Level of employee commitment to environmental issues
Operational excellence	25%	<ul style="list-style-type: none"> • Productivity plans in all countries • Cost control excluding salaries and benefits • Product mix optimization actions
Strategy and Digital	25%	<ul style="list-style-type: none"> • Update of digital and artificial intelligence roadmaps • Integration of past acquisitions • Development of adjacent markets and services
Talents	25%	<ul style="list-style-type: none"> • Succession plan for executive bodies • Talent recruitment in preparation for the next generation of leaders
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, 2024 or, in application of the applicable compensation policy, would be as follows:



2024 FIXED COMPENSATION IN €	TARGET 2024 VARIABLE COMPENSATION AS A PERCENTAGE OF FIXED COMPENSATION	VARIABLE COMPENSATION 2024 TARGET IN €	FIXED AND VARIABLE COMPENSATION 2024 TARGET IN €	FINANCIAL PORTION 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 2024 AS A % OF TARGET AND IN €	MAXIMUM ACHIEVEMENT OF VARIABLE COMPENSATION 2024 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 2024 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 2024 - (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 30, 2024) ⁽¹⁾ . Maximum value of the shares at grant: 100% of the annual target fixed and variable compensation of Guillaume Texier.

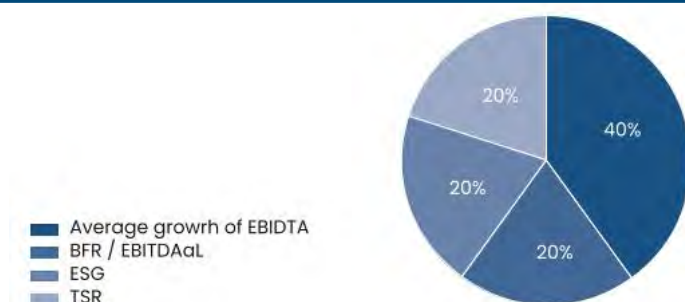
(1) i.e., a maximum of 0.14% of the share capital over a period of 26 months, for a maximum limit of 1.4% over the same period.

Performance criteria

CRITERIA	WEIGHT	TRIGGERING THRESHOLD	TARGET	MAXIMUM	COMMENTS
Average growth of EBITA 2023-2026	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 2024, 2025 and 2026 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 - 4 criteria to capture the ESG roadmap roll out	20%	Acquisition is equal to 50% if the trigger is reached	100% of shares vest if the target is reached	Acquisition is equal to 115% if cap is reached	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 150% 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.

	WEIGHT	TARGET
Reduction of carbon footprint – Scopes 1, 2 and 3	40%	15% 14.5%
Percentage of women in leadership positions	20%	32%
Reduction in the frequency of workplace accidents	20%	-15%
Employee satisfaction survey: high level of Group recommendation as a "good place to work"	20%	84%
		= 100%



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 2023 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 2023. 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 2023 or granted in respect of 2023 are in accordance with the compensation policy approved by the Company's Shareholders' Meeting in 2023.

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 2023 or allocated in respect of financial year 2023

In the scope of the budget authorized by the Shareholders' Meeting and upon the recommendation of the Nomination, Governance and Corporate Social Responsibility Committee and of the Compensation Committee, the Board of Directors has decided to allocate the compensation for financial year 2023 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, Governance

and Corporate Social Responsibility 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 April 14, 2023 set the compensation due to the directors and former observer as follows:

YEAR ENDED DECEMBER 31										
	2023					2022				
	FIXED PORTION	VARIABLE PORTION	RELATIVE VARIABLE/ FIXED PROPORTION	TRAVEL ALLOWANCE	TOTAL	FIXED PORTION	VARIABLE PORTION	RELATIVE VARIABLE/ FIXED PROPORTION	TRAVEL ALLOWANCE	TOTAL
DIRECTORS										
Agnès Touraine ⁽¹⁾	58,100	40,000	69%	–	98,100	70,000	40,000	57%	2,500	112,500
François Auque ⁽²⁾	65,000	40,000	62%	–	105,000	65,000	40,000	62%	2,500	107,500
Ian Meakins	–	–	–	–	–	–	–	–	–	–
François Henrot ⁽³⁾	58,400	40,000	68%	–	98,400	100,000	40,000	40%	–	140,000
Marcus Alexanderson	40,000	40,000	100%	–	80,000	40,000	40,000	100%	2,500	82,500
Julien Bonnel ⁽⁴⁾	5,300	–	–	–	5,300	40,000	40,000	100%	2,500	82,500
Brigitte Cantaloube	45,050	40,000	89%	–	85,050	40,000	40,000	100%	2,500	82,500
Barbara Dalibard	50,500	40,000	79%	–	90,500	40,000	40,000	100%	2,500	82,500
Elen Phillips	12,200	24,000	197%	2,500	38,700	40,000	40,000	100%	5,000	85,000
Toni Killebrew	40,000	40,000	100%	10,000	90,000	40,000	40,000	100%	5,000	85,000
Maria Richter	40,000	40,000	100%	10,000	90,000	40,000	40,000	100%	5,000	85,000
Guillaume Texier	–	–	–	–	–	–	–	–	–	–
Antoine Hermelin ⁽⁵⁾	28,700	24,000	84%	–	52,700	–	–	–	–	–
Marie-Christine Lombard	26,100	8,000	31%	–	34,100	–	–	–	–	–
Steven Borges	28,000	16,000	57%	5,000	49,000	–	–	–	–	–
Total					916,850					945,000

(1) Until August 31, 2023, Agnès Touraine was a director and Chairwoman of the Nomination, Governance and CSR Committee. She also chaired the Compensation Committee until April 19, 2023, and was senior independent director from April 20, 2023 to August 31, 2023.

(2) Including the compensation as Deputy Chairman of the Board of Directors.

(3) Including compensations as Referring Director and Vice-Chairman of the Board of Directors, functions held until April 20, 2023.

(4) The entirety of the compensation awarded to Julien Bonnel as an employee representative director has been reimbursed to the designated trade union. Julien Bonnel also received compensation as an employee of Rexel France SAS. Julien Bonnel left the Board of Directors on February 17, 2023.

(5) Antoine Hermelin joined the Board of Directors on April 13, 2023. The entirety of the compensation awarded to Antoine Hermelin as an employee representative director is reimbursed to the designated trade union. Antoine Hermelin also receives compensation as an employee of Rexel France SAS.

(1) The Chairwoman and Deputy Chairman of the Board of Directors do not qualify for this fixed portion.

(2) The Chairwoman of the Board of Directors does not qualify for this variable portion.

■ Summary table of compensation due to directors for the last three financial years (in euros)

	YEAR ENDED DECEMBER 31		
	2023	2022	2021
DIRECTORS			
Agnès Touraine ⁽¹⁾	98,100	112,500	96,200
François Auque ⁽²⁾	105,000	107,500	105,000
Ian Meakins ⁽³⁾	–	–	–
François Henrot ⁽⁴⁾	98,400	140,000	140,000
Marcus Alexanderson	80,000	82,500	80,000
Julien Bonnel ⁽⁵⁾	5,300	82,500	80,000
Brigitte Cantaloube	85,050	82,500	80,000
Barbara Dalibard	90,500	82,500	3,600
Elen Phillips ⁽⁶⁾	38,700	85,000	80,000
Toni Killebrew	90,000	85,000	82,500
Maria Richter	90,000	85,000	82,500
Guillaume Texier	–	–	–
Herna Verhagen ⁽⁷⁾	–	–	90,250
Antoine Hermelin ⁽⁸⁾	52,700	–	–
Marie-Christine Lombard ⁽⁹⁾	34,100	–	–
Steven Borges ⁽¹⁰⁾	49,000	–	–
Total	916,850	945,000	920,050

(1) Until August 31, 2023, Agnès Touraine held the positions of Director and Chairwoman of the Appointments, Governance and CSR Committee. She also chaired the Remuneration Committee until April 19, 2023 and was Independent Lead Director from April 20, 2023 to August 31, 2023.

(2) Including the compensation as Deputy Chairman of the Board of Directors.

(3) Ian Meakins' term as Chairman of the Board of Directors ended on August 31, 2023.

(4) Including compensation as Referring Director and Vice-Chairman of the Board of Directors, roles held until April 20, 2023.

(5) The entirety of the compensation awarded to Julien Bonnel as an employee representative director has been reimbursed to the designated trade union. Julien Bonnel also received compensation as an employee of Rexel France SAS. Julien Bonnel's term as director ended on February 17, 2023.

(6) Elen Phillips' term as director ended on April 20, 2023.

(7) Herma Verhagen's term as director ended on November 29, 2021.

(8) Antoine Hermelin was appointed as a director on April 13, 2023. The entirety of the compensation awarded to Antoine Hermelin as an employee representative director is reimbursed to the designated trade union.

(9) Marie-Christine Lombard was appointed as a director on April 20, 2023. She resigned from her mandate on December 13, 2023 due to the time constraints resulting from recent changes in her activities.

(10) Steven Borges was appointed as a director on April 20, 2023.

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 Agnès Touraine, Chairwoman of the Board of Directors as of September 1, 2023

Compensation and options/shares allotted during the last two financial years

(in €)	2023	2022
AGNÈS TOURAINE		
Compensation allocated in respect of the financial year	133,333 ⁽¹⁾	N/A
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	133,333	N/A

(1) After *prorata* adjustment of the amount of €400,000 corresponding to the fixed annual compensation for the period from September 1, 2023 to December 31, 2023.

Gross compensation over the last two financial years summary table

(in €)	2023		2022	
	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
AGNÈS TOURAINE				
Fixed compensation	133,333 ⁽¹⁾	133,333 ⁽¹⁾	N/A	N/A
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	133,333	133,333	N/A	N/A

(1) After *prorata* adjustment of the amount of €400,000 corresponding to the fixed annual compensation for the period from September 1, 2023 to December 31, 2023.

Fixed compensation

In view of market practices and the new non-executive functions assumed by Agnès Touraine since December 1, 2023, the gross annual fixed compensation of Agnès Touraine has been

determined at €400,000, pro rated considering her taking over the duties of Chairwoman of the Board of Directors on September 1, 2023.

Annual variable compensation

Agnès Touraine does not benefit from any annual variable compensation.

Other compensation items

Agnès Touraine 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
Agnès Touraine	No	No	No	No

3.2.2.3 Compensation and other benefits paid or allocated to Ian Meakins, Chairman of the Board of Directors until September 1, 2023

Compensation and options/shares allotted during the last two financial years

(in €)	2023	2022
IAN MEAKINS		
Compensation allocated in respect of the financial year	200,000 ⁽¹⁾	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	200,000	300,000

(1) After *prorata* adjustment of the amount of €300,000 corresponding to the fixed annual compensation for the period from January 1, 2023 to August 31, 2023, in accordance with the compensation policy applicable to the Chairman of the Board of Directors for the 2023 financial year.

Gross compensation over the last two financial years summary table

	2023		2022	
(in €)	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	200,000	200,000	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	200,000	200,000	300,000	300,000

Fixed compensation

In accordance with the compensation policy applicable to the Chairman of the Board of Directors for the 2023 financial year, Ian Meakins' gross fixed annual compensation was 200,000 euros, adjusted

prorata temporis in view of his resignation from his duties as Chairman of the Board of Directors effective August 31, 2023.

Annual variable compensation

Ian Meakins does not benefit from any annual variable compensation.

Other compensation items over the considered period

Ian Meakins does not receive any other elements of compensation.

Severance indemnity

In accordance with the compensation policy applicable to the Chairman of the Board of Directors for the 2023 financial year, Ian Meakins is not eligible for severance indemnities.

■ 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

3.2.2.4 Compensation and other benefits paid or allocated to Guillaume Texier, Chief Executive Officer

Compensation paid and options/shares allotted during the last two financial years

(in €)	2023	2022
GUILLAUME TEXIER		
Compensation allocated in respect of the financial year	1,819,088	2,048,528
Valuation of the options allocated during the financial year	N/A	N/A
Valuation of the performance shares allocated during the year ⁽¹⁾	1,758,540	1,725,000
Recruitment allowance	0	800,000 ⁽²⁾
Retirement plan (Art. 82)	196,790	150,697
Total	3,774,418	4,724,225

(1) Valuation based on the IFRS2 fair value recorded for the consolidated financial statements (€16.59 for 2023).

(2) This amount corresponds to the recruitment allowance paid to Guillaume Texier during the financial year ended December 31, 2022. The reasons for this payment are described in the Universal Registration Documents for the financial years ended December 31, 2022 and December 31, 2021.

Gross compensation over the last two financial years summary table

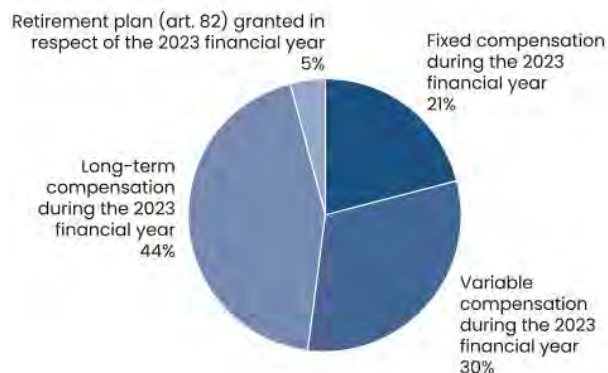
	2023		2022	
(in €)	COMPENSATION ALLOCATED IN RESPECT OF THE FINANCIAL YEAR	COMPENSATION PAID DURING THE FINANCIAL YEAR	COMPENSATION ALLOCATED IN RESPECT OF THE FINANCIAL YEAR	COMPENSATION PAID DURING THE FINANCIAL YEAR
GUILLAUME TEXIER				
Fixed compensation	800,000	800,000	800,000	800,000
Variable compensation	974,304	1,219,190	1,219,190	427,745
Activity compensation	N/A	N/A	N/A	N/A
Benefits in kind	44,784	44,784	29,338	29,338
Recruitment allowance	N/A	N/A	N/A	800,000
Retirement plan (Art. 82)	196,790	196,790	150,697	150,697
Total	2,051,878	2,260,764	2,199,225	2,207,780

Compensation structure

The main compensation of the Chief Executive Officer is made of:

- a fixed compensation paid during the 2023 financial year;
- an annual variable compensation for the 2023 financial year;
- a long-term compensation granted in respect of the 2023 financial year; and
- a retirement plan (art. 82) granted in respect of the 2023 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).



It is specified that for the visibility of the graph above, the amount of the benefit in kind (car and GSC officer/executive) included in fixed compensation is equal to 44,784 euros for the year ended December 31, 2023.

Fixed compensation

The annual gross fixed compensation of Guillaume Texier has been determined at €800,000.

Annual variable compensation

2023 – 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:

- Financial targets of 70%; and
- Non-financial targets of 30%.

The financial targets set for 2023 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 non-financial targets set for 2023 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 2023

On February 14, 2024, the Board of Directors assessed the performance of the Chief Executive Officer and determined an overall performance of 101.49% of the target variable compensation, i.e. a gross amount of €974,304 to be paid in consideration of the 2023 financial year. Thus, the variable compensation set by the Board of Directors for the Chief Executive Officer represents 121.79 % of his fixed compensation.

In accordance with the provisions of Article L.22-10-34 of the French Commercial Code, the payment of the 2023 variable compensation will be subject to the approval of the Combined Shareholders' Meeting of April 30, 2024.

The achievement levels for the 2023 criteria referred to above are as follows:

2023 FIXED COMPENSATION IN €	2023 TARGET VARIABLE COMPENSATION IN PERCENTAGE OF THE FIXED COMPENSATION	2023 TARGET VARIABLE COMPENSATION IN €	QUANTITATIVE PART OF THE TARGET VARIABLE COMPENSATION (%)	QUALITATIVE PART OF THE TARGET VARIABLE COMPENSATION (%)	2023 RESULT FINANCIAL PART	2023 RESULT FINANCIAL PART	ACHIEVEMENT OF THE 2023 NON-FINANCIAL PART	ACHIEVEMENT OF THE 2023 NON-FINANCIAL PART	TOTAL ACHIEVEMENT AS A PERCENTAGE OF THE TARGET VARIABLE COMPENSATION	AMOUNT IN € TO BE PAID IN RESPECT OF 2023 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%	106.20%	90.50%	74.34%	27.15%	101.49%	€974,304

Performance analysis

The Board of Directors assessed the performance for the financial year 2023 on the basis of the objectives described below.

Details concerning the 2023 financial targets:

CRITERIA	WEIGHT	2023 OBJECTIVES	MINIMUM	TARGET	MAXIMUM	ACHIEVED 2023		
						LEVEL OF PERFORMANCE IN % OF OBJECTIVES	PAYMENT LEVEL BEFORE WEIGHTING	LEVEL OF PERFORMANCE IN % OF OBJECTIVES
Adjusted gross margin in volume	40%	€4,895 M	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	99.92%	99.18%	39.67%
Adjusted EBITA by volume	40%	€1,283.15 M	Payment at 50% if the result has reached 50% of the objective	100% payment if result reaches 100% of target	Payment capped at 150% if result reaches 105% of target	101.56%	115.61%	46.25%
Average operating working capital	20%	14.94%	Payment at 50% if the result has reached 50% of the objective	100% payment if result reaches 100% of target	Payment capped at 150% if result reaches 105% of target	100.13%	101.41%	20.28%
Total	100%		Linear calculation between points					106.20%

Details regarding 2023 non-financial targets:

NON-FINANCIAL CRITERIA	WEIGHT	ANTE DESCRIPTION	POST-DESCRIPTION	PERFORMANCE	WEIGHTED PERFORMANCE
ESG	25%	<ul style="list-style-type: none"> Reduction of our own energy consumption Continued engagement of suppliers in the ESG collaboration program Acceleration of green and electric sales 	<ul style="list-style-type: none"> Reduction of Rexel's operations energy consumption above target Enrolment of more partners in the Partner4Planet Program Growth of Rexel green & electrification sales 4x faster than the rest of the market 	97%	24.25%
Strategy	25%	<ul style="list-style-type: none"> Integration of recent acquisitions "Power Up 2025" roadmap Strategic focus on selected vertical opportunities 	<ul style="list-style-type: none"> Smooth integration of 2023 acquisitions Strategic plan "Power Up 2025" delivering beyond expectations: executing on the action plans as described during the Capital Market Day. 6 acquisitions completed in 2023 Strategic roadmap on vertical segments and meaningful moves on advanced services. External market intelligence push 	95%	23.75%
Digital	25%	<ul style="list-style-type: none"> Growth in digital sales Progressive change in the web user experience Success of the logistics investment plan 	<ul style="list-style-type: none"> Growth of digital sales by 16.6% in 2023 for a digital sales penetration rate of 28.3% over the year Step change in web shop user experience: launch of the new search engine, launch of a new application for customers The 4 active new logistic centers started on time in 2023 and are now functional 	85%	21.25%
Talent	25%	<ul style="list-style-type: none"> Strategy and training programs in place for Rexel employees and top talents Progress in the succession planning of top managers 	<ul style="list-style-type: none"> Training strategy aligned with Power Up 2025 Progress in succession planning: mostly complete but no disclosure for confidentiality reasons 	85%	21.25%
TOTAL	100%				90.50%

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 2023.

Recruitment Allowance

No recruitment allowance was paid in 2023.

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.

Other compensation items for the period under review

The various benefits in kind were as follows:

- health coverage/providence; health check-up;
- GSC coverage €35,039,63 for 2023;
- basic and supplementary pension scheme;
- tax and pension assistance; and
- provision of a company car (€9,744 for 2023).

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, 2023.

No stock options were exercised for the year ended December 31, 2023.

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 2023 compensation policy, Guillaume Texier is eligible for the annual performance share plans, a historical mechanism for motivating and retaining Group employees and managers. For 2023, the Chief Executive Officer benefited of a grant of 106,000 shares.

The number of performance shares granted during the financial year ending December 31, 2023 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 20, 2023	Plan 3+0	106,000	€1,758,549	April 20, 2026	April 21, 2026

(1) Valuation based on the IFRS 2 fair value used for the consolidated financial statements (€16.59 in 2023).

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 2023.

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, 2023 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, 2023 for Guillaume Texier

DATE OF GRANT OF THE PLAN	APRIL 20, 2023	APRIL 21, 2022
Number of shares granted	106,000	100,000
Date of acquisition	April 20, 2026	April 21, 2025
Performance rate	N/A	N/A
Number of vested shares	N/A	N/A
Date of transferability	April 21, 2026	April 22, 2025
Number of shares forfeited as of December 31, 2023	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.

The amount of variable compensation is capped at 80% of the fixed compensation effectively paid for the previous financial year.

For the 2023 financial year, the amount of the annual contribution paid amounts to €196,790.

The reference compensation effectively paid for financial year 2023 used as a basis for calculation is composed of the following elements:

- Fixed compensation paid in 2023: €800,000
- Variable compensation paid in 2023, capped at 80% of the fixed annual reference compensation: €640,000

For the record, the variable compensation paid in 2023 was approved by the shareholders at the Shareholders' Meeting of April 20, 2023.

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 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 for financial year 2023	No

3.2.2.5 Summary tables concerning compensation paid or allocated to the corporate officers

Summary table of awarded compensations, 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, 2023 and December 31, 2022 is shown in the table below:

	FINANCIAL YEAR ENDED DECEMBER 31,	
	2023	2022
IAN MEAKINS⁽³⁾		
Compensation allocated in respect of the financial year ⁽¹⁾	€200,000	€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	€200,000	€300,000
AGNÈS TOURAINE⁽⁴⁾		
Compensation awarded for the year ⁽¹⁾	€133,333	–
Valuation of options granted during the year	N/A	–
Valuation of performance shares allocated during the year ⁽²⁾	N/A	–
Total	€133,333	–
GUILLAUME TEXIER		
Compensation paid in respect of the financial year ⁽¹⁾	€1,819,088	€2,048,528
Valuation of the options allocated during the financial year	N/A	N/A
Valuation of the performance shares allocated during the year ⁽²⁾	1,758,540	€1,725,000
Recruitment indemnity	N/A	N/A
Retirement plan (art. 82)	196,790	€150,697
Total	€3,774,418	3,924,255 €

(1) See paragraph 3.2.2 "Compensation of corporate officers for the financial year 2023 (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 €16.59 for 2023 and €17.25 for 2022).

(3) Chairman of the Board of Directors until August 31, 2021.

(4) Chairwoman of the Board of Directors from September 1, 2021.

Summary table of the compensation of each corporate officer

	FINANCIAL YEAR ENDED DECEMBER 31,			
	2023		2022	
	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	€200,000	€200,000	€300,000	€300,000
Variable annual compensation	–	–	–	–
Exceptional compensation	–	–	–	–
Activity compensation	–	–	–	–
Benefits in kind	–	–	–	–
Total	€200,000	€200,000	€300,000	€300,000
AGNÈS TOURAINE				
Fixed compensation	€133,333	€133,333	–	–
Annual variable compensation	–	–	–	–
Exceptional compensation	–	–	–	–
Activity compensation	–	–	–	–
Benefits in kind	–	–	–	–
Total	€133,333	€133,333	–	–
GUILLAUME TEXIER				
Fixed compensation	€800,000	€800,000	€800,000	€800,000
Variable annual compensation	€974,304	€1,219,190	€1,219,190 ⁽¹⁾	€427,745
Exceptional compensation	N/A	N/A	–	€800,000 ⁽²⁾
Activity compensation	N/A	N/A	–	–
Retirement plan	€196,790	€196,790	€150,697	€150,697
Benefits in kind	€44,784	€44,784	€29,338	€29,338
Total	€2,015,878	€2,260,764	€2,199,255	€2,207,780

(1) Variable compensation due in respect of the financial year ended December 31, 2022 and paid during the financial year ended December 31, 2023 after prior approval of the Shareholders' Meeting of April 20, 2023.

(2) Start-up allowance granted in respect of the financial year ended December 31, 2021 and paid during the financial year ended December 31, 2022 after prior approval by the Shareholders' Meeting of April 21, 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 AFEF-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 AFEP-MEDEF for the determination of the information concerned.

	FINANCIAL YEAR				
	2023	2022	2021	2020	2019
IAN MEAKINS⁽¹⁾					
<i>Compensation paid during financial years</i>					
Ratio average compensation	5	6	7	10	12
Ratio median compensation	6	7	8	13	15
GUILLAUME TEXIER⁽²⁾					
<i>Compensation paid during financial years</i>					
Ratio average compensation	33	23	18		
Ratio median compensation	44	30	22		
AGNÈS TOURAINE⁽³⁾					
<i>Compensation paid during financial years</i>					
Ratio average compensation	6				
Ratio median compensation	9				

(1) Ian Meakins was appointed to the position of Chairman of the Board on July 1, 2016. He left his duties on August 31, 2023.

(2) Guillaume Texier has served as Chief Executive Officer as of September 1, 2021.

(3) Agnès Touraine was appointed as Chairwoman of the Board of Directors on September 1, 2023.

Additional comments:

- Changes in the compensation ratio for the Chairwoman 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 as Chairman of Compass Plc. This reduction in compensation explains the decrease in the ratio. Additionally, the compensation policy applicable to the Chairman of the Board of Directors provides for an annual remuneration of €500,000. Agnès Touraine assumed the position of Chairman of the Board of Directors on September 1, 2023. This explains the absence of compensation in this capacity for previous years.

The average compensation paid to an employee based on the methodology used increased during the 2023 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 compensation in this capacity for previous years.

Guillaume Texier did not receive any free shares in respect of financial year 2023. 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".

	FINANCIAL YEAR				
	2023	2022	2021	2020	2019
Revenue	2.42%	27.31%	16.70%	-8.35%	2.82%
EBITA	-4.38%	39.55%	79.46%	-20.74%	7.10%

The following information presents the evolution of average compensation effectively paid to the Chairman of the Board, the Chief Executive Officer and the employees.

Considering the arrival of Guillaume Texier as Chief Executive Officer in September 2021, the period from 2019 to 2020 corresponds to compensation during

Patrick Berard's term of office as Chief Executive Officer, the year 2021 corresponds to compensation during Patrick Berard's term of office (until September 1, 2021) and Guillaume Texier's term of office (from September 1, 2021), and the period from 2022 to 2023 corresponds to Guillaume Texier's term of office.

	FINANCIAL YEAR				
	2023	2022	2021	2020	2019
Evolution of the compensation (%) of the Chief General Officer	-2%	-11%	+13%	-13%	-12%
Evolution of the compensation (%) of the President of the Board ⁽¹⁾	N/A	0.00%	-33.33%	0.00%	0.00%
Evolution of the average compensation (%) of the employees	13%	11.17%	4.51%	5.77%	-4.80%

(1) Agnès Touraine was appointed as Chairwoman of the Board of Directors on September 1, 2023.

3.2.3 Fixed, variable and exceptional items making up total compensation and benefits of any kind paid during financial year 2023 or allocated in respect of financial year 2023 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 2023 or allocated for financial year 2023 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 2023 or awarded in respect of financial year 2023 to Ian Meakins, former Chairman of the Board of Directors, submitted for approval by the shareholders at the Shareholders' Meeting (ninth resolution):

Ian Meakins (Non-executive Chairman of the Board of Directors) for the financial year ended December 31, 2023

COMPENSATION ITEMS PAID OR ALLOCATED SUBMITTED TO THE VOTE	AMOUNT OR ACCOUNTING VALUATION		PRESENTATION
	AMOUNT ALLOCATED IN RESPECT OF FINANCIAL YEAR 2023	AMOUNT PAID DURING FINANCIAL YEAR 2023	
Fixed annual compensation	200,000	200,000	<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>The amount allocated in respect of 2023 is calculated <i>prorata temporis</i> in view of Ian Meakins' resignation as Chairman of the Board of Directors on August 31, 2023.</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 any kind paid during financial year 2023 or awarded in respect of financial year 2023 to Agnès Touraine, Chairwoman of the Board of Directors, submitted for approval by the shareholders at the Shareholders' Meeting (tenth resolution):

Agnès Touraine (Non-executive Chairwoman of the Board of Directors) for the financial year ended December 31, 2023

COMPENSATION ITEMS PAID OR ALLOCATED SUBMITTED TO THE VOTE	AMOUNT OR ACCOUNTING VALUATION		PRESENTATION
	AMOUNT ALLOCATED IN RESPECT OF FINANCIAL YEAR 2023	AMOUNT PAID DURING FINANCIAL YEAR 2023	
Fixed annual compensation	€133,333	€133,333	The Board of Directors has determined the fixed annual compensation of Agnès Touraine at €400,000, in compliance with the compensation policy. The amount allocated in respect of 2023 is calculated <i>pro rata temporis</i> in view of her starting as Chairwoman of the Board of Directors on September 1, 2023.
Variable annual compensation	Not applicable		Agnès Touraine does not benefit from any variable annual compensation.
Deferred variable compensation	Not applicable		Agnès Touraine does not benefit from any deferred variable compensation.
Multi-annual variable compensation	Not applicable		Agnès Touraine does not benefit from any multi-annual variable compensation.
Exceptional compensation	Not applicable		Agnès Touraine does not benefit from any exceptional compensation.
Benefits of any kind	Health insurance		Agnès Touraine benefits from a health insurance plan.
Valuation of the long-term compensation: allocation of performance shares	Not applicable		Agnès Touraine does not benefit from any long-term compensation item.
Severance indemnities	Not applicable		Agnès Touraine does not benefit from any severance indemnity.
Non-compete indemnity	Not applicable		Agnès Touraine does not benefit from any non-compete indemnity.
Supplemental retirement plan	Not applicable		Agnès Touraine 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 2023 or allocated in respect of financial year ended December 31, 2023, to Guillaume Texier as Chief Executive Officer, submitted to the shareholders' approval at the Shareholders' Meeting (eleventh resolution):

Guillaume Texier (Chief Executive Officer) for the financial year ended December 31, 2023

COMPENSATION ITEMS PAID OR ALLOCATED SUBMITTED TO THE VOTE	AMOUNT OR ACCOUNTING VALUATION		PRESENTATION
	AMOUNT ALLOCATED IN RESPECT OF FINANCIAL YEAR 2023	AMOUNT PAID DURING FINANCIAL YEAR 2023	
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	€974,304	€1,219,190	<p>The gross variable annual compensation in respect of the financial year ended on December 31, 2023 determined by the Board of Directors of February 14, 2024, amounts to €974,304.</p> <p>The variable compensation consisted of 70% financial objectives and 30% non-financial objectives. The financial performance percentage reached 106.20 % and the non-financial performance was 90.50%.</p> <p>This amount thus corresponds to 101.49% of the target variable compensation (the target variable compensation was determined at 120% of the fixed annual compensation), i.e. 121.79% of the fixed compensation for the relevant period.</p> <p>For details on the calculation of the variable compensation for 2023, please see paragraph 3.2.2.4 "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 2023 variable compensation is subject to the approval of the Shareholders' Meeting of April 30, 2024.</p>
Pluriannual variable compensation	Not applicable		Guillaume Texier does not benefit from any pluri-annual variable compensation in respect to his corporate office.
Exceptional compensation	Not applicable		Guillaume Texier does not benefit from any exceptional compensation in respect of his corporate office.
Valuation of benefits in kind	€44,784		<p>Guillaume Texier received benefits in kind including the provision of a company car (9,744 euros) as well as the GSC benefit (35,039.63 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, 2023

COMPENSATION ITEMS PAID OR ALLOCATED SUBMITTED TO THE VOTE	AMOUNT OR ACCOUNTING VALUATION		PRESENTATION
	AMOUNT ALLOCATED IN RESPECT OF FINANCIAL YEAR 2023	AMOUNT PAID DURING FINANCIAL YEAR 2023	
Valuation of long-term compensation: grant of performance shares	€1,758,540 <i>(valuation based on the IFRS 2 fair value used for the consolidated financial statements, i.e. €16.59 for 2023)</i>		<p>Pursuant to the authorization granted by Rexel's Shareholders' Meeting of April 20, 2023, the Board of Directors decided on April 20, 2023 to grant Rexel performance shares.</p> <p>In this context, 106,000 shares, fully subject to performance conditions, were granted to Guillaume Texier in 2023.</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 2023.</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>
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	€196,790		<p>In accordance with the compensation policy adopted by the Board of Directors at its meeting of February 15, 2023 and approved by the Shareholders' Meeting of April 20, 2023, Guillaume Texier was paid an annual bonus linked to the supplementary pension plan (art. 82) for an amount of 196,790 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, 2023. 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.

3.3.3 Agreements between the executives or shareholders of Rexel and Rexel's subsidiaries

There is no agreement concluded between, on the one hand:

- 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 2023

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.

PricewaterhouseCoopers Audit

63 rue de Villiers
92208 Neuilly-sur-Seine Cedex

KPMG S.A.

Tour Egho
2, avenue Gambetta
CS 60055
92066 Paris la Défense Cedex

Rexel S.A.

13, boulevard du Fort de Vaux
75017 Paris

Statutory Auditors' Report on regulated agreements

(Shareholders' meeting for the approval of the financial statements for the year ended December 31, 2023)

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 15, 2024

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit
Pierre Clavié

KPMG S.A.
Éric Jacquet

3.3.4.2 Special reports of the Statutory Auditors in relation to the related party agreements for 2022 and 2021

The special reports of the Statutory Auditors of Rexel in relation to the related party agreements for the financial year ended December 31, 2022, and December 31, 2021, are set out respectively in the Registration Document filed with the *Autorité des*

marchés financiers on March 10, 2023, under number D.23-0078 and in the Universal Registration Document filed with the *Autorité des marchés financiers* on March 10, 2022 under number D.22-0083.

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 27.1

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* (Afp) 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	REXEL GROUP PRACTICE AND EXPLANATIONS
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.	<p>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 role 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 2023,</p> <ul style="list-style-type: none"> • the Board of Directors has met on 12 occasions, • the Audit and Risk Committee on 5 occasions, • the Nomination, Governance and Corporate Social Responsibility Committee met on 5 occasions, and • the Compensation Committee met on 5 occasions. <p>The Board of Directors has consequently estimated unnecessary to modify the variable part of the compensation that already takes into account of the effective attendance of the Directors to the Committees.</p>

(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 April 20, 2023.

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.225-10-7 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.

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 72 years of age; his/her term of office automatically lapse on December 31 of the year of his/her 72nd birthday.

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.

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.

This form of executive management remains valid until another decision is made, in accordance with the same rules.

The change in Rexel's executive management method does not entail any changes to the by-laws.

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.

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' decisions limiting the Chief Executive Officer's powers are ineffective vis-à-vis third parties.

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.

The Chief Executive Officer may be dismissed at any time by the Board of Directors.

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.

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.

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-propritaire*) 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.

3.6.5.5 Attendance sheet – Officers of the meeting – Minutes of meetings (article 29 of the by-laws)

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.

3.6.5.6 Quorum – Voting – Number of votes (article 30 of the by-laws)

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.

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, 2023, set out in paragraph 5.2.1 "Consolidated Financial Statements as of December 31, 2023" 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.

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).

3.6.8 Special provisions governing changes to share capital (article 7 of the by-laws)

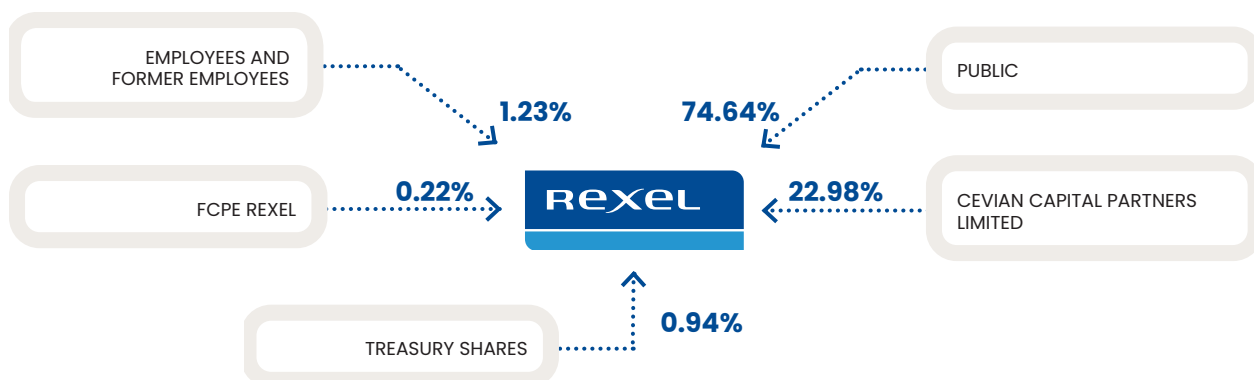
Rexel's share capital may be increased or reduced in all ways and by all manners authorized by law.

The Extraordinary Shareholders' Meeting may also decide to divide the shares or to group them together.

3.7 Shareholders

3.7.1 Principal shareholders

The chart below shows the simplified shareholding structure of Rexel as of December 31, 2023:



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, 2023, 2022, and 2021. Each Rexel share gives right to one vote.

SHAREHOLDERS	AT DECEMBER 31,											
	2023				2022				2021			
	NUMBER OF SHARES	NUMBER OF VOTING RIGHTS	% OF CAPITAL AND THEORETICAL % OF VOTING RIGHTS ⁽¹⁾	% OF EXERCISABLE VOTING RIGHTS ⁽²⁾	NUMBER OF SHARES	NUMBER OF VOTING RIGHTS	% OF CAPITAL AND THEORETICAL % OF VOTING RIGHTS ⁽¹⁾	% OF EXERCISABLE VOTING RIGHTS ⁽²⁾	NUMBER OF SHARES	NUMBER OF VOTING RIGHTS	% OF CAPITAL AND THEORETICAL % OF VOTING RIGHTS ⁽¹⁾	% OF EXERCISABLE VOTING RIGHTS ⁽²⁾
Cevian Capital Partners Limited ⁽³⁾	69,091,653	69,091,653	22.98%	23.19%	69,091,653	69,091,653	22.77%	22.81%	61,202,309	61,202,309	20.02%	20.06%
Employees and former employees	3,698,044	3,698,044	1.23%	1.24%	3,768,211	3,768,211	1.24%	1.24%	3,018,755	3,018,755	0.99%	0.99%
FCPE Rexel	657,984	657,984	0.22%	0.22%	748,845	748,845	0.25%	0.25%	852,268	852,268	0.28%	0.28%
Public	224,459,558	224,459,558	74.64%	75.35%	229,249,149	229,249,149	75.56%	75.70%	240,029,694	240,029,694	78.51%	78.67%
Treasury shares	2,812,996	2,812,996	0.94%	0.00%	555,407	555,407	0.18%	0%	613,465	613,465	0.20%	0.00%
TOTAL	300,720,235	300,720,235	100%	100%	303,413,265	303,413,265	100%	100%	305,716,491	305,716,491	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 June 27, 2022.

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
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
Norges Bank	March 1, 2023	5%	Down	4.99%	15,137,725
Norges Bank	March 6, 2023	5%	Up	5.004%	15,183,880
Pzena	March 14, 2023	2.5%	Down	2.43%	7,368,249
FIL Limited	March 30, 2023	2.5%	Up	2.59%	7,853,196
BlackRock	September 11, 2023	2.5%	Down	2.49%	7,584,762
Pzena	November 16, 2023	5%	Up	5.04%	15,340,365
Norges Bank	December 13, 2023	5%	Down	4.95%	15,047,833
Norges Bank	December 27, 2023	5%	Down	4.98%	15,047,833
Norges Bank	January 2, 2024	5%	Up	5.10%	15,507,608
BlackRock	January 3, 2024	2.5%	Down	2.49%	7,580,604
FIL Limited	January 19, 2024	2.5%	Down	1.92%	5,774,244

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, 2023, 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		
Agnès Touraine (Chairwoman)	8,712	NS
Marcus Alexanderson	5,000	NS
François Auque	3,000	NS
Steven Borges	1,000	NS
Brigitte Cantaloube	1,800	NS
Barbara Dalibard	2,400	NS
François Henrot	7,133	NS
Antoine Hermelin (Director representing the employees) ⁽¹⁾	3,942	NS
Toni Killebrew (Director representing the employees) ⁽¹⁾	–	NS
Marie Richter	6,500	NS
Guillaume Texier	10,000	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
DIRECTORS					
Steven Borges	May 11, 2023	Purchase	1,000	€20.9552	€20,955
Agnès Touraine	December 27, 2023	Purchase	7,600	€25.0500	€190,380
Brigitte Cantaloube	December 27, 2023	Purchase	800	€24.9745	€19,980

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, 2023, the number of shares held by employees in the context of the employee shareholding plans, directly or through employee investment funds (FCPE), was 4,356,028 shares, i.e. 1.45% 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, 2020

Free shares allotment plans set up on September 28, 2020

The Extraordinary General Meeting of Rexel shareholders on June 25, 2020, authorized the Board of Directors to proceed with the free allocation of shares.

On September 28, 2020, the Board of Directors decided to grant 1,566,140 Rexel shares under three plans.

On September 28, 2020, in connection with the authorization granted to the Board of Directors to make free share allocations, it was decided that the Chief Executive Officer, who will benefit from a free share allocation, must keep 20% of the acquired shares in registered form. This obligation applies until the termination of his functions.

The table below provides a summary of the shares granted for free during the fiscal year ending on 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, 2022	845,967	299,297	0
Number of valid Restricted shares at December 31, 2022		198,924	121,656
Number of free shares cancelled or expired ⁽³⁾	26,057	27,271	6,576
Number of free shares irrevocably vested at December 31, 2023	819,910	470,950	115,080
Number of valid Performance shares at December 31, 2023	–	–	–
Number of valid Restricted shares at December 31, 2023	–	–	–

(1) As the conditions applied to attendance 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.

As of December 31, 2023, there were no remaining granted and undelivered shares.

During the fiscal year ended December 31, 2023, the Chief Executive Officer decided on September 29, 2023 to deliver 1,405,940 ordinary shares of the Company, acquired on September 28, 2023 under

the "Rexel 2020 3+0 Plan" granted on September 28, 2020.

During the financial year ended December 31, 2023, the beneficiaries definitively vested shares under the "2020 Rexel Plan 3+0". This plan includes a 3-year presence condition and the following performance conditions:

ACHIEVEMENT OF PERFORMANCE ON THE STOCK OPTION PLANS GRANTED IN 2020	WEIGHT	OBJECTIVES	TRIGGER THRESHOLD	TARGET	MAXIMUM	PERFORMANCE ATTAINMENT PERCENTAGE BEFORE WEIGHTING	PERCENTAGE OF PERFORMANCES SHARES ACQUIRED AFTER WEIGHTING
Average EBITA growth in value between 2019-2022	30%	+€53.2 M	Acquisition is equal to 50% if the average reaches 75% of the target.	Acquisition is equal to 100% if the target is achieved.	Attribution is equal to 150% if the average is greater than or equal to 125% of the target.	150%	45.00%
Average organic sales growth from 2019 to 2022	30%	+2.52%	Acquisition is equal to 50% if the average reaches 75% of the target.	Acquisition is equal to 100% if the target is achieved.	Attribution is equal to 150% if the average is greater than or equal to 125% of the target.	150%	45.00%
Average of the ratio of free cash flow before interest and taxes to EBITDA for the years 2020, 2021, and 2022	20%	7.55%	Acquisition is equal to 50% if the average is 90%.	Acquisition is equal to 100% if the target is achieved.	Attribution is equal to 150% if the average is greater than or equal to 125% of the target.	116%	23.20%
Relative performance of Rexel stock compared to the SBF 120 GR index ⁽¹⁾	20%	+5%	Acquisition is equal to 50% if the performance of Rexel stock is equal to the performance of the SBF 120 GR index.	Acquisition is equal to 100% if the performance of Rexel stock exceeds the performance of the SBF 120 GR index by 5%.	Acquisition is equal to 150% if the performance of Rexel stock exceeds the performance of the SBF 120 GR index by 10%.	150%	30.00%
Total						100%	

(1) The performance of this criterion is assessed at the end of a 3-year period (2020-2023).

During the financial year ended December 31, 2022, the shares definitively vested by the corporate officers were as follows:

GRANTEES	NUMBER OF SHARES DEFINITELY VESTED
Guillaume Texier	—

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.

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 valid Performance shares at December 31, 2022	1,358,810	–
Number of valid Restricted shares at December 31, 2021	–	440,530
Number of free shares cancelled or expired ⁽³⁾	95,811	30,394
Number of free shares irrevocably vested at December 31, 2023	–	–
Number of valid Performance shares at December 31, 2023	1,262,999	–
Number of valid Restricted shares at December 31, 2023	–	410,136

(1) As the conditions applied to attendance 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, 2023 could give rise to the creation of 1,673,135 new shares and thus lead to a dilution of 0.56%.

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.

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.

For your information, the performance of the 2021 plans will be known during the fiscal year ending on December 31, 2024 (after the publication of this Universal Registration Document), considering the performance assessment period of the Rexel stock relative performance criterion compared to the SBF 120 GR index.

As a reminder, under the Rexel 3+0 Presence Shares plan, the allocated shares are not subject to the performance conditions above but only to a three-year presence condition.

(1) See note 19 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.

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 valid Performance shares at December 31, 2022	43,400	–
Number of valid Restricted shares at December 31, 2022	–	9,150
Number of free shares cancelled or expired ⁽³⁾	–	450
Number of free shares irrevocably vested at December 31, 2023	–	–
Number of valid Performance shares at December 31, 2023	43,400	–
Number of valid Restricted shares at December 31, 2023	–	8,700

(1) As the conditions applied to attendance 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, 2023 could give rise to the creation of 52,100 new shares and thus lead to a dilution of 0.02%.

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, 2023, 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.

(1) See note 19 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, 2023" of this Universal Registration Document.

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.

On April 21, 2022, 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, 2022:

PLAN	REXEL 2021 PERFORMANCE SHARES 3+0	REXEL 2021 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 irrevocably vested at December 31, 2022	–	–
Number of valid Performance shares at December 31, 2022	1,561,360	–
Number of valid attendance shares at December 31, 2022	–	337,770
Number of free shares cancelled or expired ⁽³⁾	190,150	12,770
Number of free shares irrevocably vested at December 31, 2023	–	–
Number of valid Performance shares at December 31, 2023	1,371,210	–
Number of valid attendance shares at December 31, 2023	–	325,000

(1) As the conditions applied to attendance 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.

Shares allocated and not yet delivered at December 31, 2023 may give rise to the creation of 1,696,210 new shares. This creation would entail a dilution of 0.56%.

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, 2023, 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.

(1) See note 19 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, 2021" of this Universal Registration Document.

Among the ESG criteria of the free share allocation plan set up under the authorization granted by the Shareholders' Meeting of April 21, 2022, are (i) the achievement of a threshold of 74,900 tons of CO₂ on Scopes 1 & 2 (which would represent, at the end of 2024 and on a like-for-like basis, a 36% reduction in value compared with 2016, which is the reference year) and (ii) the achievement of a threshold of 28,100 tons of CO₂ on Scope 3 (which would represent, at the end of 2024 and on a like-for-like

basis, a 27% reduction in value compared with 2016). These two thresholds should allow Rexel to achieve the targets validated by SBTi of a reduction, by 2030, of 60% in value on Scope 1 & 2 and 45% in value on Scope 3.

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.

Allocations of free shares during the financial year ended December 31, 2023

Free share plans set up on April 20, 2023

The Extraordinary General Meeting of Rexel shareholders on April 21, 2022, authorized the Board of Directors to proceed with the free allocation of shares.

On April 20, 2023, the Board of Directors decided to grant 2,115,712 Rexel shares for free.

The table below provides a summary of the shares granted for free during the fiscal year ending on December 31, 2023:

On April 20, 2023, in connection with the authorization granted to the Board of Directors to make free share allocations, it was decided that the Chief Executive Officer, who will benefit from a free share allocation, must keep 20% of the acquired shares in registered form. This obligation applies until the termination of his functions.

PLAN	REXEL 2022 PERFORMANCE SHARES 3+0	REXEL 2022 RESTRICTED SHARES 3+0
Shareholders' Meeting	April 21, 2022	
Board of Directors	April 20, 2023	
Number of beneficiaries	422	756
Initial number of Performance shares allocated for free	1,715,572	–
Initial number of Restricted shares allocated for free ⁽¹⁾	–	400,140
Corporate officers		
• Guillaume Texier	106,000	–
Top ten employees ⁽²⁾	336,032	–
Final vesting date	April 20, 2026	
Date of transferability of shares	April 21, 2026	
Number of shares cancelled or expired ⁽³⁾	81,290	12,890
Number of shares definitively vested as of December 31, 2023	–	–
Number of Performance shares outstanding as of December 31, 2023	1,634,282	–
Number of Presence shares outstanding as of December 31, 2023	–	387,250

(1) The conditions applied to presence shares being different from those of performance shares, the distribution of the allocation is done by type of shares.

(2) Considering the number of shares granted to employees, the first ten grants have been considered.

(3) Presence condition not fulfilled or performance condition not achieved.

The shares granted and not yet delivered as of December 31, 2023, could lead to the creation of 2,021,532 new shares. This creation would result in a dilution of 0.67%.

The valuation of the shares corresponds to the value determined in the application of IFRS 2, before the effect of spreading the charge over the vesting period⁽¹⁾.

(1) See note 19 in the appendix to the consolidated financial statements of the Rexel Group for the fiscal year ending on December 31, 2021, located in section 5.2.1 "Consolidated Financial Statements as of December 31, 2021" of this Universal Registration Document.

During the fiscal year ending on December 31, 2023, the Board of Directors granted the following shares to the executive officers and the top ten employees of the Rexel Group:

GRANTEES	PLAN NAME	NUMBER OF SHARES	EVALUATION OF ALLOCATED SHARES ⁽¹⁾	ACQUISITION DATE	VESTING DATE	CONDITIONS ⁽²⁾
EXECUTIVE OFFICERS						
Guillaume Texier	REXEL 3+0 Performance Shares	106,000	€1,758,540	20-Apr-23	21-Apr-26	-2
TOP TEN EMPLOYEES						
Employee #1	REXEL 3+0 Performance Shares	52,500	€870,975	20-Apr-23	21-Apr-26	-2
Employee #2	REXEL 3+0 Performance Shares	39,375	€653,231	20-Apr-23	21-Apr-26	-2
Employee #3	REXEL 3+0 Performance Shares	36,750	€609,683	20-Apr-23	21-Apr-26	-2
Employee #4	REXEL 3+0 Performance Shares	36,750	€609,683	20-Apr-23	21-Apr-26	-2
Employee #5	REXEL 3+0 Performance Shares	36,067	€598,352	20-Apr-23	21-Apr-26	-2
Employee #6	REXEL 3+0 Performance Shares	31,500	€522,585	20-Apr-23	21-Apr-26	-2
Employee #7	REXEL 3+0 Performance Shares	31,500	€522,585	20-Apr-23	21-Apr-26	-2
Employee #8	REXEL 3+0 Performance Shares	26,250	€435,488	20-Apr-23	21-Apr-26	-2
Employee #9	REXEL 3+0 Performance Shares	22,740	€377,257	20-Apr-23	21-Apr-26	-2
Employee #10	REXEL 3+0 Performance Shares	22,600	€374,934	20-Apr-23	21-Apr-26	-2

(1) The evaluation of the allocated shares is based on the fair value of the instruments at the grant date, which is €16.59.

(2) See the table presenting the selected performance criteria for the 2023 plan below.

The table below presents the selected performance criteria and the method applied to determine their impact on the future acquisition of performance shares from the Rexel 3+0 Performance Shares and Rexel 3+0 Performance and Presence plans:

CRITERIA	WEIGHT	TRIGGER THRESHOLD	TARGET	MAXIMUM	COMMENTS
Average EBITA Growth 2022-2025	40%	Acquisition equal to 50% if the average reaches 85% of the target	Acquisition equal to 100% if the target is achieved	Acquisition equal to 115% if the average is equal to or exceeds 125% of the target	Linear calculation between the points
Average of Free Cash Flow before interest and taxes to EBITDA / Ratio for the years 2023, 2024, and 2025	20%	Acquisition equal to 50% if the average reaches 90% of the target	Acquisition equal to 100% if the target is achieved	Acquisition equal to 115% if the average is equal to or exceeds 120% of the target	Linear calculation between the points
ESG Index – 6 criteria to capture the deployment of the ESG roadmap	20%	Acquisition equal to 50% if the trigger is reached	Acquisition equal to 100% if the target is achieved	Acquisition equal to 115% if the cap is reached	Linear calculation between the points
Relative performance of Rexel's stock compared to the SBF 120 GR index	20%	Acquisition equal to 50% if Rexel's stock performance is equal to the performance of the SBF 120 GR index	Acquisition equal to 100% if Rexel's stock performance exceeds the performance of the SBF 120 GR index by 5%	Acquisition equal to 115% if Rexel's stock performance surpasses the performance of the SBF 120 GR index by 10%	Linear calculation between the points
	100%	The achieved percentage is weighted by the importance of each performance condition to obtain a total weighted percentage. The total number after weighting cannot exceed 100% of the initial allocation			

During the fiscal year ending December 31, 2023, no shares were definitively acquired.

For your information, the performance of the plans from April 20, 2023, will be known during the fiscal year ending December 31, 2026 (after the publication of this Universal Registration Document), considering the assessment period for the performance relative to the Rexel stock compared to the SBF 120 GR index.

Among the ESG criteria of the free share allocation plan set up under the authorization granted by the Shareholders' Meeting of April 21, 2022, are (i) the achievement of a reduction of -17.4% in 2025 compared with 2022, the reference year for this plan, for Scopes 1 & 2, which representing 81,925 tonnes of CO₂ on a like-for-like basis in 2025 and (ii) the achievement of a -14.5% reduction in 2025 compared with 2022 in the Scope 3 intensity ratio (*i.e.* tonnes of CO₂ emitted by products sold divided by sales), which would represent a ratio of

1.61 on a like-for-like basis scope at the end of 2025. These two thresholds should allow Rexel to achieve the targets validated by SBTi of a reduction, by 2030, of 60% in value on Scope 1 & 2 and 45% in value on Scope 3.

As a reminder, under the Rexel 3+0 Presence Share Plan, the allocated shares are not subject to the performance conditions mentioned above but solely to a three-year presence condition.

Free Share Allocation Plans established on December 13, 2023

The Extraordinary General Meeting of Rexel Shareholders on April 21, 2022, authorized the Board of Directors to grant free shares.

On December 13, 2023, the Board of Directors decided to make a grant of 55,000 free Rexel shares subject to the same objectives as the plan allocated on April 20, 2023.

The table below summarizes the shares granted for free during the fiscal year ending December 31, 2023:

PLAN	REXEL 2022 PERFORMANCE SHARES 3+0	REXEL 2022 RESTRICTED SHARES 3+0
Shareholders' Meeting	April 21, 2022	
Board of Directors	December 13, 2023	
Number of beneficiaries	6	–
Initial number of Performance shares allocated for free	55,000	–
Initial number of Restricted shares allocated for free ⁽¹⁾	–	–
Corporate officers		
• Guillaume Texier	–	–
Top ten employees ⁽²⁾	55,000	–
Final vesting date	December 13, 2026	
Date of transferability of shares	December 14, 2026	
Number of shares cancelled or expired ⁽³⁾	–	–
Number of shares definitively vested as of December 31, 2023	–	–
Number of Performance shares outstanding as of December 31, 2023	55,000	–
Number of Presence shares outstanding as of December 31, 2023	–	–

(1) The conditions applied to presence shares being different from those of performance shares, the distribution of the allocation is done by type of shares.

(2) Considering the number of shares granted to employees, the first ten grants have been considered.

(3) Presence condition not fulfilled or performance condition not achieved.

The allocated shares that have not yet been delivered as of December 31, 2023, could lead to the creation of 55,000 new shares. This creation would result in a dilution of 0.02%.

The assessment of the shares corresponds to the value determined within the framework of the

application of IFRS 2, before the effect of spreading the charge over the acquisition period⁽¹⁾.

The assessment of the allocated shares is based on the fair value of the instruments at the date of allocation, which is €19.05.

During the fiscal year ending December 31, 2023, no shares were definitively acquired.

(1) See note 19 in the appendix to the consolidated financial statements of the Rexel Group for the year ended December 31, 2021, appearing in paragraph 5.2.1 "Consolidated Financial Statements as of December 31, 2021" of this Universal Registration Document.

During the fiscal year ending December 31, 2023, the Board of Directors allocated the following shares to corporate officers and the top ten employees of the Rexel Group:

GRANTEES	PLAN NAME	NUMBER OF SHARES	EVALUATION OF ALLOCATED SHARES	ACQUISITION DATE	VESTING DATE	CONDITIONS
EXECUTIVE OFFICERS						
Guillaume Texier	-	-	-	-	-	-
TOP TEN EMPLOYEES						
Employee #1	REXEL 3+0 Performance Shares	15,000	-	13-dec-2023	14-dec-2026	-2
Employee #2	REXEL 3+0 Performance Shares	10,000	-	13-dec-2023	14-dec-2026	-2
Employee #3	REXEL 3+0 Performance Shares	10,000	-	13-dec-2023	14-dec-2026	-2
Employee #4	REXEL 3+0 Performance Shares	10,000	-	13-dec-2023	14-dec-2026	-2
Employee #5	REXEL 3+0 Performance Shares	5,000	-	13-dec-2023	14-dec-2026	-2
Employee #6	REXEL 3+0 Performance Shares	5,000	-	13-dec-2023	14-dec-2026	-2

The table below presents the performance criteria selected and the method applied to determine their impact on the future acquisition of performance shares for the Rexel 3+0 Performance Actions and Rexel 3+0 Performance and Presence plans:

CRITERIA	WEIGHT	TRIGGER THRESHOLD	TARGET	MAXIMUM	COMMENTS
Average EBITA Growth 2022-2025	40%	Acquisition equal to 50% if the average reaches 85% of the target	Acquisition equal to 100% if the target is achieved	Acquisition equal to 115% if the average is equal to or exceeds 125% of the target	Linear calculation between the points
Average of Free Cash Flow before interest and taxes to EBITDA Ratio for the years 2023, 2024, and 2025	20%	Acquisition equal to 50% if the average reaches 90% of the target	Acquisition equal to 100% if the target is achieved	Acquisition equal to 115% if the average is equal to or exceeds 120% of the target	Linear calculation between the points
ESG Index – 6 criteria to capture the deployment of the ESG roadmap	20%	Acquisition equal to 50% if the trigger is reached	Acquisition equal to 100% if the target is achieved	Acquisition equal to 115% if the cap is reached	Linear calculation between the points
Relative performance of Rexel's stock compared to the SBF 120 GR index	20%	Acquisition equal to 50% if Rexel's stock performance is equal to the performance of the SBF 120 GR index	Acquisition equal to 100% if Rexel's stock performance exceeds the performance of the SBF 120 GR index by 5%	Acquisition equal to 115% if Rexel's stock performance surpasses the performance of the SBF 120 GR index by 10%	Linear calculation between the points.
	100%	The achieved percentage is weighted by the importance of each performance condition to obtain a total weighted percentage. The total number after weighting cannot exceed 100% of the initial allocation.			

For your information, the performance of the plans of December 13, 2023 will be known during the fiscal year ending on December 31, 2026 (subsequent to the publication of this Universal Registration Document) considering the appreciation period of the relative performance criterion of Rexel shares compared to the SBF 120 GR index.

The ESG criteria for the free share allocation plan set up under the authorisation granted by the General Meeting of April 21, 2022 include (i) achieving a reduction of -17.4% in 2025 compared with 2022, This would represent 81,925 tonnes of CO₂ on a like-for-like basis in 2025, and (ii) achieving a reduction of -

14.5% in 2025 compared with 2022 in the Scope 3 intensity ratio (i.e. tonnes of CO₂ emitted by products sold divided by sales), which would represent a ratio of 1.61 on a like-for-like basis at the end of 2025. These two reduction targets should enable Rexel to achieve the objectives validated by the SBTi of a 60% reduction in the value of Scope 1&2 and a 45% reduction in the value of Scope 3 by 2030.

As a reminder, under the Rexel 3+0 Presence Actions plan, the allocated shares are not subject to the above-mentioned 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 5,497,977 new shares. This would

represent 1.83% of the share capital and voting rights of Rexel at December 31, 2023.

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, 2023, Rexel's share capital amounted to €1,503,601,175 divided into 300,720,235 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 €1,517,066,325 divided into 303,413,265 shares with a par value of €5 each.

The Combined Shareholders' Meetings held April 20, 2023 granted various authorizations to the Board of Directors, which used such powers and authorizations as described below.

CURRENT AUTHORIZATIONS					PROPOSED RESOLUTIONS FOR THE ANNUAL GENERAL MEETING ON APRIL 30, 2024		
NATURE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (RESOLUTION NO.)	TERM (EXPIRY DATE)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NUMBER	DURATION	CAP
AUTHORIZATIONS SUBJECT TO RENEWAL BY THE SHAREHOLDERS' MEETING ON APRIL 30, 2024							
Rexel repurchase of its own shares							
Share repurchase	April 20, 2023 (resolution 14)	18 months (October 20, 2024)	10% of capital at the date of completion Total maximum amount: €250,000,000 Minimum redemption 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 7,745,858 shares at an average price of €21.30; and Sale of €7,853,969 shares at the average price of €21.34 Use in the context of contracts concluded with Société Générale on March 16, August 1, and September 8, 2023. The repurchases of Rexel shares were made in view of allotment of free shares to employees (1,436,806 shares) and cancellation of shares (5,027,864 shares) <ul style="list-style-type: none"> Acquisition of 6,464,670 at an average price of €20.73 	18	18 months (October 30, 2025)]	10% of the capital on the date of execution Total maximum amount: €250,000,000 Maximum purchase price: €35
Capital reduction by cancellation of shares							
Capital reduction by cancellation of shares	April 20, 2023 (resolution 15)	18 months (October 20, 2024)	10% of share capital at the cancellation date for 24-month periods	Cancellation of 3,543,006 shares acquired under the share buyback program	19	18 months (October 30, 2025)	10% of the capital on the cancellation date in periods of 24 months

CURRENT AUTHORIZATIONS					PROPOSED RESOLUTIONS FOR THE ANNUAL GENERAL MEETING ON APRIL 30, 2024		
NATURE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (RESOLUTION NO.)	TERM (EXPIRY DATE)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NUMBER	DURATION	CAP
Employee Share Ownership, Grants of Subscription or Purchase Options, Free Stock Grants							
Issuance with the elimination of the preferential subscription right in favor of participants in a savings plan	April 20, 2023 (resolution 21)	26 months (June 20, 2025)	2% of the capital on the day of the Board of Directors' decision This ceiling would be deducted from the €720 million ceiling provided in the 16 th resolution of the Annual General Meeting on April 20, 2023 This ceiling would be deducted from the 2% ceiling common to the 21 st and 22 nd resolutions of the Annual General Meeting on April 20, 2023 The issuance price would be determined under the conditions provided for in Articles L.3332-19 and following of the Labor Code. The maximum discount is set at 30% of the average of the first quoted prices during the twenty trading sessions preceding the day of the Board of Directors' decision setting the subscription opening date	N/A	20	26 months (June 30, 2026)	2% of the capital on the day of the Board of Directors' decision This ceiling would be deducted from the €720 million ceiling provided in the 16 th resolution of the Annual General Meeting on April 20, 2023 This ceiling would also be deducted from the 2% ceiling common to the 21 st and 22 nd resolutions of the Annual General Meeting on April 20, 2023 The issuance price would be determined under the conditions provided for in Articles L.3332-19 and following of the Labor Code. The maximum discount is set at 30% of the average of the first quoted prices during the twenty trading sessions preceding the day of the Board of Directors' decision setting the subscription opening date
Issuance with the cancellation of preferential subscription rights reserved for certain categories of beneficiaries to enable the implementation of employee share ownership operations. The categories of beneficiaries include (a) employees and officers of non-French companies affiliated with the Company, (b) UCITS or other employee share ownership entities invested in the Company's securities, (c) banks or their subsidiaries involved in the implementation of an employee share ownership plan, and/or (d) financial institutions appointed within the framework of a Share Incentive Plan	April 20, 2023 (resolution 22)	18 months (October 20, 2024)	1% of the capital on the day of the Board of Directors' decision This ceiling would be deducted from the €720 million ceiling provided in the 16 th resolution of the Annual General Meeting on April 20, 2023 This ceiling is deducted from the 2% ceiling common to the 21 st and 22 nd resolutions of the Annual General Meeting on April 20, 2023	N/A	21	26 months (June 30, 2026)	1% of the capital on the day of the Board of Directors' decision This ceiling would be deducted from the €720 million ceiling provided in the 16 th resolution of the Annual General Meeting on April 20, 2023

CURRENT AUTHORIZATIONS					PROPOSED RESOLUTIONS FOR THE ANNUAL GENERAL MEETING ON APRIL 30, 2024		
NATURE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (RESOLUTION NO.)	TERM (EXPIRY DATE)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NUMBER	DURATION	CAP
Free allocation of shares to employees and officers of the Company and its subsidiaries	April 21, 2022 (resolution 22)	26 months (June 20, 2024)	1.4% of the capital over a period of 26 months, assessed on the day of the allocation decision by the Board of Directors	Allocation on April 20, 2023 of 2,115,712 shares corresponding to €10,578,560 Allocation on December 13, 2023 of 55,000 shares corresponding to €275 000	22	26 months (June 30, 2026)	1.4% of the capital over a period of 26 months, assessed on the day of the allocation decision by the Board of Directors
Free allocation of shares to employees and officers of the Company and its subsidiaries subscribing to a Group employee share ownership plan	April 21, 2022 (resolution 23)	26 months (June 20, 2024)	0.3% of the capital on the day of the Board of Directors' decision	N/A	23	26 months (June 30, 2026)	0.3% of the capital on the day of the Board of Directors' decision
AUTHORIZATIONS NOT SUBJECT TO RENEWAL AT THE ANNUAL GENERAL MEETING ON APRIL 30, 2024							
Share capital increase							
Issuance with preferential subscription rights	April 20, 2023 (resolution 16)	26 months (June 20, 2025)	Equity securities: 720,000,000 (144,000,000 shares) This maximum is common to the 16 th to 22 nd resolution of the Shareholders' Meeting of April 20, 2023 Debt securities: €1,000,000,000 This maximum is common to the 16 th to 22 nd resolution of the Shareholders' Meeting of April 20, 2023	N/A	N/A	N/A	N/A
Issuance by means 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 20, 2023 (resolution 17)	26 months (June 20, 2025)	Equity securities: 140,000,000 (28,000,000 shares) This maximum is 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 is set in accordance with the legal provisions applicable on the issue date (as of today, the weighted average of the prices quoted for the Company's shares over the last three trading sessions prior to the start of the public offering, less a 10% discount where applicable)	N/A	N/A	N/A	N/A

CURRENT AUTHORIZATIONS					PROPOSED RESOLUTIONS FOR THE ANNUAL GENERAL MEETING ON APRIL 30, 2024		
NATURE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (RESOLUTION NO.)	TERM (EXPIRY DATE)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NUMBER	DURATION	CAP
Issuance through an offering governed by Article L.411-2, 1° of the French Monetary and Financial Code, with pre-emptive subscription rights waived.	April 20, 2023 (resolution 18)	26 months (June 20, 2025)	<p>Equity securities: €140,000,000 (i.e. 28,000,000 shares)</p> <p>This maximum is common to the 17th and 18th resolutions of the Shareholders' Meeting of April 20, 2023</p> <p>This limit will be deducted from the limit set in the 16th resolution of the Shareholders' Meeting of April 20, 2023</p> <p>Debt securities: €1,000,000,000</p> <p>This limit will be deducted from the limit set in the 16th resolution of the Shareholders' Meeting of April 20, 2023</p> <p>The issue price is set in accordance with the legal provisions applicable on the issue date (as of today, the weighted average of the prices quoted for the Company's shares over the last three trading sessions prior to the start of the public offering, less a 10% discount where applicable)</p>	N/A	N/A	N/A	N/A
Authorization to increase the amount of the initial issue, with or without pre-emptive subscription rights for existing shareholders	April 20, 2023 (resolution 19)	26 months (June 20, 2025)	<p>15% of initial issue</p> <p>This maximum will be deducted from the maximum applicable to the initial issue and from the maximum provided for in the 16th resolution of the Shareholders' Meeting of April 20, 2023</p>	N/A	N/A	N/A	N/A
Issuance in the limit of 10% of capital, in compensation contributions in kind	April 20, 2023 (resolution 20)	26 months (June 20, 2025)	<p>10% of share capital on the date of the Board of Directors' decision to issue shares</p> <p>This maximum is deducted from the maximums provided for in the 16th and 17th resolutions of the Shareholders' Meeting of April 20, 2023</p>	N/A	N/A	N/A	N/A
Capital increase by incorporation of premiums, reserves, profits or other items that may be capitalized	April 20, 2023 (resolution 23)	26 months (June 20, 2025)	<p>200,000,000 (i.e. 40,000,000 shares)</p> <p>This maximum does not count against any other maximum</p>	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 20, 2023

Characteristics of the share repurchase plan

The Combined Shareholders' Meeting of April 20, 2023, 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 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, 2023, Rexel held 2,812,996 shares of €5 nominal value each. The shares include 178,094 shares under the liquidity agreement entered into with Oddo and Natixis, 1,484,858 shares to be cancelled and 1,150,044 shares previously acquired and held for the attribution to employees.

In connection with this liquidity agreement, Rexel has purchased 7,745,858 shares (representing 2.58% of the share capital of Rexel) during the 2023 financial year at an average price of €21.30 and for a total amount of €165,001,063. 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 7,853,969 shares for an average price of €21.34.

In total, transactions carried out by Rexel on its own shares for the year ended December 31, 2023, mainly consisted of:

Number of shares cancelled during the last 24 months	7,022,764
Number of shares held by Rexel as treasury shares as of December 31, 2022	555,407
• Share purchases	14,210,528
• Share disposals	(7,853,969)
• Share transfers	(555,964)
• Shares cancelled	(3,543,006)
• Number of treasury shares held at December 31, 2023	2,812,996
Percentage of capital directly or indirectly held by Rexel as of December 31, 2023	0.94%
Book value of the treasury shares	57,286,568.94
Market value of the treasury shares as at December 31, 2023	69,911,670
Details of transactions carried out by Rexel in 2023, by objective:	
• Liquidity agreement	
Share purchases	7,745,858
Share disposals	(7,853,969)
Number of treasury shares held at December 31, 2023	178,094
• Cancellation of shares	
Number of cancelled shares	(3,543,006)
Number of treasury shares held at December 31, 2023	1,484,858
• Allocation to employees	
Share purchases	1,436,806
Share transfers	(555,964)
Number of treasury shares held at December 31, 2023	1,150,044

Rexel did not hold open, buy or sell positions on derivative instruments as of December 31, 2023.

As part of its share buyback program, Rexel has also entered into three buyback mandates with Société Générale dated March 16, 2023, for a maximum amount of 50,000,000 euros at a maximum unit price of 30 euros, on August 1, for a maximum amount of 25,000,000 euros at a maximum unit price of 24 euros and on September 8, for a maximum amount of 59,000,000 euros at a maximum unit price of 30 euros. These mandates were entered into with the aim 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. These three buyback mandates were limited to the Euronext, CBoE, Turquoise, and Aquis markets. For all the mandates, the number of repurchased shares allocated to the objective of delivering free shares amounts to 1,436,806. The number of repurchased shares allocated to the objective of cancelling shares amounts to 5,027,864. These 6,464,670 shares were repurchased at an average price of 20,73 euros for a total amount of 133,999,955 euros. The commission due on these share repurchases amounts to 344,475 euros. Information regarding these three contracts is included in the table above.

Description of the share repurchase plan submitted to the approval of the Shareholders' Meeting

At its meeting of February 14, 2024, the Board of Directors decided to submit a resolution to the Shareholders' Meeting of April 30, 2024 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 L.22-10-62 *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 2024 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, 2023 and having deducted the 2,812,996 shares held at this date, the maximum number of shares that may be purchased amounts to 27,259,027.

The shares that Rexel considers purchasing are ordinary shares.

Maximum purchase price

The maximum purchase price per share would be set at €35. 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, 2025.

Breakdown by objectives of the shares held by Rexel

As at December 31, 2022:

- 1,150,044 shares of €5 nominal value each were allocated to the implementation of all share subscription option plans and free share allocation plans of Rexel;
- 178,094 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; and

- 1,484,858 shares of €5 nominal value each were allocated to the cancellation of the shares.

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 2023 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 (€)
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

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 (€)
September 29, 2023	Share capital increase further to the granting of free shares to employees and corporate officers of the Company and its subsidiaries	849,976	4,249,880	N/A	1,521,316,205	304,263,241	5
December 18, 2023	Reduction of capital following the cancellation of self-held shares	3,543,006	17,715,030	N/A	1,503,601,175	300,720,235	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

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 commun 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, 2023, set out in paragraph 5.2.1 “Consolidated Financial Statements as of December 31, 2023” 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, 2023, set out in paragraph 5.2.1 “Consolidated Financial Statements as of December 31, 2023” 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, 2023” 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, 2023” of this Universal Registration Document).

4

Corporate responsibility



4 Corporate responsibility



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Rexel presents in this Chapter 4 its "Corporate Responsibility" strategy, which aims to develop a leadership in environmental, social and governance (ESG) issues. This strategy is based on the following principles:

- Acting ethically and with integrity;
- Involving and supporting employees;
- Reducing environmental footprint;
- Promoting responsible practices in the value chain.

The information presented in this Chapter, with the exception of Sections 4.7, 4.8, 4.9 and 4.10, also comprises 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.

With a view to complying with Directive 2022/2464 of December 14, 2022 entitled Corporate Sustainability Reporting Directive (CSRD) for the next Universal Registration Document to be published in 2025 in respect of the financial year ending December 31, 2024, Rexel has initiated work on a double materiality analysis. This will be followed by a gap analysis and the reworking of the current CSRD in order to present the Group's non-financial performance within the framework of the European Sustainability Reporting Standards (ESRS).

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. 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 "Power Up 2025" strategic plan in June 2022, Rexel

not only strengthened its sustainable development ambitions, but also placed energy transition at the heart of its roadmap by positioning ESG and energy transition as differentiators.

Continuing along this path, Rexel took another step forward on February 16, 2023, when it unveiled its mission statement: "Electrifying solutions that make a sustainable future possible". This mission statement, in line with Rexel's strategy and market trends, reflects Rexel's determination to support its stakeholders in adopting the products, services and solutions that will make the energy transition a reality.

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 (heating, ventilation and air conditioning), photovoltaic, electric mobility and industrial automation.

Lastly, the 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;
- Reduce environmental footprint; 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 19 to 33 of this Universal Registration Document.

4.1.1.2 Acting in a rapidly changing world

Rexel had an outstanding year 2023, resulting in record annual sales, profit margin and free cash flow generation. This performance once again reinforces the strength and resilience of our business model. Results, fully in line with our upgraded guidance, were driven both by supportive electrification trends, which grew at four times the pace of traditional electric distribution sales, and by the excellent execution of our action plans. Through our Power Up 2025 action plans, we have established a new baseline of performance. The combination of a

historic growth in electrification, the growing importance of services, and the positive effects of the digital transformation operated for several years, offers a unique window of opportunity. Rexel is now well positioned to pursue its profitable growth. This growth is being driven by both the continued optimization of its business model and the development of a leadership position in topics that shape the future of the industry, such as ESG, energy transition solutions and the development of new services.

REXEL'S BUSINESS MODEL

CREATING SUSTAINABLE VALUE FOR THE WORLD OF ENERGY

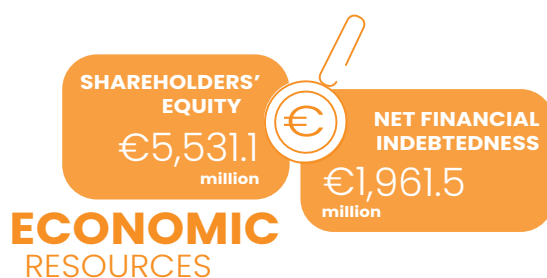
Rexel has made sustainable development challenges the engine of its growth and intends to play a catalytic role thanks to its unique position in the energy value chain.

Acting ethically in every situation, valuing and developing the skills of its 27,627 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.

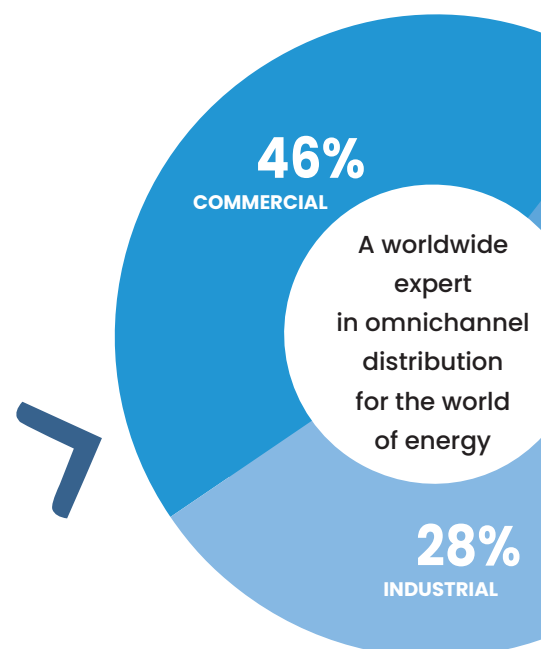
GROUP RESOURCES



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 19 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

5,171
recruitments,
including
83.4% open-ended
contracts



90% of
employees* are
proud to work
for Rexel

5.4
work accident
frequency rate

85,879
hours of
safety training



94.4%
of employees
trained (489,161 hours
excluding safety)

ENVIRONMENTAL VALUE

€1,260 millions
in sales of photovoltaic
products and electric
vehicle charging
equipment

62%
recovery
rate



↘ **32.2%** Greenhouse
Gas emissions (Scopes 1 & 2
compared to 2016)

ECONOMIC VALUE

€19,153
million in sales

€5.4 Bn
online sales

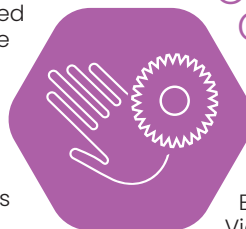


€357.4
million paid out as
dividend

84%
of direct purchases covered
by the Responsible
Supplier Charter

€3,327,867
of donations made
by the Rexel Foundation
and Group entities

SOCIETAL VALUE



CDP
Climate
A- list

A CSR performance
recognized
by the DJSI,
FTSE4Good,
EcoVadis,
Vigeo,
Corporate Knights

ETS



4

* Rate of positive response to the question "I am proud to be associated with my company".

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 and became a member of *Réseau France*. The Group reiterates its commitment 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.

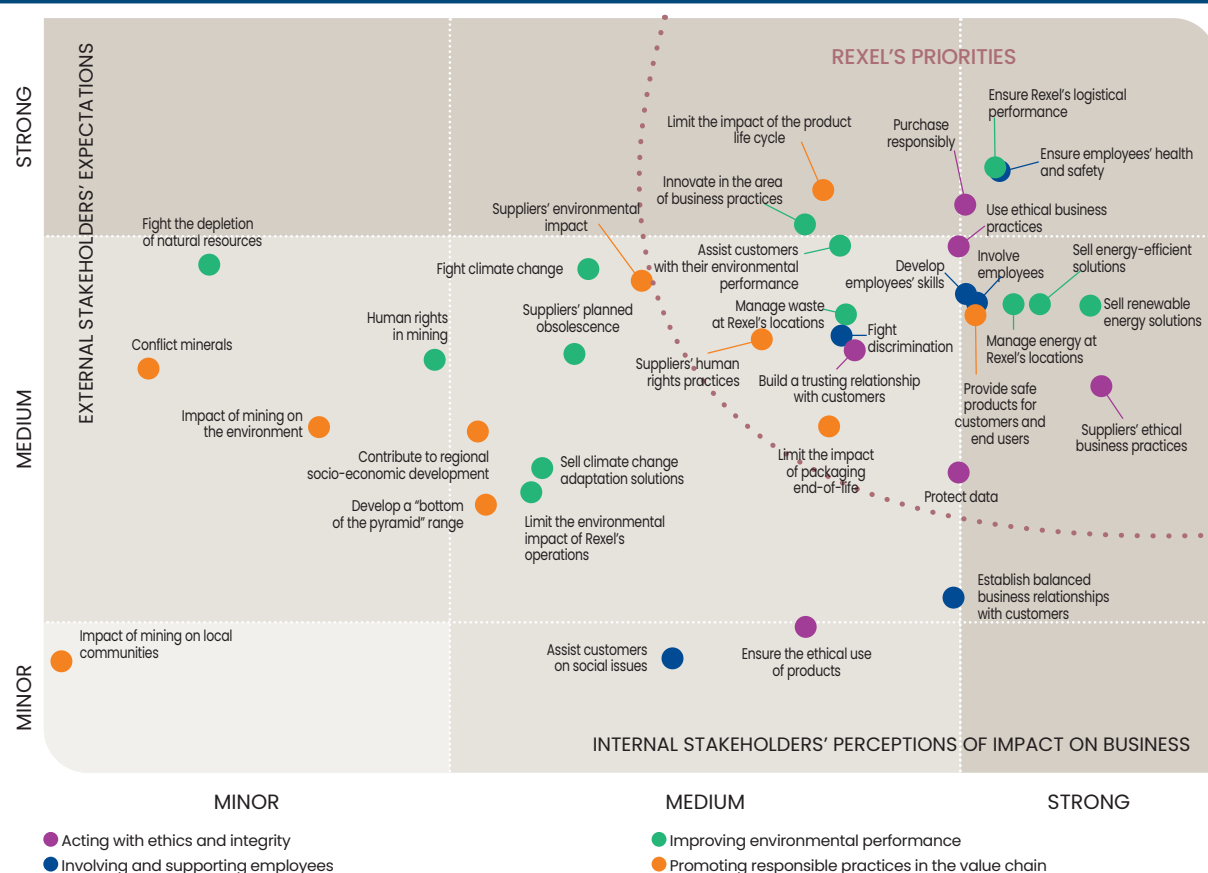
It is based on these principles and practices that the Group works to build its growth, which encourages it to make decisions and act responsibly on a daily basis.

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.

- **Reduce environmental footprint:** 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.

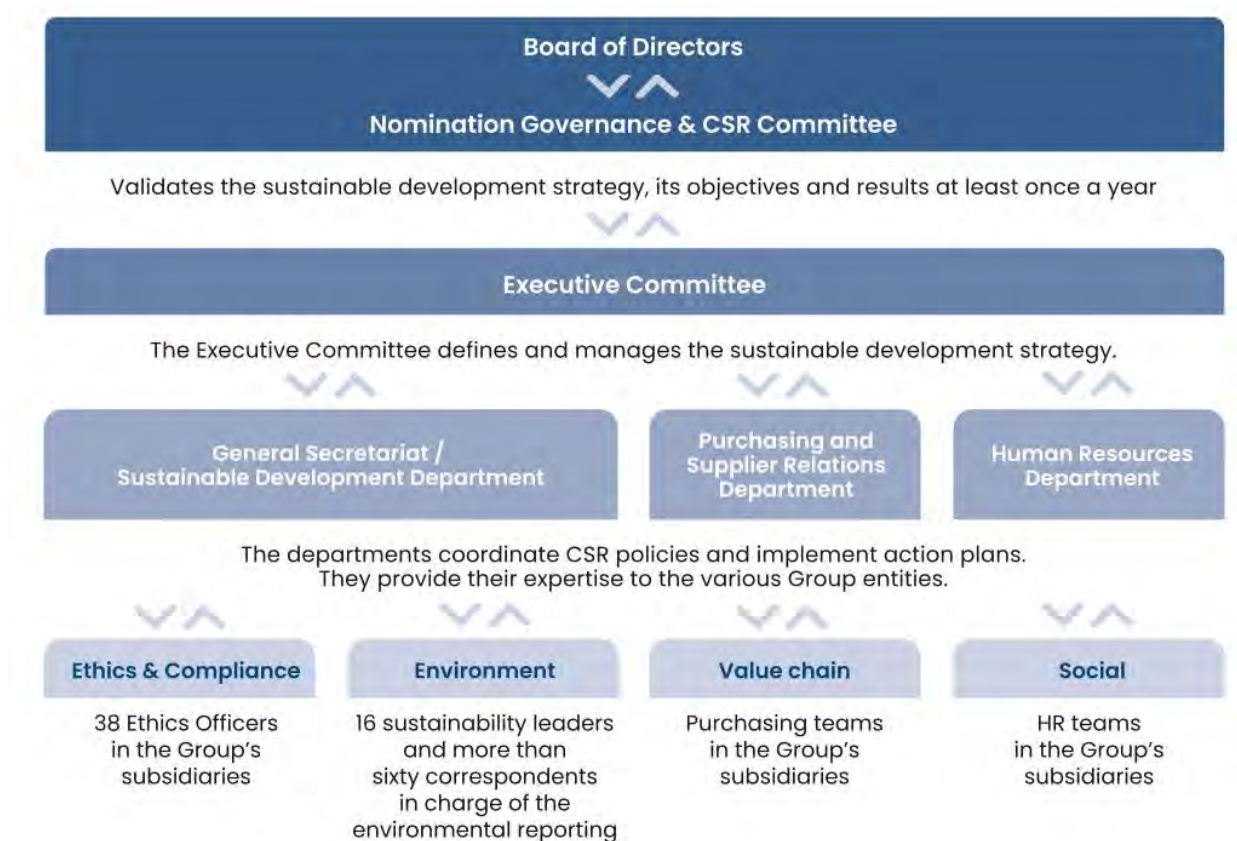
Rexel, based on the materiality analysis carried out with its stakeholders, identified the most significant SDGs with regard to its activities.



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.

In April 2023, the Nomination Committee became the Nomination, Governance and Corporate Social Responsibility (CSR) Committee, extending its responsibilities to CSR. It is now responsible for reviewing the multi-year strategic plan for social and environmental responsibility, including qualitative and quantitative targets, and monitoring its implementation, reviewing social and environmental responsibility reports (non-financial performance statement, vigilance plan, taxonomy, etc.) and

monitoring social and environmental responsibility ratings.

Issues related to sustainable development are brought up every quarter by the General Secretary 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.

Each year, subsidiaries must also include sustainable development in their strategic plans and budgets.

In each country, 16 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 approximately sixty Environment Officers in charge of environmental reporting.

The Sustainable Development, Purchasing, Human Resources Departments, the General Secretariat, the Digital and Data product teams, as well as the Rexel Strategic Supplier Service coordinate this deployment and monitor the implementation of the strategy throughout the year. In 2023, the internal control reference framework was updated to include new controls related to sustainable

development, and 7 Group entities were subject to ESG internal audits. 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, 2023, 14,957 employees are represented by the European Works Council.

Employee commitment and well-being are also a major concern for the Rexel Group. In 2023, Rexel conducted its annual "Satisfaxion23" internal

engagement survey. This survey was rolled out in 19 Group countries and is available in 13 languages, with a participation rate of 81%. The results of the 2023 survey are presented in Section 4.3.3 "Employee engagement".

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.

As part of the “Voice of the Customer” program, Rexel collects and analyses customer feedback via various surveys, throughout the customer experience. Rexel has also made an internal commitment to respond to all these messages in order to improve customers' experience and loyalty. In a major country like France, these “responses” are provided within 3 days by field sales forces (branch managers, division managers, etc.).

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 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 Coédis (the federation of electrical, HVAC engineering and sanitary solution equipment distributors), 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 “Commitment to energy progress and the fight against fuel poverty”).

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 €1.5 (1,445,424) million to professional associations and organizations in 2023, compared to €0.99 million in 2022.

INDICATOR	TOPICS	UNIT	2023
Spending for professional organizations, trade associations or tax-exempt groups	Competitiveness, taxation, regulations including social and environmental, governance	Millions of euros	1.45
Spending for think tanks	Energy markets, Net Zero carbon strategy, social and environmental innovation, energy efficiency, circular economy	Millions of euros	0
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 2023, 1,050 work-study students were recruited at the Group's subsidiaries.

Shareholders and investors

The Rexel Group communicates its sustainable development results, initiatives and priorities to the various players (shareholders and investors). These exchanges take place on an occasional or recurring basis depending of the players and events in the Group's life.

Associations, NGOs, civil society, and local communities

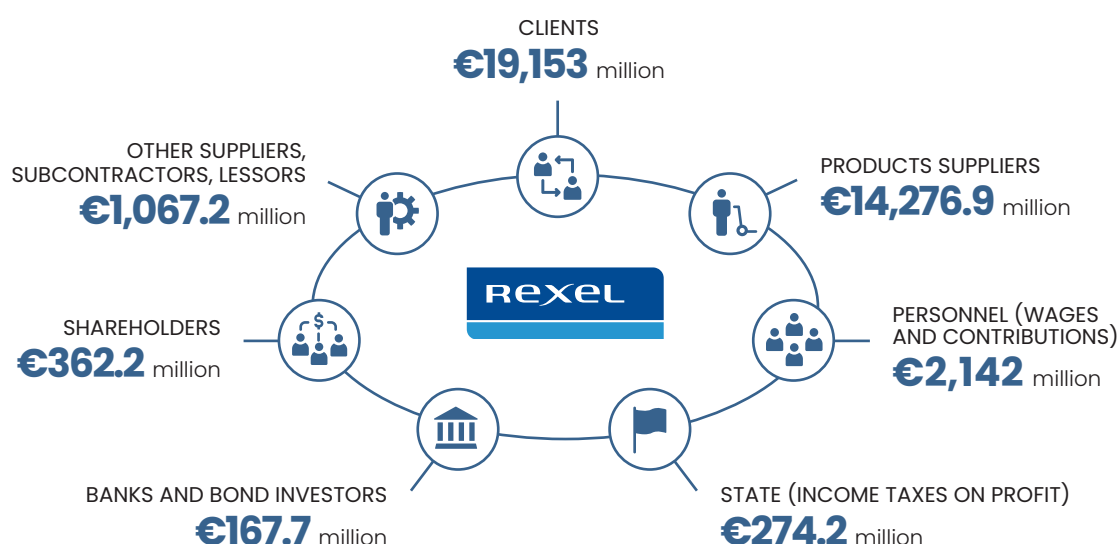
The expectations of civil society in terms of positive impact on the local economy and support for social progress are increasingly high and Rexel must meet them. This is one of the missions of the Rexel Foundation for energy progress, which maintains a dialogue with the associative network and finances solidarity projects in the countries where it operates.

State and local authorities

Through its global presence based on its local anchoring (1,937 branches located in 20 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, 2023, the Rexel Group paid €327.4 million in corporate income tax in the countries in which it operates (compared to €310.8 million in tax in respect of the financial year ended December 31, 2022).

■ 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 2023, Rexel obtained an ESG performance score of 54.5 (C+) and maintains its ranking 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.

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 2023, Rexel obtained a score of 62/100, while the average score for the sector (Trading Companies & Distributors) was 20/100.

Euronext Vigeo Europe 120 Index

Rexel is part of the Euronext Vigeo Europe 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 64/100 by Moody's, while the average score in the "Specialized Retail" sector is 39/100.

FTSE4Good index series

In 2023, 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 3.4/5 in 2023 while its sector (Electrical Components & Equipment) obtains an average score of 2.8/5.

CDP Climate Change

In 2023, Rexel's rating in CDP's climate change assessment was stable compared to 2022; it stands at A-. Companies in its sector obtained an average rating of C in 2023. 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 2023, 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 74/100 (up from the previous financial year) 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.

MSCI ESG Rating AA

In 2023, Rexel obtained an AA rating from MSCI (identical to the 2022 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. The next assessment of Rexel by Sustainalytics will be carried out in the first quarter of 2024. At the time of publication of this Universal Registration Document, the note has not yet been published.

Sustainalytics assigned Rexel a risk rating of 15.4 corresponding to a low ESG risk (10-20). Rexel ranks 6th out of 193 companies in the Traders & Distributors sector. This assessment carried out in 2023 allows Rexel to appear on the list of Sustainalytics' 2023 Top-Rated ESG Companies, which identifies leading companies in ESG risk management by sector.

Corporate Knights Ranking

In 2023, Rexel is ranked 55th on the 2022 Carbon Clean 200™ list. 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 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 2023 by S&P Global, Rexel is a member of the S&P 2024 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 712 of the most successful companies in

their industry out of more than 7,800 companies assessed. (Top 5% S&P Global ESG Score)

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

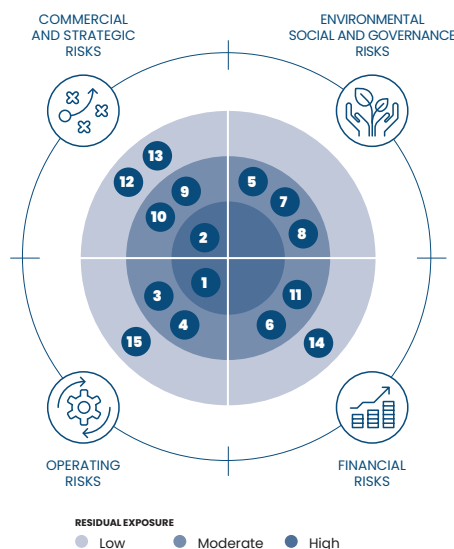
display best practices in environmental, social and governance (ESG) matters. Rexel is also part of the CAC SBT 1.5° index, which includes SBF 120 companies with clear emission reduction targets, in line with the 1.5°C target set out in the Paris Agreement. Its inclusion in these indices reflects Rexel's 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.



The main environmental, social and governance (ESG) risks identified in Rexel's internal control risk mapping are:

- Unethical behavior within the Group (corruption, cartels, embargoes, protection of personal data)
- Events affecting the health and safety of Group employees or third parties (including psychosocial risks)
- Insufficient or inadequate action in favor of environmental protection and social responsibility to meet stakeholder expectations.

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.

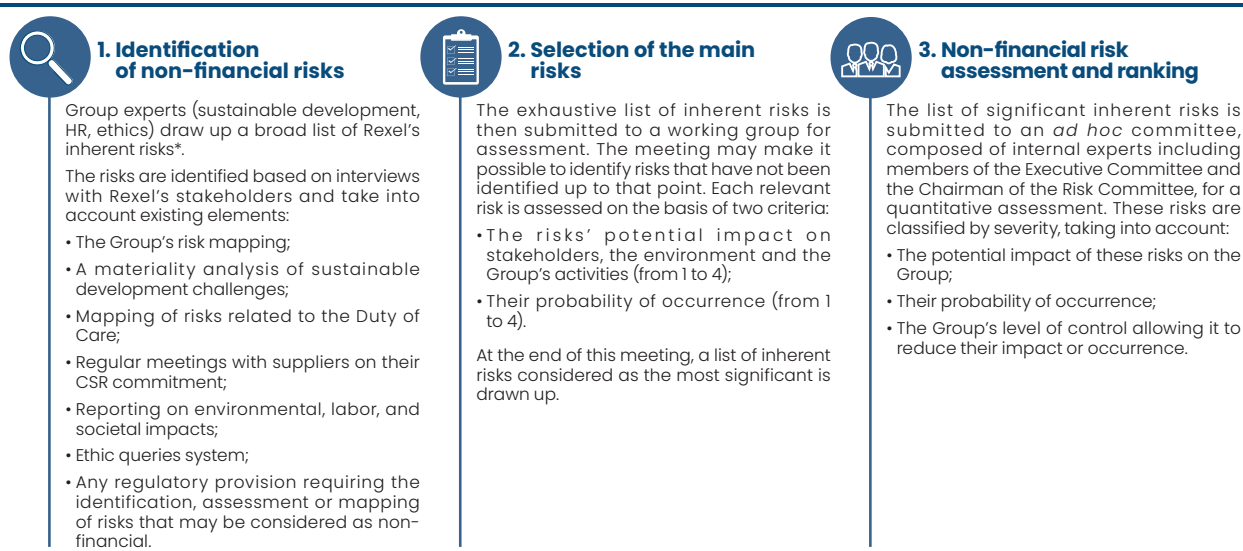
Risk mapping

The process of mapping non-financial risks is coordinated by the Sustainable Development Department and involves the Human Resources Department, the Corporate Secretary's Office, the Purchasing Department, the Supply Chain Department, the Finance Department, the Investor

Relations Department and the Internal Audit, Risks and Internal Control Department, as well as ESG representatives from the main subsidiaries on each continent (USA, Canada, France and China), representatives from the internal audit and control departments of these countries, and a number of external stakeholders such as customers and suppliers.

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 2022 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 2023, a list of 43 non-financial risks has been drawn up. During the workshops organized by the Sustainable Development Department, all the risks were presented to the participants, as well as the risk selection criteria. The recommendations made in the 2022 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. 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 through the key indicators presented in table above. The results and developments are presented in Chapter 4 of this Universal Registration Document.

CHALLENGES	DESCRIPTION OF RISKS AND OPPORTUNITIES	VIGILANCE PLAN	NON-FINANCIAL RISK EVALUATION AND HORIZON OF NON-FINANCIAL RISK	SDGS
ACTING WITH ETHICS AND INTEGRITY				
Responsible governance	(-) Ineffective implementation of the sustainable development strategy. Heterogeneous deployment in countries and operations. (+) Management and employee commitment around a clear and transparent strategy.	Yes	Low Medium-term	Cross-cutting
Business ethics	(-) Practices contrary to anti-corruption regulations or competition laws that could lead to legal proceedings and damage the Company's reputation. (+) Strengthening relations with customers and suppliers, through shared ethical behavior and practices. Creating shared value.	Yes	Medium Short-term	Cross-cutting
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 and vehicle fleets, that could lead to localized environmental incidents, additional costs, partial and imprecise reporting of environmental data, and demobilization of employees with regard to environmental matters. (+) Transformation of sites and vehicle fleets in line with the Group's environmental performance model.	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	 

CHALLENGES	DESCRIPTION OF RISKS AND OPPORTUNITIES	VIGILANCE PLAN	NON-FINANCIAL RISK EVALUATION AND HORIZON OF NON-FINANCIAL RISK	SDGS
Sustainable resource management	(-) Environmental footprint of solutions, packaging, waste management and risks related to the scarcity of key resources. (+) Development of environmentally-friendly solutions and packaging 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	   
Customer relations	(-) Risk of deterioration in the quality of customer relations leading to a loss of trust, the basis of any ethical relation. (+) Supporting customers in their own sustainable development strategy and strengthening customer relations based on shared values.	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.

4.2 Business ethics

4

Strategy and policies

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 conducts audits of how the compliance program is deployed in the subsidiaries.

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 fifteen 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, whistleblowing, 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 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 (see Section 4.5.1 "Collaboration with suppliers" of this Universal Registration Document).

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, in all the Group's languages. The whistleblowing procedures are available on the dedicated website (<https://ethique.rexel.com/en>). It is centralized and confidential. Whistleblowers can choose to make their alert anonymous. Each alert is handled by the Ethics Committee, an *ad hoc* committee composed of the Secretary General, the Human Resources Director and the Chief 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. Employees are regularly informed of this ethical alert system.

Addressing a message to the Ethics Officer of a Rexel Group entity

The Director in charge of Compliance as well as the Ethics Correspondents, 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 2023 Rexel acquired new third-party assessment software. All Group entities are equipped with a digital third-party due diligence tool.

Conflict of interest guidelines

In 2023, the Group published and deployed new specific guidelines targeting conflicts of interest. These guidelines have been deployed in all Group countries, enabling employees to identify and declare conflict of interest situations.

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 new employees and those most exposed to some of these risks, particularly in terms of anti-corruption and competition law. By 2023, 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 Correspondents 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 “Satisfaxion23” internal commitment survey indicate that 88% of employees believe that Rexel acts with integrity in its relations (with customers, suppliers, employees, etc.).

Rexel's management is fully committed to spreading the culture of business ethics. Management teams regularly speak out on these issues. Rexel has also organized a “Compliance Day” for the first time in 2023 in all Group entities, a day dedicated to ethics and compliance.

Corruption risk mapping

Rexel has relaunched a corruption risk mapping campaign based on the methodology of the French Anti-Corruption Agency. All Group entities have mapped their risks, enabling them to implement the relevant control measures.

Accounting controls

Rexel has set up accounting control procedures to ensure that books, records and accounts are not used to conceal fraud. Specific anti-corruption accounting controls are also defined for a number of operations deemed sensitive in the light of anti-corruption risk mapping. These controls are deployed across all Group entities.

Corrective action

Deficiencies associated with the implementation of procedures are analyzed in order to identify their cause and correct them.

Dedicated compliance audits

Second-level controls have been set up based on the mapping of corruption risks, and audits dedicated exclusively to compliance risks are regularly organized.

Results and performance

Training on business ethics at Rexel

In 2023, 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 new employees and those most exposed were trained in business ethics in 2023.

Ethics queries

The requests received by the Compliance Director and the Ethics Correspondents are consolidated by

the Rexel General Secretariat, who classifies them according to their type, author, subject and geographical area.

In 2023, 92 ethics queries were made. This increase can be explained by Rexel's regular communication on ethics alerts. 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	2023	2022
Employees ⁽¹⁾ considered as sensitive who completed the training sessions			
Competition law	%	87%	89%
Anti-corruption	%	90%	92%
Annual ethic queries		92	60

(1) All employees excluding logistics center employees.

		NUMBER OF QUERIES RECEIVED BY ETHICS CORRESPONDENTS IN 2023	NUMBER OF QUERIES RECEIVED BY ETHICS CORRESPONDENTS IN 2022
Type of query	Information	61	10
	Complaint	23	49
	Legal dispute	1	1
	Other packaging	7	0
Source of query	Customers	7	7
	Rexel employees	71	46
	Suppliers	0	3
	Local authorities	0	0
	Employee representatives / trade unions	0	0
	Anonymous	10	3
	Other packaging	4	1
Subject of query	Customer relations	5	9
	Supplier relations	1	2
	Relations between employees	26	10
	Discrimination	12	14
	Working conditions	23	13
	Anti-corruption	0	3
	Tax evasion	0	0
	Anti-fraud and anti-theft	25	9
	Environmental protection	0	0
Type of measures implemented	Preventive	25	16
	Corrective	49	44
	Other	18	N/A
Region	Europe	24	6
	North America	54	40
	Asia-Pacific	14	14

4.2.1 Responsible governance

Strategy and policies

Rexel's corporate governance ensures that the sustainable development approach is integrated into the Group's global strategy. It ensures that this approach is implemented consistently at every level of the Group, from decision-making bodies (in particular 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 drawn up by the *Association française des entreprises privées* (AfeP) and the *Mouvement des*

entreprises de France (Medef), 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 laid down are compatible with the Rexel Group's organization, size and resources.

Board of Directors

Each year, the Board of Directors gives its opinion on the Group's social and environmental responsibility, and monitors objectives and performance indicators with a view to continuous improvement.

The membership of the Board of Directors complies with diversity and parity requirements, while ensuring the presence of several members with specific skills and knowledge of corporate social and environmental responsibility.

The variable compensation package for the Chief Executive Officer also reflects the Board's determination to promote responsible corporate governance: on the one hand, the Chief Executive Officer's compensation includes a significant variable component, the determination of which depends on the Group's performance, both financial and non-financial; on the other hand, the Chief Executive Officer's variable compensation includes at least one criterion linked to social and environmental responsibility.

Finally, the Group's governance structure, which separates 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 performed by the Chief Executive Officer.

Executive Committee

Responsible governance also relies on the Executive Committee, whose responsibility in terms of sustainable development is to ensure that the objectives set by the Group are achieved, to integrate non-financial risks and opportunities into the Group's strategy, and to initiate the structuring projects necessary for Rexel's sustainable transition.

Procedures and action plans

Membership and operation of the Board of Directors

With regard to changes in the membership of the Board of Directors and its Committees, the Appointments Committee strives to conduct its work in line with Rexel's diversity policy (see paragraph 3.1.1.2 "A Board of Directors focused on skills and diversity" of this Universal Registration Document).

In addition, Rexel has a stable Board of Directors, providing the Group with a long-term vision. As of January 1, 2024, the average length of service of directors (excluding directors representing employees) on Rexel's Board of Directors was 4 years.

Directors' competence in social and environmental matters

In addition, when appointing or renewing directors, the Board of Directors takes into account the presence of members with skills in social and environmental matters (see the skills matrix presented in paragraph 3.1.1.2 "A 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 Group's strategic orientations must take into account the social and environmental stakes involved in the development of the Group's activities. To this end, an environmental reporting system has been set up to keep directors informed about these aspects.

At the Board meetings of February 15 and October 18, 2023, Rexel's social and environmental issues and results were presented to the directors in order to keep them informed of these issues and enable them to take them into account in developing the Group's strategy.

Governance structure

Rxel's organizational structure aims to separate the functions of Chairman and Chief Executive Officer in order to better serve the Group's interests. In particular, the separation of functions enables the Chief Executive Officer to focus his efforts on the Group's strategic implementation and execution.

Compensation of the Chief Executive Officer

In accordance with the guidelines of the Afep-Medef Code (§ 26.1.1), the compensation of the Chief Executive Officer must include one or more criteria relating to the company's social and environmental responsibility. In particular, the performance criteria for long-term compensation now include an environmental and social criterion, in line with the Group's commitment. On the recommendation of the Compensation Committee, the Board of Directors has decided to use a multi-criteria ESG index relating to the implementation of the Group's Corporate Social Responsibility policy as a criterion for non-financial performance from 2022 onwards. This criterion represents 20% of the Chief Executive Officer's long-term variable compensation (and that of all long-term remuneration recipients, including country General Managers).

ESG criteria for the Chief Executive Officer's variable compensation for 2024

In accordance with the guidelines of the Afep-Medef Code (§ 26.1.1) and the decisions of the Board

of Directors on February 14, 2024, the Chief Executive Officer's compensation policy for 2024 includes social and environmental criteria in the qualitative portion of his short-term variable compensation, up to 50%.

ESG duties carried out by the Executive Committee in 2023

In 2023, the year's developments and the Group's long-term strategic plan on ESG matters were presented to the Group executives, including the Chief Executive officers of the countries who are responsible for implementing the strategy at the local level. The Chief executive officers of the countries then appoint a team, usually cross-functional, to carry out the mission. Sustainable development issues are coordinated by the General Secretariat within the Executive Committee. The Sustainable Development Department provides technical expertise on all subjects.

Results and performance

Diversity of profiles and compliance with male/female parity requirements on the Board of Directors

The membership of the Board of Directors and its Committees complies in all respects with the provisions of the French Commercial Code and the guidelines of the Afep-Medef Code concerning diversity and male/female parity.

With regard to parity, on January 1, 2024:

- The Board of Directors comprises 44% women;
- The Nomination, Governance and CSR Committee comprises 80% women (excluding directors representing employees);
- the Compensation Committee comprises 75% women (excluding directors representing the employees);
- The Audit and Risks Committee comprises 33% woman; and
- Two out of three Committees are chaired by women.

Rexel is also attentive to non-discrimination and diversity within the Executive Committee. We are convinced that mixed teams contribute to sustainable performance.

With regard to parity within the Executive Committee, 2 members out of 10 are women (20%) as at January 1, 2024. At January 1, 2023, 4 of the 13 members of the Executive Committee were women.

In terms of diversity of nationalities and multicultural dimension, 4 directors were of foreign nationality at January 1, 2024 (United States, Panama, Sweden).

Independence of directors

At January 1, 2024, in accordance with the guidelines of the Afep-Medef Code concerning the proportion of independent members on Boards and Committees:

- 7 members out of 9 (excluding directors representing employees) of the Board of Directors are considered independent (independence rate of 78%); and
- the Audit and Risks Committee has an independence rate of 83%, the Appointments Committee has an independence rate of 80% and the Compensation Committee has an independence rate of 100%.

Key performance indicators

INDICATOR	UNIT	2023	2022
Percentage of independent directors* (%)	%	78%	80%
Percentage of women on the Board of Directors	%	44%	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. Since 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.

The Group has appointed a Data Protection Officer, responsible for monitoring compliance with regulations on the protection of personal data. He relies on a network of correspondents appointed within each Group entity to ensure compliance with the various local laws.

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.

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, the Data Protection Officer and his network of correspondents regularly monitor these developments.

Within and outside the European Union, the Data Protection Officer supports and advises local correspondents in their efforts to comply with new local laws.

Results and performance

At December 31, 2023, 87% 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 84% at December 31, 2022). 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. This organization reinforces the Group flexibility, agility and team autonomy. However, subjects requiring joint, cross-functional adoption are the subject of a roadmap discussed and shared with all subsidiaries. These human resources policies are supported by tools that increase their efficiency, including an online academy (Rexel Academy), a human resources information system, a digital job board, management and performance recognition tools, and an annual survey (Satisfaxion) that notably measures employee commitment.

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, 2023, the Group had 27,627 employees, compared to 26,897 employees as of December 31, 2022. The total headcount increased notably as a result of the acquisitions made by Rexel (Buckles Smith Electric Company, Ontario Inc, Lineman's Testing Laboratories of Canada Ltd, Piscar, Wasco Group BV and Mavisun SAS). Among these employees, 26,592 had open-ended contracts (compared to 26,093 in 2022).

■ Breakdown of employees by region

NUMBER OF EMPLOYEES	REGISTERED WORKFORCE (NUMBER OF EMPLOYEES) AS OF DECEMBER 31	
	2023	2022
Total headcount	27,627	26,897
<i>By region</i>		
Europe	15,760	15,166
North America	9,394	9,255
Asia-Pacific	2,473	2,476

■ Breakdown of employees by gender and status at December 31, 2023

	MANAGERS				NON-MANAGERS			
	WOMEN		MEN		WOMEN		MEN	
Rexel Group	1,013	19.1%*	4,284	80.9%*	5,330	23.9%**	17,000	76.1%**
Europe	614	19.3%	2,564	80.7%	3,028	24.1%	9,554	75.9%
North America	300	19.4%	1,250	80.6%	1,724	22.0%	6,120	78.0%
Asia-Pacific	99	17.4%	470	82.6%	578	30.4%	1,326	69.6%
Total by status	5,297				22,330			

* As a percentage of managers.

** As a percentage of non-managers.

4.3.1 Attracting and retaining talent

Strategy and policies

Rexel prioritizes careful management of all its talents.

Rexel anticipates skills needs, particularly those that evolve with the transformation of the business sector and its digitalization. The Group constantly reviews and improves its organization and processes to respond effectively to these needs. To this end, Rexel has put in place an ambitious development and recruitment strategy aimed at enhancing the development and attractiveness of its professions.

At the same time, efforts are also being made in terms of communications to build an employer brand that highlights Rexel's culture and commitments. An induction process is also in place to welcome new employees.

Rexel's ability to attract talent goes hand in hand with the ability to retain it, notably through active human resources policies on career management, management and compensation. The ESG dimension is an important lever in the commitment of employees and new recruits.

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.

Rexel is working to strengthen its employer value proposition in order to attract more candidates. It is an instrument to attract candidates. Certain subsidiaries are included in national rankings, notably in Belgium, the Netherlands, the United States, Switzerland and France.

Referral programs

As our employees are the best ambassadors of our employer brand, some subsidiaries have set up

co-optation programs to attract talent, notably in the United States, Canada, France, Switzerland and Belgium.

Employee integration

Many measures are taken at the country level to promote the integration of new employees and reduce turnover, for example: company presentation, welcome booklets, tutoring, regular follow-up interviews, technical, product or organizational training, induction courses.

Recruitment

In 2023, the Rexel Group hired 5,171 employees, all types of contracts and statuses combined, compared to 5,422 new hires in 2022. Together, these hires accounted for 18.7% of the Rexel Group's total workforce, compared to 20.2% in 2022.

■ Number and characteristics of recruitments

	2023	2022
Number of recruitments	5,171	5,422
Of which:		
• Hires on open-ended contracts	4,314	4,757
• Hires on fixed-term contracts	857	665
• Hires of managers on open-ended contracts	385	421
• Hires of non-managers on open-ended contracts	3,929	4,336
• Women hired on open-ended contracts	986	1,059
• Men hired on open-ended contracts	3,328	3,698

Key performance indicator

INDICATOR	UNIT	SCOPE	2023	2022	VARIATION
Medium-term new employee integration rate	%	100%	64.3%	68.9%	-6.7%

The long-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 64.3% in 2023, compared to 68.9% in 2022. In 2023, 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 2025.

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 86.1% in 2023, compared to 85.3% in 2022.

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 2023, nearly 4,889 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 (e.g. Canada, China, France, Holland, Slovenia, Sweden, Switzerland, UK,

USA). 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 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 2023.

Furthermore, a certain number of benefits or services are often offered 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, bike rental or loan, childcare, family leave, medical assistance, legal assistance services, and support for assisting employees.

Results and performance

Performance review

In 2023, most entities organized annual individual performance interview sessions in which a total of 79% of employees took part (83.7% in 2022).

	2023	2022
Number of employees who received a performance review	21,820	22,513
% of employees reviewed in relation to the total workforce	79%	83.7%

Mobility

A total of 2,873 employees on open-ended contracts had mobility in 2023 (3,110 in 2022), representing 10.8% of the workforce on open-ended contracts (11.9% in 2022).

Of the 2,873 employees who changed positions internally in 2023, 1,713 were promoted (vertical mobility), around 6.4% of Rexel Group employees on open-ended contracts (1,711 in 2022, or 6.6% of the workforce). Of the 2,873 promoted employees, 21.8% became managers (20.5% in 2022). Of the 2,873 employees who changed positions internally

in 2023, 1,160 were involved in horizontal mobility, around 4.4% of Rexel Group employees on open-ended contracts (1,399 in 2022, or 5.4% of the workforce).

Compensation and Benefits

55.5% of Rexel Group employees on open-ended contracts are eligible for individual variable compensation (56.6% in 2022). This mainly affects sales functions and employees with managerial responsibilities.

Lastly, 72.3% of Rexel Group employees are members of a profit-sharing or shareholding plan calculated on the basis of collective results (66.3% in 2022).

As of December 31, 2023, the number of shares held by employees under employee shareholding plans, directly or *via* FCPs, was 4,356,028 shares, *i.e.* 1.45% 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 departure (among others, Australia, Canada, France, Holland, Italy, New Zealand, Switzerland, UK, USA).

• Hires

During 2023, the 5,171 hires on open-ended contracts and fix-term contracts (5,422 in 2022) represented 18.7% (20.2% in 2022) of the Group's total workforce see Section 4.3.1.1 "Attracting talent" of this Universal Registration Document).

• Departures

During 2023, 4,258 employees on open-ended contracts left the Rexel Group (compared to 4,368 in 2022). Resignations represent the main reason for departure (64.2% in 2023, compared to 70% in 2022).

The reasons for the departure are detailed hereafter.

■ Reasons for the departure of employees on open-ended contracts in 2023

	NUMBER	AS A PERCENTAGE OF DEPARTURES
Number of departures	4,258	16.0% of all employees on open-ended contracts
Of which:		
• Resignations	2,734	64.2%
• Redundancies (economic layoffs)	61	1.4%
• Dismissals for other reasons	576	13.5%
• Retirements or early retirements	338	7.9%
• Cessation and/or sale of activity	2	0.05%
• Other departures	547	12.85%

• Employee turnover rate of the Rexel Group at December 31, 2023

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 2023, the entry rate into the Rexel Group was 16.2% (18.2% in 2022).

In 2023, the departure rate for Rexel Group employees was 16.0% (16.7% in 2022).

This means that for 2023, the Rexel Group turnover rate was 16.1% (17.5% in 2022).

4.3.2 Employee development

Strategy and policies

Rexel develops 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 for the entire Group 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 2023, more than 259 new training courses were rolled out.

In 2023, 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, webshop), collaborative tools, new sales techniques, and customer advice and service.

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 addition, Rexel Academy offers a course dedicated to climate change, "Rexel Climate School". Over 84% of learners have completed the course's 9 available modules.

A Global Learning Week' of events dedicated to continuous learning and the themes of digital transformation, unconscious bias and feedback culture was offered to all Group employees, via Rexel Academy. By 2023, 20,122 people had completed at least one training course on the platform.

Managerial development programs

In 2023, initiatives to support and enhance the skills of talent profiles (leaders and/or experts) continued at all levels of the organization. In collaboration with representatives of the Group's various entities, work was carried out on the evolution of the skills repository to ensure common support across countries.

To support the development and management of its talent, the Group has stepped up the monitoring of its leaders and their various development plans.

At the same time, specialized coaching plans have been identified to ensure the identification and development of key skills for strategic professions (sales force, data/artificial intelligence, buyers).

Development programs continued to be carried out in 2023 within the various Group entities. In Austria, the "Toolbox training" program is made available to sales managers to develop their leadership skills through phygital exchanges centered on the role and tools of the leader. In the United States, the GAIN program - Grow Achieve Inquire Network - is designed to develop talent.

New development programs have also been launched at Group level. The Axelerate program is an annual program designed to train the Group's

150 top managers in the pillars of our transformation strategy. In 2023, the theme of this program was digital transformation. Another program was launched for 11 high-potential talents within the Group, from different functions. Inspire is a year-long program that enables these talents to work on innovative, cross-functional projects, presented to the Group Executive Committee. New mentoring schemes have also been set up for the Wire network of women leaders and for participants in the Inspire program.

Results and performance

74% of respondents to the Satisfaxion23 survey feel "included in their company's training and development opportunities".

Training

The total number of people having received training (excluding safety training) was 26,078 in 2023, or 94.4% of the total workforce, compared with 24,126 in 2022 (89.7%).

The number of hours of training provided (excluding safety training) was 489,161 hours at

December 31, 2023 (327,250 hours at December 31, 2022). The average number of hours of training (excluding safety training) attended by employees who received training in 2023 was 18.8 (13.6 in 2022).

301,594 hours of training were held online in 2023, compared with 185,662 hours in 2022.

Manager training

4,919 Group managers received training in 2023 (4,934 in 2022), i.e. 18.9% of people trained (compared with 20.5% in 2022).

■ Total number of employees trained and of training hours (excluding safety training)⁽¹⁾

	2023		2022	
	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	26,078	489,161	24,126	327,250
Europe	13,546	231,863	12,907	188,915
North America	9,720	207,446	8,710	89,717
Asia-Pacific	2,812	49,852	2,509	46,618

(1) For the calculation of the number of people trained, all employees present for all or part of the year in 2023 are taken into account. However, for the calculation of the total headcount, employees present at December 31, 2023 are taken into account.

Key performance indicator

INDICATOR	UNIT	SCOPE	2023	2022	VARIATION
Average hours of training per employee trained	Hours	100%	18.8	13.6	38.24%

The Group has exceeded its target of 17 hours of training per employee trained per year by 2023.

It now aims to increase this to 30 hours of training per employee trained per year by 2025.

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 commitment 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 constructive, high-quality 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 2023, Rexel conducted its annual "Satisfaxion23" internal commitment survey. The survey recorded a participation rate of 81%. 26,328 employees in 19 Group countries were invited to complete this online questionnaire in 14 languages. This survey focused on commitment, well-being, strategy, team spirit, corporate image and career development.

The level of commitment (category that covers issues related to this topic) reached 81% (80% in 2022). The survey results also confirmed the importance given to the team spirit embedded in the Group's culture and identity: 83% of respondents believe that teamwork is encouraged in their company.

Compared to the last survey, conducted in 2022, the five categories that constitute the levers of Rexel's employee commitment received more favorable results:

- Company image: 85% favorable opinions (+1 point);
- Management: 83% favorable opinions;
- Teamwork: 83% favorable opinions;
- Commitment: 81% favorable opinions (+1 point);
- Career management: 73% favorable opinions (+1 point).

Reports were made to the teams in all the subsidiaries. In order to improve the understanding of certain topics, workshops involving employees were organized. Discussions on areas for improvement are materialized in the form of action plans rolled out at the subsidiary level. The results of the commitment survey enable the Group and its subsidiaries to assess the impact of the implementation of their policies and to strengthen their action plans. Since 2023, action plans have also been shared and monitored at Group level.

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 post or schedule arrangements, as well as return-to-work reports.

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:

- 312 employees are involved in representative bodies (291 in 2022), representing 1.1% of the total number of employees with open-ended contracts in the Rexel Group (1.1% in 2022); and

- 84 employees are appointed by a trade union organization as representatives (86 in 2022), representing approximately 0.3% of the total number of employees with open-ended contracts in the Rexel Group (0.3% in 2022).

In 2023, at the local level, 32 agreements were negotiated and signed between the employee representatives and entities of the Rexel Group. In total, 43.4% 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 quality of life at work, wages, profit-sharing, employee shareholding, 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.

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, Espace Elec 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 14,957 European employees. The Council is a forum for dialogue between management and the 16 employee representatives of the 12 European countries represented. It meets once a year. A steering committee comprises five permanent members and meets four times a year. In 2023, the European Works Council was consulted on the proposed disposal of the Norwegian entity. In 2023, Board members benefited from specific training to enable them to fully exercise their role.

Results and performance

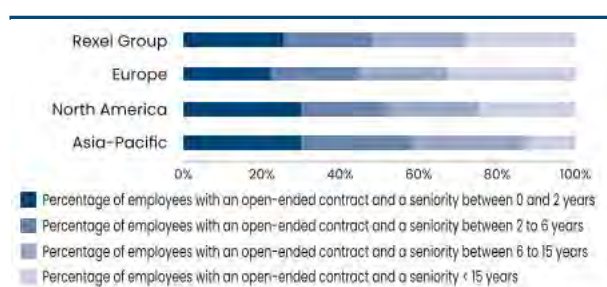
Absenteeism

The Rexel Group's absenteeism rate was 4.9% in 2023 (5.8% in 2022).

Seniority

Rexel employees' commitment is also reflected in their average seniority (10.6 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 (58% 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 33% of the number of employees with open-ended contracts.

Industrial action

In 2023, the total number of strike hours was 3,512 hours.

Key performance indicator

	2023	2022	2018 VARIATION
Engagement*	81%	80%	+1 pt

* Favorable response rate to the following question: "I am proud of working for my company".

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.

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, 88% of the respondents to the Satisfaxion23 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 Rexel USA, 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, Belgium, the United Kingdom; and the Paris headquarters. Since 2021, a global Wire Leaders network involves around one hundred female employees internationally.

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.

Finally, in 2023, Rexel employees in France will continue to be involved and active 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.

Rexel Australia has drawn up an action plan for the reconciliation of Aborigines and Torres Strait

Islanders. In the United States, Rexel has also set up the Mpire program (Minority Professionals in Rexel) to reinforce the inclusion of minorities.

Raising awareness and training

A section dedicated to diversity and inclusion is available in Rexel Academy, along with the training program called "DE&I, my journey, my path". This online training is aimed at all employees, especially managers and recruitment officers.

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. Rexel USA 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 an 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 has introduced 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).

In 2023, Rexel's Board of Directors comprises 44% women (excluding directors representing employees). At Group Executive Committee level, women represent 20% of the Committee on December 31, 2023.

In 2023, Rexel moved up from 60th to 39th place in the 10th edition of the SBF120 ranking of the feminization of governing bodies, drawn up for the French Ministry for Equality between Women and Men and the Fight against Discrimination.

Results and performance

As of December 31, 2023, women accounted for 23% of the total workforce (22.8% in 2022). This percentage is in line with market realities and the low percentage of women in the specialized distribution sector.

The 2023 indicators show insignificant differences for the following data:

- Mobility and promotion

In 2023, 10.7% of women changed positions, compared to 10.8% of men (respectively 11.6% and 12% in 2022).

75 (1.4%) of non-manager women were promoted to managers (71 or 1.4% in 2022). As regards men, the rate was similar: 299 men, or 1.8% of non-manager men (280, or 1.7% in 2022).

- Salary increases

85% of women with open-ended contracts with at least one year of seniority received a raise in 2023, compared to 80.5% of men with open-ended contracts with at least one year of seniority.

- Hires

Of the employees with open-ended contracts hired in 2023, 22.8% were women and 77.2% were men (respectively, 22.3% and 77.7% in 2022).

- Training

In 2023, 22.6% of the employees who received training were women (21.1% in 2022), whereas they accounted for 23% of the total workforce and 77.4% of the employees who received training were men (77.9% in 2022), whereas they represented 77% the total workforce of the Rexel Group.

■ Breakdown of employees and training per gender (excluding safety training)



Key performance indicator

INDICATOR	UNIT	SCOPE	2023	2022	VARIATION
% of women recruited on open-ended contracts	%	100%	22.9	22.3	+0.5 pt

The share of women recruited on open-ended contracts out of all recruitments was 22.9% in 2023 (compared to 22.3% in 2022).

The Rexel Group is committed to improving this rate by end of 2026.

4.3.4.2 Generational diversity

Procedures and action plans

Inter-generational diversity is a challenge for Rexel. 34.4% 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 4.6% of new hires in open-ended contracts in 2023.

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. The Group is committed to training young people, in particular through its policy of recruiting work-study students, mainly in France, Austria, Switzerland and Germany. In 2023, 1,050 work-study students were thus recruited.

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 2023 among young employees and experienced managers.

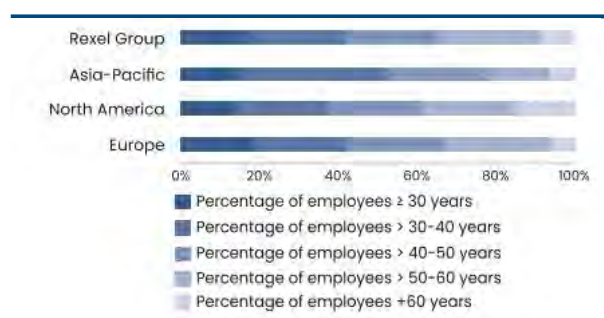
Results and performance

As of December 31, 2023, the average age of all Rexel Group employees was 41.9 (41.5 years old as of December 31, 2022).

The most represented age group is the 50s-60s (7,010 people), followed by the 40-50 age group (6,715 people). Seniors accounted for 18.5% of open-ended hires (14.5% in 2022) and young graduates accounted for 4.6% (5.1% in 2022).

Seniors (defined as employees over 50) accounted for 34.4% of the total workforce (33.2% in 2022) and under 30s accounted for 17.0% (17.8% in 2022).

■ Breakdown of employees on open-ended contracts by age



4.3.4.3 Employees with disabilities

Procedures and action plans

In France, the agreement for the professional integration of people with disabilities for the period 2022-2023 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; this year, a disability awareness campaign was also organized for sales managers and division managers in the commercial sector;
- 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 (the

agreement 3-year target). 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. This year Rexel France called on an adapted company, AKTISEA, to roll out the *Un jour Un métier* scheme throughout the country. This partnership has enabled 30 meetings between disabled people who are far from employment and our sales branches; 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.

Results and performance

The indicators related to disability are highly dependent on local regulations.

In 2023, the Rexel Group employed 535 employees who reported a disability (503 in 2022), or around 1.9% of its total workforce (1.9% in 2022).

Employees who declared themselves to be disabled in 2023 accounted for 2.1% of all hires with open-ended contracts as of December 31, 2023 (1.4% in 2022).

The percentage of employees with disabilities from among the total workforce at Rexel France increased from 1.1% in 2008 to 3.7% in 2023.

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 a safe and supportive working environment.

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 2023, 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.

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 2023, 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. In Australia, employees have created fun and attractive videos that remind employees of health and safety rules and standards.

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 to well-being in the workplace and psychosocial risks through, notably through managerial actions.

In Australia, a partnership dedicated to risk prevention has been set up for the benefit of employees. In France, a telephone support line is available for employees who express a need. Rexel France also offers its employees an anti-smoking program. In Belgium, regular communications are sent to employees, focusing in particular on the importance of ergonomics at work. In the UK, an application is available, offering personalized advice to employees on both financial and health matters.

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

	2023	2022
Number of fatal accidents	0	1
Number of accidents leading to a sick leave	251	259
Number of accidents not leading to a sick leave	580	493

In 2023, 831 work accidents were reported at the Rexel Group (753 in 2022): 251 resulted in work stoppage (259 in 2022) and 580 did not lead to a work stoppage (493 in 2022).

The number of workdays lost as a result of work accidents was 7,392 in 2023, compared to 8,925 in 2022.

Most of the work-related accidents that resulted in work stoppage involved the logistics function (185 accidents, or 73.7%) and the commercial/sales function (61 accidents, or 24.3%).

■ Employee severity rate

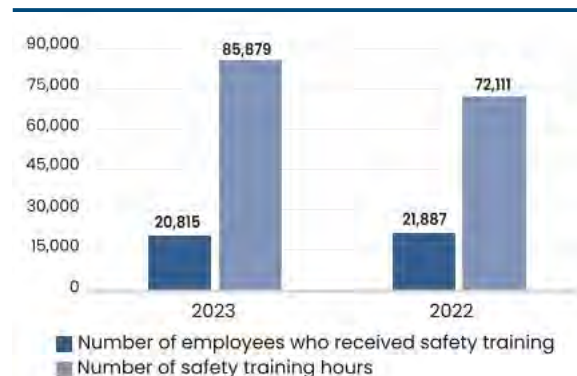
	2023	2022
Severity rate	0.16	0.20

The Rexel Group severity rate for work accidents, defined as the number of workdays lost due to temporary disability per 1,000 hours worked, was 0.16 in 2023 compared to 0.20 in 2022.

Occupational illnesses

In 2023, 1 occupational illnesses were recognized, compared to 2 in 2022.

■ Safety training



In 2023, the proportion of people trained in safety was 75.3% of the total workforce (i.e. 20,815 employees). This proportion was 82.4% in 2022.

Key performance indicator

INDICATOR	SCOPE	2023	2022	VARIATION
Frequency rate of work accidents leading to work stoppage	100%	5.4	5.8	-3.3%

The Rexel Group employee work accident frequency rate, calculated as the number of employee work accidents resulting in work stoppage per million

hours worked, was 5.4 in 2023. The number of lost time injuries decreases in 2023 compared to 2022.

The Group set itself the target of reducing the frequency rate of work accidents resulting in work stoppage by at least 15% between 2022 and 2024. By 2023, this objective is on track.

Working time

The duration of working time varies according to the regulations of the countries in which the Group operates.

■ Organization of working time

Part-time employment and overtime hours	2023	2022
Percentage of part-time employees	4.3	3.8%
Percentage of overtime hours / total working hours	1.5	1.5%
Number of overtime hours	703,545	687,441

The number of people employed part-time within the Rexel Group was 1,195 as of December 31, 2023 (1,016 in 2022), or 4.3% of the total workforce (3.8% in 2022).

Overtime

To manage the working time of its employees, the Rexel Group rarely relies on overtime: 703,545

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 2023, the average monthly number of temporary workers working as full-time equivalents was 1,065.4, or 3.9% of the total monthly average workforce (3.7% in 2022).

overtime hours were worked in 2023 by all Rexel Group employees, or 1.5% of the annual number of hours worked (compared with 687,441 overtime hours, or 1.5% of the total annual number of hours worked in 2022).

4.4 Improving environmental performance

4.4.1 Environmental performance of operations

Strategy and policies

The Group is currently steering an ambitious and coherent strategy to reduce its greenhouse gas emissions and its direct environmental footprint. The Group also commits with its partners and customers, in 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.

Sustainability is a major component of Rexel's mission statement, and the Group is reorienting its

strategies to meet a key challenge for the future: the transition from fossil fuels to all-electricity.

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, and the Nomination and Compensation Committee was given a new mission in 2023, assuming responsibility for ESG issues.

To manage its environmental impact, Rexel has formalized procedures, designed tools and mobilized resources. This approach is structured on four levels:

1. Procedures and rules common to all subsidiaries;

2. Monitoring the implementation of these rules in operations;
3. Performance indicators that verify progress; and
4. Stronger international leadership to accelerate the sharing of best practices and co-construct tools and solutions that can be deployed in all countries where the Group operates.

Moreover, it is essential for employees to take these challenges into account for this policy to be totally successful.

Procedures and action plans

Internal control framework

To ensure the environmental performance of its operations, the Group has included ESG controls in its internal control framework, the Book of Rexel Guidelines. For each of the company's processes, this book groups and details the risks, control objectives and associated controls that all Group entities must apply.

Environmental Charter

To support the operational implementation of its policy, the Rexel Group 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 the Rexel Group's 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 2023, the Environmental Charter was on display in 90% of the Rexel Group's sites.

Environmental Playbook for agencies

In 2023, in order to target the branch network in particular, and to complement the Environmental Charter, Rexel has published an Environmental Playbook. Its aim is to provide branch managers and operational managers (in charge of facilities, real estate, transport or the supply chain) with a practical methodology and an overview of actions.

In addition to a general presentation of greenhouse gas emissions and energy management levers, the Playbook lists actions to be taken to reduce greenhouse gas emissions. These actions are structured around 3 pillars:

1. Sobriety,
2. Efficiency,
3. Low-carbon energy consumption.

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.

A non-financial reporting manual on environmental indicators was published in 2023 and communicated to all Group subsidiaries. The manual sets out the normative and regulatory context, and describes how reporting is organized (roles and responsibilities, tools, precise definitions, frequency, etc.).

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 on page 469 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 Scopes 1 and 2 CO₂ emissions, quarterly reporting was set up in 2023 for the six countries with the Group's highest sales weight and half-yearly reporting for other countries.

Network of environmental experts

Rexel relies on a network of 16 sustainability leaders, spread across the subsidiaries, who are responsible for implementing and coordinating the Group's policies, as well as a network of approximately 60 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 2023, this event took place in June during the Power Up 2023 conference 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 commitment 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 2023, Rexel launched "Earth Day" for the second time, a Group-wide annual awareness-raising campaign to encourage each Rexel country, branch and employee to mobilize alongside their colleagues, customers, suppliers and communities.

During this campaign, Rexel teams around the world devised local action plans to promote the Group's sustainable environmental commitments through over 70 activities, workshops and initiatives organized locally in each country.

In France, head office and field teams had the opportunity to attend a conference given by Cédric Ringenbach, founder of the *Fresque du Climat*, who was invited to the Group's head office.

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 2024. As of December 31, 2023, around

83% 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. Environmental incidents are given special attention and are monitored via the environmental management systems (EMS) and annually through environmental reporting. In 2023, 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 low level of environmental risks, 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, operational entities of Rexel implemented its own environmental management system (EMS).

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 7.5% 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	2023	SCOPE	CONSTANT SCOPE			
				2023	2022	VARIATION	SCOPE
Sites covered by a certified environmental management system ISO 14001	%	23.4%	100%	23.4%	23.4%	0 pt	100%
Sites covered by a certified energy management system ISO 50001	%	14.6%	100%	14.6%	14.7%	0 pt	100%

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.

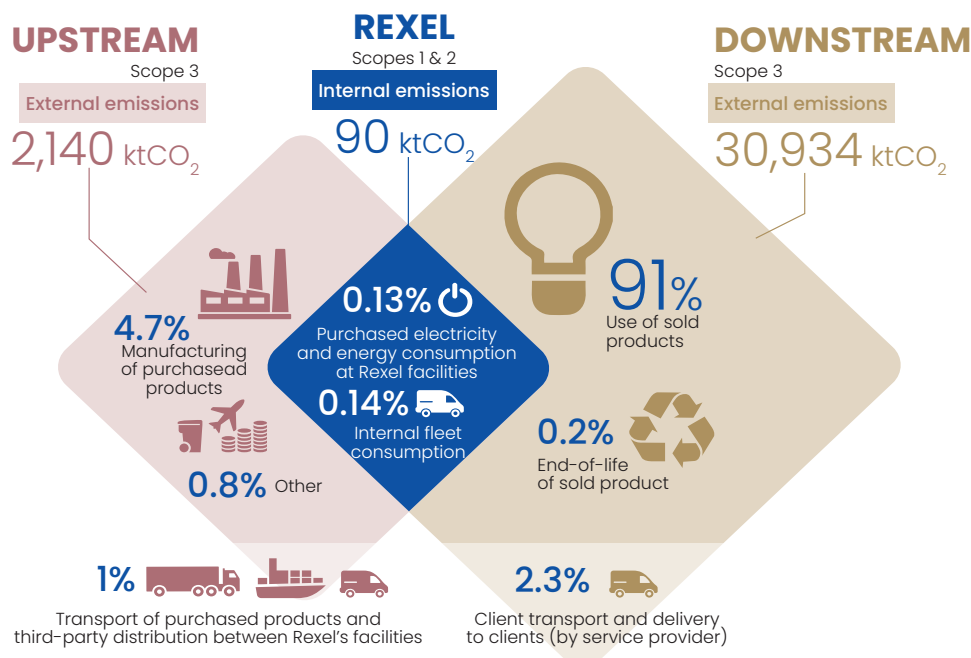
For more than 15 years, Rexel has integrated the fight against climate change in its responsibility approach by acting internally but, above all, by fostering a virtuous dynamic to accelerate the energy transition, involving its partners, its customers and, more generally, the electricity sector in its roadmap towards a decarbonized world (*"Electrifying solutions that make a sustainable future possible"*). 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 0.3% 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 99.7% of all GHG emissions across Rexel's value chain.

Its main action levers are as follows:

- **Reduce** CO₂ emissions linked to internal operations (Scopes 1 and 2);
- **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);

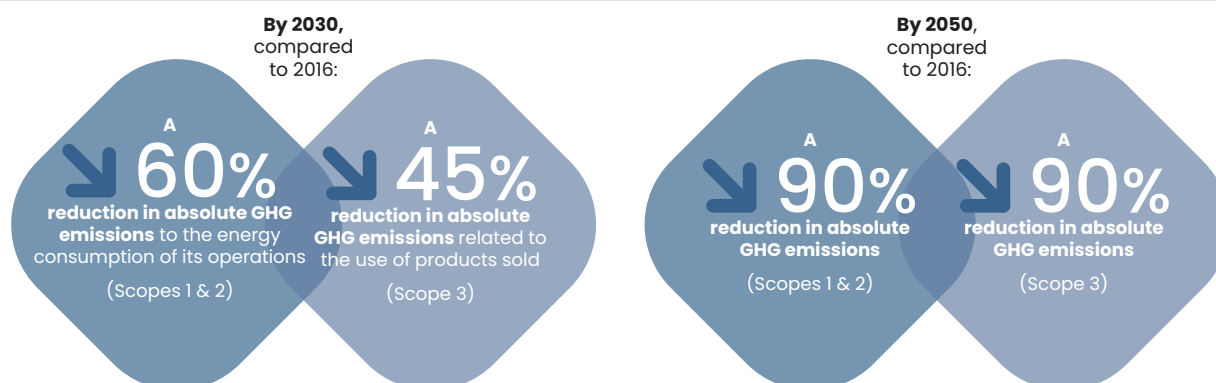
- **Train** its employees in solutions to meet environmental and social challenges;
- **Participate** in public debates and develop knowledge on climate and environmental issues (Scopes 1, 2 & 3).



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 targets underline the importance of a rapid and significant reduction in emissions, notably in Scope 3, by having them almost divided in half by 2030 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 mission statement "*Electrifying solutions that make a sustainable future possible*". 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).

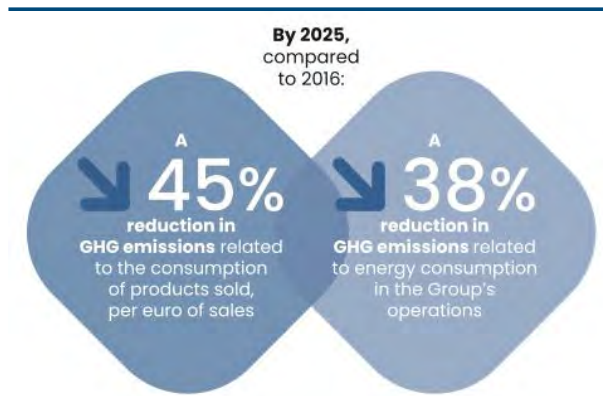
Thus, in addition to the two 2021 sustainability bonds representing 1 billion euros in 2021, Rexel has renewed the issue a sustainability-linked bond in September 2023 for 400 million euros.

The *Sustainability-Performance Targets*, or target review dates for the 2021 loans, came to an end at the end of 2023. Rexel confirms the achievement of targets, both for KPI 1 (ambition to reduce Scope 3 GHGs in intensity) and for KPI 2 (ambition to reduce Scope 1&2 GHGs in absolute).

The bond issued in 2023 reiterates Rexel's commitment to its decarbonization roadmap. The ambitions set out in this bond indexed to sustainable development indicators are in line with the reinforced trajectory validated by the SBTi in July 2022, *i.e.* aiming to achieve a Net Zero objective by 2050.

The targets set in relation to 2016 and by the end of 2025 are to reduce GHG emissions by:

- 45% Scope 3 use of products sold in intensity
- 38% of absolute Scope 1 & 2 emissions



These targets are structuring for Rexel and confirm that the Group has set itself a high level of ambition. "Moody's Investors Service", an independent third-party expert, also rated the Group's commitment as "Excellent", *i.e.* at the highest level in terms of sustainable performance indicators and targets. The contribution to sustainable development is described as "high". 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 by the International Capital Market Association (ICMA) and was reviewed by Moody's Investors Service, 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.

At the issue date, this bond represented a nominal amount of 400 million euros.

Procedures and action plans

In line with the Group's climate strategy and its strong commitment to decarbonization, and in light of the physical risks of climate change, 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 carried out an 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. Electrification is also at the heart of Rexel's mission statement *"Electrifying solutions that make a sustainable future possible"* which, in line with strategy and market trends, makes the energy transition a business enabler and differentiator.

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.

• 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);
- 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, United States). 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 Task force on Climate-related Financial Disclosure (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 TCFD 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.	4.1.2, 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	●●●●○
Strategy	a) Describe the climate-related risks and opportunities that the organization has identified in the short, medium and long term.	4.1.3, 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.	4.1.3, 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) Describe the indicators used by the organization to assess climate-related risks in relation to its strategy and risk management process.	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 relevant, 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 (2023). 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 (photovoltaic, hydraulic, biomass, etc.) or connection to heating networks running on biomass. 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.

In 2023, 58% of electricity consumption came from contracts guaranteeing a renewable origin or from on-site renewable energy production, compared with 45% in 2022. On a like-for-like basis, electricity consumption at Rexel sites between 2022 and 2023 has decreased by 4.7%.

Favoring efficient buildings

When moving to new premises, Rexel favors recent buildings, built in compliance with energy regulations and certified.

Several Rexel buildings have been certified to sustainable and ecological construction standards. These include the Rexel France and Rexel Groupe headquarters in Paris, which was certified HQE "Exceptional" in 2022, as well as the Aylesbury logistics center in the UK, opened in 2022 (BREEAM "Very Good" certification and a Class A energy performance diagnosis) and the one opened in Ireland (BREEAM "Outstanding" certification).

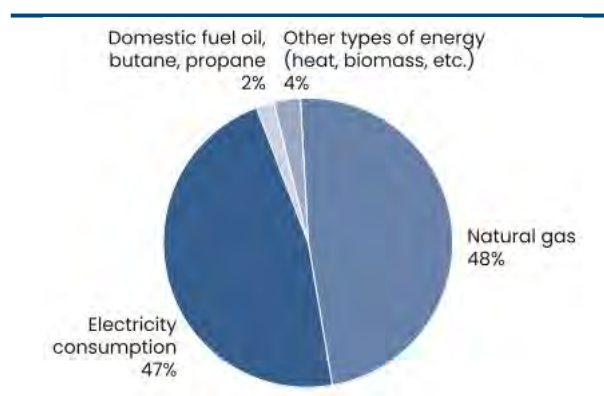
Improving the energy performance of existing buildings

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.

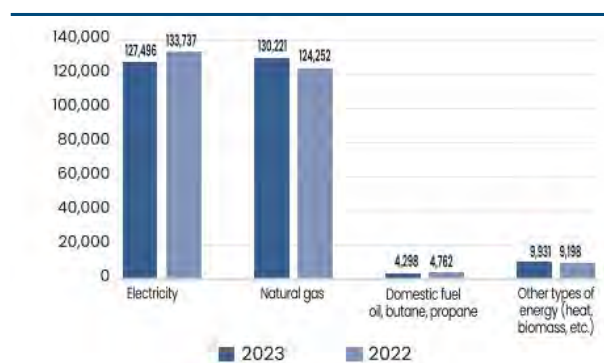
Rexel has strengthened its efforts through the implementation of the following measures:

- 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).

■ On-site energy consumption by type (2023)



■ Change in energy consumption (MWh), at constant scope



Ensuring ongoing adaptation to climate change

Rexel's climate change adaptation plan is based on the above-mentioned assessment of the physical risks associated with climate change, as well as the analysis of the Intergovernmental Panel on Climate Change's (IPCC) RCP8.5, RCP6, RCP4.5 and RCP2.6 climate change scenarios.

This detailed study of the top 600 strategic sites, including 390 Rexel sites, and the interactive maps available to the central Risks & Insurance team, are shared with the countries so that they can draw up adaptation plans specific to each site.

Climate change risk management is enshrined in the Group's internal control manual, which requires each subsidiary to include these risks in its business continuity plan. These general continuity plans are translated into emergency plans.

Lastly, physical risks are an integral part of the process of choosing a location in the event of changes and/or the opening of new Rexel sites.

Reducing the carbon footprint of shipping

Shipping is an important aspect of Rexel's sustainable development policy. In 2023, GHG emissions related to the transportation of goods by the internal fleet and those resulting from business travel in company cars represented, respectively, 32% and 31% 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 2023, the Rexel Group's internal fleet for the shipment of goods consisted of 1,254 trucks and 774 vans in total. That fleet consumed 6.3 million liters of diesel and 2.7 million liters of gasoline, for total energy consumption of 92,580 MWh at current and constant scope. At constant scope, between 2022 and 2023, energy consumption decreased by 17.1%.

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 450 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;
- **Decarbonized delivery (total or last-kilometer) to certain customers** in urban areas, *via* cargo bikes for example.

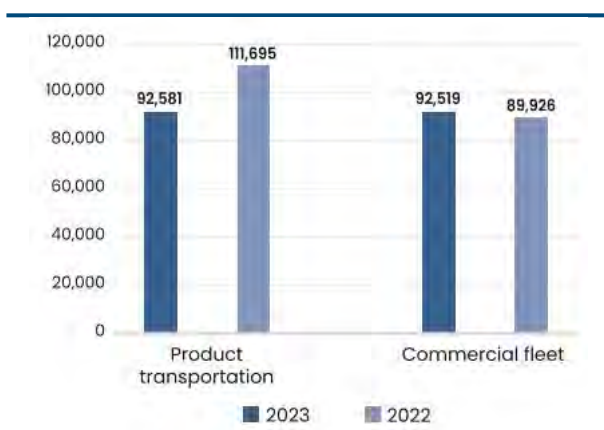
Commercial fleet

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 2023, the Rexel Group car fleet consisted of 5,312 cars and consumed nearly 3.5 million liters of diesel and 5.7 million liters of gasoline. This represents an energy consumption of 92,519.09 MWh at current and constant scope. At a constant scope, between 2022 and 2023, energy consumption increased by 2.9%.

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 2023, 613 electric vehicles and 1,395 hybrid vehicles, i.e. a total of 2,008 electric or hybrid vehicles, will make up the Group's fleet, compared with 1,312 in 2022. This represents 38% 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

In line with the Group's climate strategy and its strong commitment to decarbonization, and in light of the physical risks of climate change, electrification is also at the heart of Rexel's *raison d'être* "Electrifying solutions that make a sustainable future possible". Thus, Rexel promotes and accelerates the distribution of energy-efficient solutions and renewable energies. 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, such as the EcoScore launched as a pilot at Rexel France in April 2023, "Mon bilan CO₂" which provides information on the webshop for customers, and Carbon Tracker. 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 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.

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 had taken 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 2023, the Carbon Tracker allows to assess 68% of the sales generated in France. The roll-out of this tool in Europe is planned in 2024.

In December 2022, the Carbon Tracker won: 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.

In 2023, at the R Awards organized by *Collectif Génération Responsable*, Rexel was awarded the R Awards – Brand, in the "visibility towards consumers" category for the EcoScore as part of Rexel France's Sustainable Selection. Rexel's approach was also recognized, with the R Award for "Retailer of the Year".

Rexel also received this year's Hub Awards Impact, in the Data for Impact Award category, which recognizes organizations that, based on data, have implemented concrete actions around sustainable transition.

Results and performance

Internal emissions (Scopes 1 and 2)

2023 results

In 2023, 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 (United States, Canada, France, Germany, United Kingdom and Australia) and half-yearly reporting for the 15 other countries.

In 2023, emissions from Scopes 1 and 2 represented 89,878 tCO₂e, of which 73,104 tCO₂e for Scope 1 16,774 tCO₂e for Scope 2 "market-based"⁽¹⁾.

At constant scope, Scopes 1 and 2 emissions decreased by 9.6% over the period. This variation can be explained by: a policy of continuous improvement in the energy efficiency of buildings and the signing of green electricity contracts, notably in the United States, in Belgium, at BizLine and Gigamédia, and in Italy. This favorable effect has offset the increase in CO₂ emissions linked to the logistics fleet, particularly in Germany, where this has been internalized.

(1) Market-based: where possible, greenhouse gas emissions are calculated using emission factors specific to the energy supplier. Scope 2 "location-based" emissions, which are less precise since they are calculated on the basis of national or regional emission factors.

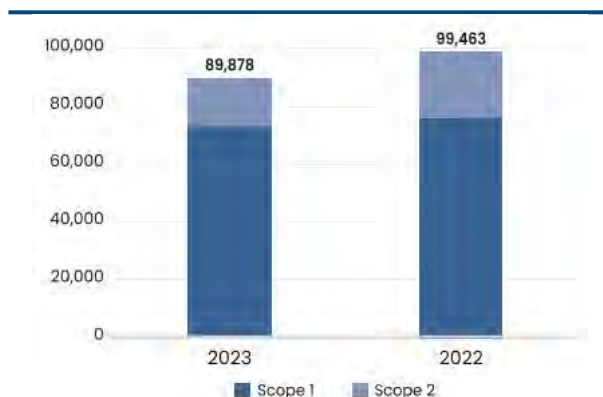
Monitoring the bond targets

As described above, Rexel has issued bonds linked to GHG reduction obligations. Two of these were issued in 2021 with a Scope 1&2 target of -23.7% by the end of 2023 compared to 2016. Results for 2023 confirm that the target has been achieved. The bond issued in 2023 is tied to a -38% Scope 1&2 target by 2025 compared to 2016.

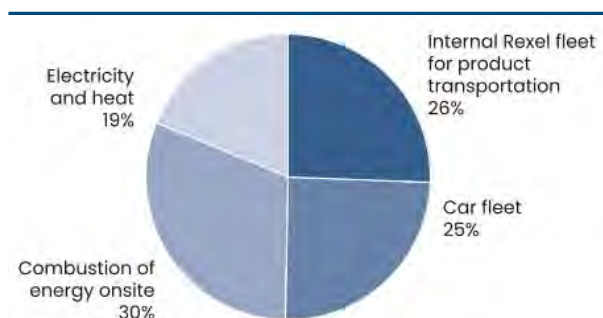
Monitoring the 2030 target

Rexel committed to reducing its Scope 1&2 emissions by 60% by 2030, compared to 2016. In 2023, Rexel reduced its emissions by 32.2% compared to 2016, on a comparable basis.

■ Change in GHG emissions (Scopes 1 and 2), at constant scope (tCO₂e)



■ Scopes 1 and 2 direct GHG emissions by source (2023)



Value chain emissions (Scope 3)

2023 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 180 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 33.07 million tons of CO₂ equivalent (MtCO₂e) and represent more than 99% of the Group's climate impact:

- The first item is estimated at 30.09 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 1.56 MtCO₂e; and
- Next is the upstream and downstream transport of goods and products, which represents slightly less than 1.09 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 16.5% in 2023 compared to 2022.

Monitoring the bond targets

As for Scope 1&2, the bonds issued in 2021 and 2023 include a Scope 3 GHG intensity reduction target. The 2021 bonds had a target intensity ratio reduction of -23% vs. 2016. The 2023 results confirm that this target has been achieved. The 2023 loan has a target of -45% of this same ratio at the end of 2025 compared with 2016.

Monitoring the 2030 target

Rexel committed to reducing its Scope 3 emissions related to the use of products sold by 45% by 2030, compared to 2016, 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 45% by 2025 compared to 2016. In 2023, 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 1.59 tCO₂e/€k (2.92 in 2016).

Rexel reduced its carbon intensity by 45.5% compared to 2016, on a comparable scope.

Key performance indicator

INDICATOR	UNIT	2023	SCOPE	CONSTANT SCOPE			
				2023	2022	VARIATION	SCOPE
Scope 1 and 2 emissions	tCO ₂ e	89,878	100%	89,878	99,463	-9.6%	100%
of which Scope 1 direct emissions	tCO ₂ e	73,104	100%	73,104	76,346	-4.3%	100%
of which Scope 2 indirect emissions	tCO ₂ e	16,774	100%	16,774	23,117	-27.4%	100%
Scope 3 indirect emissions	tCO ₂ e	33,073,863	100%	33,073,863	37,636,334	-12.1%	100%
of which 1 - Purchase of products and services	tCO ₂ e	1,559,890	100%	1,559,890	1,504,274	3.7%	100%
of which 2 - Fixed assets	tCO ₂ e	78,864	100%	78,864	76,052	3.7%	100%
of which 3 - Energy-related emissions (not included in categories 1 and 2)	tCO ₂ e	24,872	100%	24,872	25,134	-1.0%	100%
of which 4 - Upstream product transportation	tCO ₂ e	326,929	100%	326,929	315,273	3.7%	100%
of which 5 - Waste from operations	tCO ₂ e	29,704	100%	29,704	31,266	-5.0%	100%
of which 6 - Business travel	tCO ₂ e	11,837	100%	11,837	11,415	3.7%	100%
of which 7 - Commuting	tCO ₂ e	23,532	100%	23,532	23,188	1.5%	100%
of which 8 - Upstream leased assets	tCO ₂ e	309	100%	309	298	3.7%	100%
of which 9 - Downstream product transportation	tCO ₂ e	759,944	100%	759,944	732,849	3.7%	100%
of which 10 - Transformation of products sold	tCO ₂ e	84,035	100%	84,035	88,453	-5.0%	100%
of which 11 - Use of products sold	tCO ₂ e	30,089,809	100%	30,089,809	34,746,898	-13.4%	100%
of which 12 - End of life of products sold	tCO ₂ e	84,139	100%	84,139	81,139	3.7%	100%
of which 13 - Downstream leased assets	tCO ₂ e	NA	100%	NA	NA	-	100%
of which 14 - Franchises	tCO ₂ e	NA	100%	NA	NA	-	100%
of which 15 - Investments	tCO ₂ e	NA	100%	NA	NA	-	100%

Scopes 1+2 and Scope 3 performance, compared to 2016

	2016	2017	2018	2019	2020	2021	2022	2022 Comparable 2023	2023
SCOPES 1 + 2 (tCO ₂ e)	116,829	108,235	106,726	103,826	87,068	87,620	99,166	99,463	89,878
Y vs Y-1 at constant scope		-7.36%	-1.39%	-2.72%	-16.14%	0.88%	-0.2%		-9.6%
Y vs 2016		-7.36%	-8.65%	-11.13%	-25.47%	-24.82%	-24.95%		-32.2%

	2016	2017	2018	2019	2020	2021	2022	2022 Comparable 2023	2023
SCOPE 3									
Use of sold products (ktCO ₂ e)	38,408	36,379	36,200	32,885	30,860	30,228	35,110	34,747	30,090
Sales (MEuros)	13,162.10	13,310.10	13,365.70	13,742.30	12,592.50	14,690.20	18,701.62	18,241.04	18,915.45*
Intensity (tCO ₂ e/kEuros)	2.92	2.73	2.71	2.39	2.45	2.06	1.88	1.90	1.59
Y vs Y-1		-6.34%	-0.91%	-11.65%	2.41%	-16.04%	-8.76%		-16.49%
Y vs 2016		-6.34%	-7.18%	-17.99%	-16.02%	-29.48%	-35.66%		-45.49%

* The sales used to calculate the intensity reflects the scope of environmental reporting. Thus, unlike the consolidated sales reported in the financial section, it excludes the few months of activity of the entities acquired in 2023 (Wasco and Mavisun), Norway sold in 2023 and the Middle East under liquidation.

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.

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; and
- The use of very thin plastic films when no viable alternative was found.

For example, Rexel's own brand BizLine strives to optimize packaging (plastic reduction, eco-inking) and uses recyclable consumables in logistics warehouses (recyclable plastic film and adhesive).

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 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 20,363 tons in 2023 (21,244 tons in 2022), or 62% of the total waste generated (61% in 2022).

Special waste

Rexel's business generates no hazardous waste other than waste electrical and electronic equipment (WEEE). 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 2,406 tons of this waste was sent for recycling, up 46.3% compared to 2022. Outside Europe, a number of subsidiaries have gone beyond the applicable legal requirements and also offer this service to their customers. To date, 17 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.

Also, launched in France in 2023, the “ugly products” initiative aims to reduce the scrapping of products with damaged packaging. Rexel has chosen to recycle products that are no longer sold as “normal” products. These products can come from

a variety of sources, and are all new but may have damaged packaging or defects in appearance (marks, scratches, small chips, etc.). This action helps the environment by giving products a second chance rather than throwing them away.

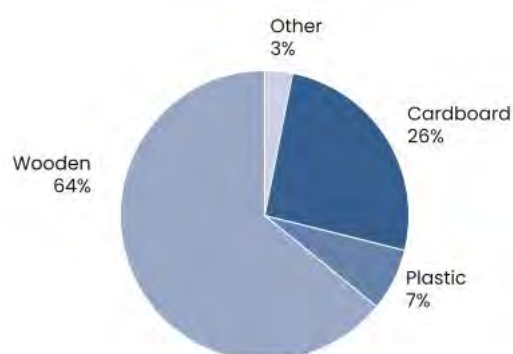
Results and performance

Packaging

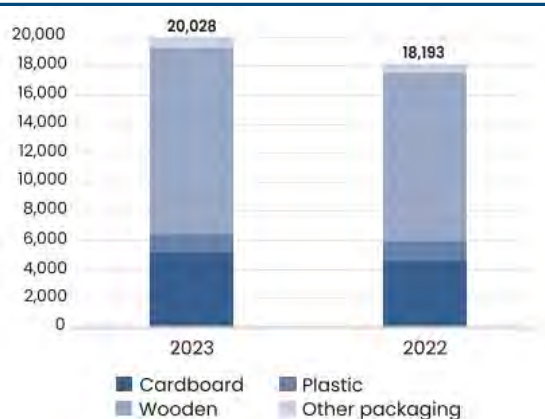
At constant scope, the 10.1% increase in packaging consumption recorded in 2023 compared to 2022 is largely due to group purchases of packaging for two years in 2023.

Wood and cardboard represent 90% of packaging tonnages.

■ Consumption by type of packaging (2023)



■ Change in packaging material consumption (tons), constant scope

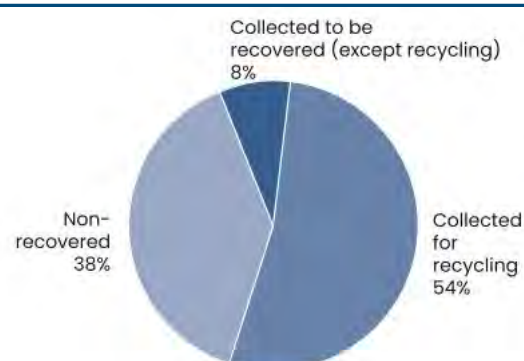


Waste

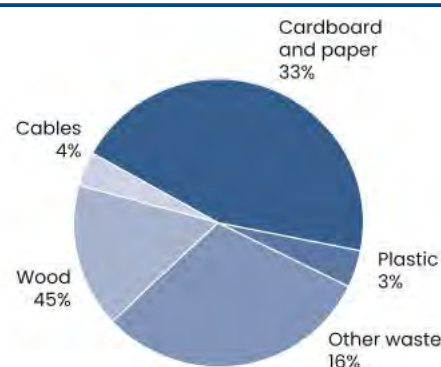
Representing one of the pillars of the Environmental Charter, Rexel set up a selective sorting system for paper, cardboard, plastic and wood waste.

In addition, the action plans put in place to reduce packaging consumption partly explain the control of waste between 2022 and 2023, with tonnage of waste produced down 4.4% on a like-for-like basis, and down 5.9% on a current basis, for sales up 3.7%.

■ Waste generated by destination (2023)



■ Recycled waste by type (2023)



Key performance indicator

INDICATOR	UNIT	2023	SCOPE	CONSTANT SCOPE			
				2023	2022	VARIATION	SCOPE
Packaging consumption	Tonnes	20,028	100%	20,028	18,193	10.1%	100%
Waste generated (excluding WEEE and batteries)	Tonnes	32,783	100%	32,783	34,295	-4.4%	100%
Recovery rate	%	62%	100%	62%	60%	2 pts	100%

4.4.4 Additional information about the environment

Based on the assessment of the Group's non-financial risks, completed by the simple 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 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

Rexel's mission statement, *"Electrifying solutions that make a sustainable future possible"*, gives even greater importance to the careful selection of products sold every day, and confirms the ESG pledge and its application in the selection of its offering plan.

Thus, as 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 commitment, co-managed by the Purchasing 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 2023 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.

Since 2022, 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 is expected to grow in 2024.

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 2022, 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 9 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.

Evaluation of suppliers and subcontractors

Since 2015, Rexel has deployed tools to analyze the CSR performance of its suppliers to anticipate and control the risks specific to their activities. 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 evaluation questionnaire covers 21 criteria divided into four pillars: environment, social and human rights, ethics and responsible purchasing. The criteria are drawn from international CSR standards, such as the ten principles of the United Nations Global Compact, the conventions of the International Labour Organization (ILO), the Global Reporting Initiative (GRI), ISO 26000, the CERES principles and the United Nations Guiding Principles on Business and Human Rights, also known as the "Ruggie Framework". Suppliers and subcontractors are required to provide evidence that sustainable procedures are being implemented and that results are being monitored across all pillars. The questionnaires are evaluated by an external expert, who awards a score on each of the four themes.

The approach focuses primarily on so-called "strategic" suppliers, i.e. those whose added value is significant for the Group in terms of sales, geographical deployment or innovations. The Group has set itself the ambitious target of covering 80% of its direct purchasing volume by value by 2025.

As part of 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. The Purchasing team, assisted by members of the Sustainable

Development team, are in contact with suppliers to explain the approach, encourage participation and communicate the 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.

To illustrate this, BizLine, a Group company that markets its own-brand products, conducts annual reviews with its most important suppliers. For 2023, BizLine budgeted 9 supplier social and environmental audits that spread over 2023 and early 2024.

Supplier CSR audits

BizLine and Gigamedia, two of Rexel's own brands, carry out social and environmental audits of their partner factories. In 2023, Gigamedia carried out 9 supplier QSE audits (Quality, Security, Social and Environment).

Supplier selection criteria

Since 2022, BizLine has strengthened its ESG requirements for suppliers by placing CSR on the same level as the other 3 selection criteria (Logistics, Quality, Product Marketing) in supplier tenders.

Rexel is setting up a Rexel Experience program with its strategic suppliers, an opportunity to further differentiate strategic suppliers by taking into account both commercial and ESG requirements. This program will be gradually rolled out in Rexel countries.

Results and performance

Responsible Supplier Charter

As of December 31, 2023, the Responsible Supplier Charter had already been endorsed (formal commitment *via* a signature) by suppliers representing over 84% of the Group's direct purchases.

Bizline and Gigamedia, which adopted the Charter, saw adherence thereto by suppliers respectively representing around 94% and 88% 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 435 suppliers representing 80% of direct Group purchases have received a request to assess their performance in terms of sustainable development.

The assessment of supplier performance is regularly reviewed. Thus, 213 suppliers representing 54% of the Group's direct purchases have been assessed within the last two years.

Key performance indicator

INDICATOR	2023	2022	VARIATION
Direct purchases covered by the Responsible Supplier Charter	84%	77%	+7 pts
Direct purchases having received a request to assess their performance in terms of sustainable development	80%	85%	-5 pts
Suppliers reassessed during the year who maintained or improved their environmental performance	91%	82%	+9 pts

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.

The Group's mission statement, *"Electrifying solutions that make a sustainable future possible"*, emphasizes 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. Services for new forms of mobility, self-consumption, energy storage

and smart building management, or eco-designed products and circular economy solutions, are all solutions implemented by the Group to support the energy transition. Rexel is committed to diversifying and developing 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 France'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 *Économies 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.

In addition, Rexel France has rolled out the OPEN (*Optimisation & Pilotage Énergétique*) offer, which consists of tailor-made support for the energy transition of buildings, with the aim of achieving energy savings by defining a targeted action plan, and ensuring compliance with regulations.

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 the residential market, Rexel France provides the Energieasy 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.

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 2022, 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 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) are essential for guiding our customers towards more responsible choices

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

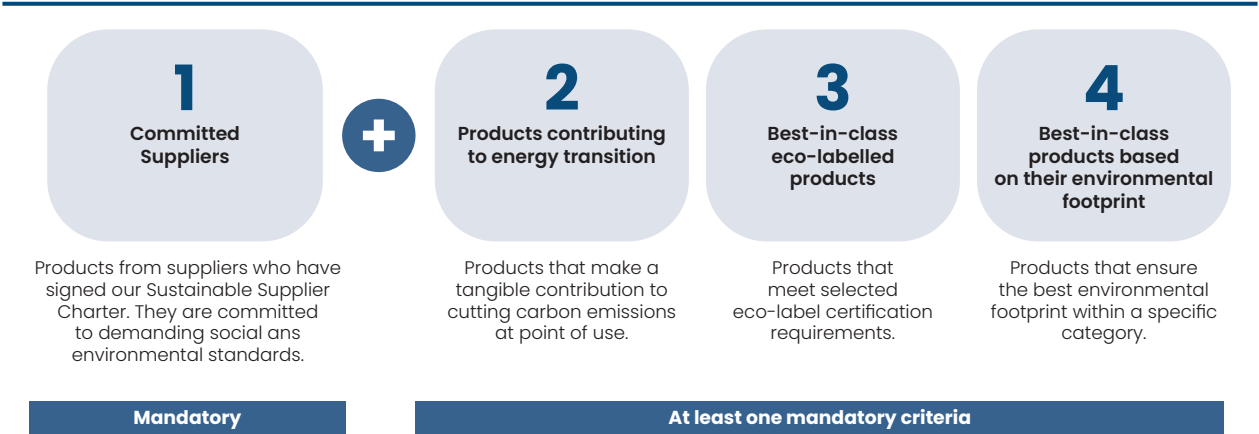
enables Rexel to estimate the environmental impact of the equipment supplied for a construction site or for a building, from its construction to its end of life, by integrating the distribution, installation and use of products.

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.

Sustainable selection

As an expert in multi-channel distribution for the world of energy, Rexel is reaffirming its commitment to a more responsible world and launching Sustainable Selection in 2023, an informed selection of responsible products and solutions to meet customer needs and anticipate regulatory changes.

Sustainable Selection products are selected according to the following criteria:



The criteria will evolve over the coming years in line with future regulations, the latest available technologies, the availability of environmental data and the growing body of knowledge on sustainable development.

Rexel's Sustainable Selection products are easily identified by a pictogram in the webshop. By selecting products from the Sustainable Selection, customers are assured of reducing their carbon footprint, either by selecting products that contribute to the energy transition, or by purchasing goods rated with the best environmental footprint in their category.



Sustainable Selection is rolled out in all countries where Rexel operates. Rexel's Sustainable Selection has more than 100,000 product references and represents a significant portion of Rexel's sales.

Compliance and product safety for customers and end-users

With a few exceptions, Rexel's product ranges do not include products containing hazardous substances.

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 and other applicable regulations. For example, Rexel collects "safety data sheets" from suppliers in order to provide information to customers. This information is posted on the Rexel website. Rexel responds to customer requests for information. Where necessary, assessment questionnaires are sent to suppliers at the request of customers. The Group

also ensures compliance with the conflict minerals regulation (see Responsible Supplier Charter; 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.

Considering the challenges of electrification and strong market demand, Rexel has developed its photovoltaic offer and pays particular attention to this type of supplier (CSR questionnaires, etc.)

Results and performance

(in millions of euros)

	2023	2022
Photovoltaic sales	1,064.1	811.3
Electric vehicle charging equipment	195.5	147.4

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 webshop, 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 1,937 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, Switzerland and Sweden, 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 webshop 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 2023, 18 out of 20 countries regularly measure their customers' satisfaction rate using a common indicator, the Net Promoter Score. Surveys are also occasionally conducted in the other countries of the Group. In these 20 countries, Belgium and Luxembourg are counted as a single country.

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. 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 74/100, 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.

In addition, with BizCare, BizLine's CSR program, Rexel aims to control the environmental and social impacts of its own brand as much as possible, while continuing to support customers in their daily lives. Since 2018, BizLine has thus been implementing actions along 5 axes: products, packaging, supply chain, quality of working life and stakeholders. All of BizLine's actions have earned it the EcoVadis Platinum Medal with a score of 84/100.

Results and performance

In 2023, Rexel continued to deploy the NPS measurement effectively, since almost all countries have a rating.

Key performance indicator

INDICATOR	2023	2022
Percentage of countries monitoring the Net Promoter Score	16/20	17/21

4.5.4 Commitment to energy progress and the fight against fuel poverty

Rexel's business, its global presence and its proximity to its markets place it at the heart of a major challenge: meeting the strong growth in energy demand to fuel economic development while guaranteeing access to disadvantaged populations and reducing greenhouse gas emissions.

Rexel, as a recognized player in the field of energy efficiency, has made it possible, thanks to the creation of the Rexel Foundation for Energy Progress in 2013, to position the Group beyond a purely economic rationale and explore all avenues to promote access for all to energy efficiency and combat fuel poverty.

For the past 10 years, Rexel and its Foundation have been working alongside associations, non-governmental organizations, partners and Group employees to support initiatives in the following areas:

- Renewable energy development and financing,
- Accelerating energy renovation,

- Informing and educating the general public about the energy transition,
- Combating fuel poverty,
- Professional training,
- Access to affordable, efficient and sustainable energy.

Since its creation, the Foundation's mission has been structured around 3 major programs:

- The program to support community projects run by associations and NGOs to improve access to energy efficiency for disadvantaged communities.
- A program to support social innovation projects led by social entrepreneurs, with the aim of developing new business models with a strong societal impact.
- The "knowledge and know-how" project support program aims to develop shared knowledge and raise awareness of energy efficiency through studies, conferences, workshops and applied research programs.

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.

Solutions emerged from the various collaborative workshops: weekly reception services for residents, a building guide and an educational model of a dwelling enabling people to adopt individual strategies for optimizing comfort in their homes. In 2023, the Rexel Foundation financed the installation of an electrical cabinet to simulate consumption and facilitate understanding of the use of energy-guzzling equipment, for the benefit of the *Collectif*.

All these tools were presented to Rexel employees on Earth Day.

In September 2023, the *Collectif* became an association under the French law of 1901, enabling it to enter a development phase, replicating and deploying the approach in new territories, strengthening cooperation and multiplying its impact on populations in fuel poverty.

Social innovation project in France

Since its launch in 2019, the Rexel Foundation has been supporting the “*Un toit pour l’emploi*” project run by the NGO *Entrepreneurs du Monde*. Based in Rouen, this program aims to offer people living on the streets a stable, secure home and facilitate their return to the job market.

The program is structured around 2 projects:

- A range of wooden “Tiny Houses”, designed to provide accommodation for short periods of time;
- Support for socio-economic integration, thanks in particular to the in-house production workshop

for these Tiny Houses, “*la Fabrique à Yoops*”, to be created in 2021.

In addition to its social virtues, the Tiny House has particularly interesting environmental qualities: by design, the environmental impact of these homes is considerably limited, both during production and during use. For example, the interior fittings are made from materials selected for efficient end-of-life recycling, and the houses are powered by photovoltaic panels, which emit no CO₂.

Rexel France employees made a complementary contribution to that of the Foundation by providing their expertise in adding the photovoltaic solution with energy storage, but also by putting in touch Rexel France partners and customers who had an appetite for this type of project.

In 2023, 16 Tiny Houses are active in the Rouen metropolitan area, benefiting 19 different people and giving them a fresh start.

Social entrepreneurship project in India

Since 2018, the Rexel Foundation has been supporting the LP4Y (Life Project for Youth) association via the “Green Village Raipur” project in India, which accompanies young people living in extreme poverty in the state of Chhattisgarh towards their professional and social integration. The initiative aims to help young people living in disadvantaged, rural areas far from employment to become the entrepreneurs of their lives. Every month, around 15 young adults aged 17 to 24 join the project to follow a residential program based on experiential learning through the management of micro-economic activities. One of the economic activities on offer involves improving the center and raising awareness of environmental issues.

The Rexel Foundation and Rexel India employees support this project, in particular by financing the program, and running training and awareness sessions on the subjects of sustainable development and energy solutions.

Since 2018, 398 young people have benefited from LP4Y’s initiative in Raipur and 3,200 people have been positively impacted.

Social innovation project in France

In 2021, the Rexel Foundation has supported *Voisin Malin* as part of a project to fight against fuel poverty. The pilot project consisted of meeting 470 households in order to identify residents in precarious situations and direct them towards the appropriate structures, to provide more general information on the assistance available in the event of difficulties in paying bills, and on everyday gestures that can help reduce energy bills.

In 2023, the Rexel Foundation has renewed its support for a second campaign focusing on 2 aspects:

- Reinforce energy-saving initiatives,
- Promote the widespread distribution of available grants, particularly in a context of rising energy costs.

In total, 87 households have benefited from *Voisin Malins'* support in accessing their rights and putting them in touch with structures working on the subject of fuel poverty.

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.

Since 2014, the Rexel Foundation has supported the development of an initiative born between Rexel Austria employees and Caritas Autriche, in favor of the fight against fuel poverty among Austrian households and refugees.

The latest project, which began at the end of 2021, aims to reach out to low-income households, single-parent households and the long-term unemployed, helping them to better manage their energy consumption through the development of multilingual teaching tools and weekly information sessions. By the end of the project phase in 2023, over 760 people had benefited from the support.

Group involvement with disaster victims

In 2023, the Foundation renewed its commitment alongside the French State's Crisis and Support Center, *Électriciens 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.

The total amount of Rexel Group donations, including funds paid by the Rexel Foundation, totaled €3,327,867 in 2023.

The Rexel Foundation has supported more than 75 projects in 20 countries since its creation in 2013.

4.6 Sustainable development indicators

ETHICS						
INDICATOR	2023	SCOPE	CURRENT SCOPE			
			2023	2022	VARIATION	SCOPE
Ethics correspondent referrals						
Number of referrals to ethics correspondents	92	100%	92	60	53%	100%
Training						
Penetration rate of business ethics training at Rexel						
Competition law training	87%	100%	87%	89%	-2.25%	100%
Anti-corruption training	90%	100%	90%	92%	-2.2%	100%
Penetration rate of personal data protection training in Rexel's European subsidiaries	87%	100%	87%	84%	+3.6%	100%
LABOR						
INDICATOR	2023	SCOPE	CURRENT SCOPE			
			2022	VARIATION		
Headcount at December 31						
Total workforce			27,627	100%	26,897	2.7%
ATTRACTING AND RETAINING TALENT						
Attracting talent						
Total number of hires			5,171	100%	5,422	-4.6%
Number of open-ended contract hires			4,314	100%	4,757	-9.3%
Number of people hired on fixed-term contracts			857	100%	665	28.9%
Number of managers hired on open-ended contracts			385	100%	421	-8.6%
Number of non-managerial hires on open-ended contracts			3,929	100%	4,336	-9.4%
Number of women hired on open-ended contracts			986	100%	1,059	-6.9%
Number of men hired on open-ended contracts			3,328	100%	3,698	-10%
Integrating employees						
Long-term integration rate of new employees			64.3%	100%	68.9%	-6.7%
Short-term integration rate of new employees			86.1%	100%	85.3%	0.9%
Retaining talent						
Performance assessment						
% of annual appraisals carried out			79%	100%	83.7%	-5.9%
Mobility						
% mobility of total workforce			10.8%	100%	11.9%	-9.2%
% horizontal mobility of employees on open-ended contracts			4.4%	100%	5.4%	-18.5%
% vertical mobility (promotions) of employees on open-ended contracts			6.4%	100%	6.6%	-3.0%
of non-managers who became managers			21.8%	100%	20.5%	6.3%

LABOR				
INDICATOR	2023	SCOPE	CURRENT SCOPE	
			2022	VARIATION
Compensation and benefits				
% of permanent employees eligible for individual variable compensation	55.5%	100%	56.6%	-1.9%
% of employees receiving a bonus based on collective results (e.g. profit-sharing plan)	72.3%	100%	66.3%	9.0%
Employment dynamics				
Number of departures of employees on open-ended contracts	4,258	100%	4,368	-2.5%
Number of redundancies	61	100%	62	-1.6%
Number of dismissals for other reasons	576	100%	565	1.9%
Number of retirements or early retirements	338	100%	343	-1.5%
Number of departures due to cessation/transfer of activity	2	100%	0	200%
Number of other departures	547	100%	357	53.2%
Number of resignations	2,734	100%	3,041	-10.1%
Staff turnover on open-ended contracts				
Turnover rate	16.1%	100%	17.5%	-8.0%
Entry rate	16.2%	100%	18.2%	-11.0%
Departure rate	16.0%	100%	16.7%	-4.2%
EMPLOYEE DEVELOPMENT				
Training				
Number of employees trained (including safety training)	28,003	100%	25,725	8.9%
Number of employees trained (excluding safety training)	26,078	100%	24,126	8.1%
% of employees trained during the year/total workforce (excluding safety training)	94.4	100%	89.7%	5.2%
Total number of training hours (including safety training)	575,040	100%	399,363	44.0%
Total number of training hours (excluding safety training)	489,161	100%	327,250	49.5%
Among which, number of hours of online training	301,594	100%	185,661	62.4%
Among which, number of hours of in-person training	187,294	100%	141,589	32.5%
Average number of training hours per employee trained	18.8	100%	13.6	38.2%
Manager training				
% of managers trained out of total people trained	18.9%	100%	20.5%	-7.8%
EMPLOYEE COMMITMENT				
Absenteeism				
Absenteeism rate	4.9%	100%	5.8%	-14.0%
Seniority				
Average length of service of employees	10,6 years	100%	10 years	6.0%
Social dialogue				
Number of hours of strikes	3,512	100%	1,231	185.3%
% of employees involved in representative bodies	1.1%	100%	1.1%	0.0%
% of employees designated by a trade union organization	0.3%	100%	0.3%	0.0%
% of employees covered by a collective bargaining agreement	43.4%	100%	41.7%	4.1%

LABOR				
INDICATOR	2023	SCOPE	CURRENT SCOPE	
			2022	VARIATION
Commitment				
Commitment	81	100%	80%	1.3%
DIVERSITY, INCLUSION AND EQUAL OPPORTUNITY				
Diversity and gender equality				
Women's representation				
Number of women	6,343	100%	6,120	3.6%
% of women in total workforce	23%	100%	22.8%	0.9%
Promotion by gender				
% of men becoming managers	1.8%	100%	1.7%	5.9%
of women becoming managers	1.4%	100%	1.4%	0.0%
Recruitment by gender				
% of women recruited on open-ended contracts out of all recruits	22.8%	100%	22.3%	2.2%
% of men recruited on open-ended contracts out of all hires	77.2%	100%	77.7%	-0.6%
Increase by type				
% of women with open-ended contracts who received a raise after one year's service	85%	100%	80.8%	5.2%
% of men with open-ended contracts who received an increase after one year's service	80.5%	100%	74.1%	8.6%
Training by gender				
% of women who received training	22.6%	100%	22.1%	2.3%
% of men trained	77.4%	100%	77.9%	-0.6%
Generational diversity				
Average age of employees (open-ended and fixed-term contracts)	41.9	100%	41.5	0.8%
% of employees <30 years old out of total workforce	17.0%	100%	17.8%	-4.4%
% of employees >50 years old out of total workforce	34.4%	100%	33.2%	3.6%
% of employees >60 years old out of total workforce	9.1%	100%	7.7%	18.2%
Employees with disabilities				
of employees declaring a disability	1.9%	100%	1.9%	0.0%
% of new hires declaring a disability	2.1%	100%	1.4%	50.0%
EMPLOYEE HEALTH, SAFETY AND WELL-BEING				
Number of accidents				
Number of fatal accidents	0	100%	1	-100.0%
Number of accidents resulting in lost time	251	100%	259	17.6%
Number of accidents not resulting in lost time	580	100%	493	-3.1%
Frequency rate	5.4	100%	5.8	-6.9%
Severity rate	0.16	100%	0.20	-20.0%
Number of recognized occupational illnesses	1	100%	2	-50.0%
Health and safety training				
of employees trained in health and safety	75.3%	100%	82.4%	-8.6%
Number of hours of health and safety training	85,879	100%	72,113	19.1%

* Favorable response rate for all engagement questions in Satisfaxion survey.

ENVIRONMENT

INDICATOR	UNIT	2023	SCOPE	CURRENT SCOPE			
				2023	2022	VARIATION	SCOPE
RESOURCE CONSUMPTION							
On-site energy consumption	MWh	271,946	100.0%	271,946	272,200	-1.2%	100.0%
Of which electricity consumption	MWh	127,496	100.0%	127,496	133,737	-4.7%	100.0%
Of which natural gas consumption	MWh	130,221	100.0%	130,221	124,252	4.8%	100.0%
Of which heating oil consumption	MWh	3,719	100.0%	3,719	4,402	-15.5%	100.0%
Of which consumption of propane, butane and other fuels	MWh	579	100.0%	579	360	60.8%	100.0%
Of which heat consumption	MWh	9,713	100.0%	9,713	9,198	5.6%	100.0%
Of which biomass consumption	MWh	109	100.0%	109	144	-24.3%	100.0%
Energy consumption by internal fleet	MWh	185,100	100.0%	185,100	201,620	-8.2%	100.0%
Of which consumption for freight transport	MWh	92,581	100.0%	92,581	111,695	-17.1%	100.0%
Of which consumption for business travel	MWh	92,519	100.0%	92,519	89,926	2.9%	100.0%
Water consumption	m³	489,085	100.0%	489,085	495,247	-1.2%	100.0%
Consumption of packaging materials	Tons	20,028	100.0%	20,028	18,193	10.1%	100.0%
Of which cardboard	Tons	5,161	100.0%	5,161	4,585	9.9%	100.0%
Of which plastic packaging	Tons	1,295	100.0%	1,295	1,296	-0.1%	100.0%
Of which wood packaging	Tons	12,820	100.0%	12,820	11,643	7.6%	100.0%
Of which reusable plastic boxes	Tons	176	100.0%	176	89	96.9%	100.0%
Of which other materials	Tons	576	100.0%	576	579	-0.6%	100.0%
Paper consumption	Tons	1,719	100.0%	1,719	2,085	-17.6%	100.0%
Of which trade publications	Tons	856	100.0%	856	1,284	-33.3%	100.0%
Of which office paper	Tons	863	100.0%	863	801	7.7%	100.0%
WASTE							
Total quantity of waste generated	Tons	32,783	100.0%	32,783	34,295	-4.4%	100.0%
Total quantity of waste recovered	Tons	20,363	100.0%	20,363	20,715	-1.7%	100.0%
Recovery rate	%	62.1%	100.0%	62.1%	60.4%	2 pts	100.0%
GREENHOUSE GAS EMISSIONS							
Scope 1 direct emissions	t CO ₂	73,104	100.0%	73,104	76,346	-4.2%	100.0%
Emissions from on-site energy combustion	t CO ₂	27,473	100.0%	27,473	26,405	4.0%	100.0%
Emissions linked to freight transport by internal fleet	t CO ₂	23,101	100.0%	23,101	27,903	-17.2%	100.0%
Emissions from business travel in company cars	t CO ₂	22,531	100.0%	22,531	22,133	1.8%	100.0%

ENVIRONMENT

INDICATOR	UNIT	2023	SCOPE	CURRENT SCOPE			
				2023	2022	VARIATION	SCOPE
Scope 2 indirect emissions	t CO₂	16,774	100.0%	16,774	23,117	-27.4%	100.0%
Emissions linked to the production of electricity purchased and consumed	t CO ₂	16,120	100.0%	16,120	22,219	-27.5%	100.0%
Emissions linked to the production of purchased and consumed heat	t CO ₂	654	100.0%	654	897	-27.1%	100.0%
Scopes 1 and 2 emissions	t CO₂	89,878	100.0%	89,878	99,463	-9.6%	100.0%
Scope 3 indirect emissions (estimate)	Mt CO ₂	33	100.0%	33	38	-12.1%	100.0%
ENVIRONMENTAL MANAGEMENT SYSTEMS							
Sites covered by a certified environmental management system	%	23.4%	100.0%	23.4%	23.4%	0 pt	100.0%
Sites covered by a certified energy management system	%	14.6%	100.0%	14.6%	14.7%	0 pt	100.0%

VALUE CHAIN

CONSTANT SCOPE							
INDICATOR	UNIT	2023	SCOPE	2023	2022	VARIATION	SCOPE
SUPPLIER EVALUATION							
Direct purchases having received a request for assessment on sustainable development criteria	%	80%	100%	80%	85%	-5 pts	100%
Suppliers reassessed during the year who maintained or improved their environmental performance	%	91%	100%	91%	82%	9 pts	100%
PRODUCT SAFETY							
European subsidiaries with a management system for REACH and RoHS	%	100%	100%	100%	100%	-	100%
SALES OF ENERGY EFFICIENCY AND RENEWABLE ENERGY SOLUTIONS							
Sales of electric vehicle equipment	Millions of euros	195.5	100.0%	195.5	147.4	+32.8%	100.0%
Sales of photovoltaic solutions	Millions of euros	1,064.1	100.0%	1,064.1	811.3	+31.5%	100.0%

Sales variations are on a same day basis.

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; and
- Societal commitments promoting the fight against food insecurity, respect for animal welfare, biodiversity and responsible, fair and sustainable nutrition.

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 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 2023, 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 2022 and 2023.

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.

Buckles Smith Electric Company (January 5, 2023), Ontario Inc and its subsidiary Lineman's Testing Laboratories of Canada Ltd (January 17, 2023), Piscar NV (February 2, 2023), Wasco Group BV (September 1, 2023) and Mavisun SAS (September 18, 2023) are included in the scope of social reporting for the first time this year.

Entities that were sold or discontinued during the year were not included in the scope. For this reporting, this concerns Rexel Norway (March 1, 2023). 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 final stages of liquidation.

Social indicators are collected and consolidated using Enablon software, 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 and temporary employees 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 2023, a process was put in place to ensure the reliability of data on absenteeism, manager training % and average age of employees. This process resulted in the revision of these data for 2022.

4.7.3 Environmental reporting protocol

Update and enriching the environmental reporting manual

In 2023, the Sustainable Development Department expanded its non-financial reporting manual in order to make the collection process more reliable and ensure the correct application of the rules defined. This manual defines in particular:

- The environmental reporting objectives;
- The normative and regulatory framework;
- The reporting scope;
- The roles and responsibilities;
- 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.

However, the treatment of entity acquisitions and disposals differs from that of the consolidated financial statements. Due to the difficulty of

obtaining certain information in the year of acquisition, acquired entities are included in the scope of environmental reporting after a full 12 months with the Group. This enables teams to receive personalized support, with specific training in the required indicators. Thus, for 2023, the Dutch group Wasco and the French company Mavisun, acquired on September 1 and 18, 2023 respectively, will not be included in the reporting for the 2023 financial year.

Entities that were sold or discontinued during the year were not included in the scope. For this reporting, this concerns the Norwegian entity Elektroskandia Norge AS which was sold on March 1, 2023. Similarly, data relating to the United Arab Emirates has not been included in the reporting, as the subsidiary is in the process of being liquidated.

Finally, by way of exception and after validation by the Statutory Auditors, subsidiaries whose sales and/or number of FTEs (full-time equivalents) do not exceed 1% of Group sales or total FTEs may be excluded from reporting. In this context, Freshmile is excluded from reporting due to its business model (no logistics center or agency) and sales of less than 0.01% of Group sales. Should Freshmile exceed either of these thresholds as a result of its development, it will be included in the environmental reporting process.

Calculation of the indicator coverage scopes

On an exceptional basis, and if their reliability is deemed unsatisfactory, certain data may be excluded from an entity's reporting. This year, no entity is concerned by data exclusions.

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 2022 data

Some 2022 data required correction to be applied retroactively.

INDICATOR	RESTATEMENT
Energy consumption	Green and non-green electricity consumption revised downwards following a non-significant correction on the Francofa entity. Electricity consumption revised upwards for Rexel France, as data was not available for ten branches.
Product transportation	Diesel consumption revised upwards following a correction carried out in Ireland (M. KELLIHER 1988 Ltd)). The impact of this correction is not significant.
Car fleet	Diesel consumption revised upwards following a correction in Ireland (M. KELLIHER 1988 Ltd). The impact of this correction is not significant.

Note: restatement of previous year data is deemed non-significant if the correction is below 5% of the total Group Value.

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. Product consumption data comes from a study carried out by an external firm and is based on 2018 product sheets.

Emission factors used

In 2023, 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 Ecolnvent. 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 Sales with positive impact

In order to align itself with the best practices observed in its sector, since 2020 Rexel has been publishing information on the proportion of its sales coming from products and services that contribute directly to environmental efficiency with its customers, without having a major damaging impact on the environment. Initially called "green sales", this indicator was renamed "positive impact sales" in 2022, to avoid confusion with the new terminology introduced by the European green taxonomy.

Thus, the indicator presented below has been established by Rexel on the basis of the following information and does not constitute information presented under, or prepared in accordance with, the principles contained in Regulation (EU) 2020/852 and Delegated Regulation (EU) 2021/2178 on the European green taxonomy.

By 2023, positive-impact sales will represent 51% of Group sales. This includes revenues from:

- The energy efficiency offering, including eco-efficient lighting, control systems, measurement systems, and eco-efficient drive systems;
- The electric mobility solutions;
- The supply linked to renewable energy production;
- The heating and ventilation offer that provides end customers with comfort and energy efficiency;
- The energy-efficient power and data transmission, including industrial cables and LAN cables;
- The offer of 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 ware, oil-fired heating, alarms, access controls, security units, video surveillance, opening systems and emergency lighting.

4.9 Taxonomy

The European green taxonomy, provided for by EU Taxonomy Regulation 2020/852 of June 2020, is a system for classifying economic activities likely to make a substantial contribution to one of the six environmental objectives established by the European Commission. This regulation, which is an integral part of the European sustainable finance policy aims to direct capital flows and investments towards sustainable activities as defined by the European Commission based on their ability to make a substantial contribution to the following environmental objectives:

- Climate change mitigation;
- Adaptation to climate change;
- Protection and sustainable use of aquatic and marine resources;
- Transition to a circular economy;
- Pollution prevention and control;
- Protection and restoring biodiversity and healthy ecosystems.

An activity can contribute to the objectives in one of the following ways:

- 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.

An activity is qualified as “eligible” when it is mentioned in the delegated regulations Climate (Delegated Regulation (EU) 2021/2139 of June 4, 2021 amended by Delegated Regulations 2022/1214 and 2023/2485) and Environment (Delegated

Regulation (EU) 2023/2486 of June 27, 2023). It is important to note that this qualification gives no indication as to the sustainability of the activity in question. Instead, an activity is considered sustainable under the terms of the regulation when it is “aligned”, meaning that it meets all of the following requirements stipulated in the said regulation:

- It makes a substantial contribution to one of the six environmental objectives, by demonstrating compliance with the technical criteria for substantial contribution specified in the delegated regulations;
- It does not harm the other five environmental objectives (principle of “Do No Significant Harm”);
- It complies with minimum guarantees relating to compliance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

In accordance with regulatory requirements, this section presents the proportions of sales, capital expenditure (CapEx) and operating expenditure (OpEx) deemed “eligible”, or “eligible” and “aligned” under current European regulations. The information also includes the contextual elements inherent in technical analyses.

For the third year of application of these provisions, non-financial companies must publish:

- The share of their activities which are taxonomy eligible and ineligible for the six environmental objectives for the three indicators mentioned above;
- The share of their eligible activities aligned and not aligned for the two climate targets for the three indicators mentioned above;
- Comparative data for 2022 on the climate targets.

4.9.1 Analysis of the Group's activities with regard to their eligibility

In 2023, the Group completed and strengthened the eligibility analysis of its activities carried out in 2022, extending it to the four environmental objectives covered by the Taxonomy Regulation.

Turnover

The eligible "Sales" ratio referred to in the Taxonomy Regulation is calculated using:

- In the denominator: Group sales as established in the consolidated financial statements. At December 31, 2023, this amounted to €19,153M.
- In the numerator: the turnover associated with activities eligible for the taxonomy.

The Group has identified its spare parts sales activity, mainly carried out by "Parts Super Center" in the United States specializing in genuine General Electric spare parts and product life extension solutions, as eligible for the "5.2 - Spare parts sales" activity of the "Transition to a circular economy" objective. The activity of selling spare parts is however not significant for the Rexel Group, the sale of spare parts constituting only a very small part of the Group's turnover. As a reminder, a spare part corresponds to a separate part of a product that can replace a part of this product having an identical or similar function.

These eligible sales amount to €49M on December 31, 2023 and represent 0.3% of Group sales.

Rexel's other distribution activities are not currently covered by the taxonomic targets and are therefore not eligible on December 31, 2023.

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". With regard to leased assets, in accordance with IFRS 16 - "Leases", new contracts, renewals, revaluations and lease extensions have been taken into account in calculating the numerator.

On December 31, 2023, this amounted to €879M;

- **In the numerator,** capital expenditure:
 - Related to assets or processes associated with an economic activity eligible for the taxonomy;
 - Part of 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
 - Related to the purchase of the production of economic activities eligible for the taxonomy and to individual measures enabling the targeted activities to become low-carbon or to lead to greenhouse gas reductions, on condition that these measures are implemented and operational within 18 months.

In the absence of a CapEx plan, the amount of CapEx that is part of a plan to expand Taxonomy-eligible economic activities or enable Taxonomy-eligible economic activities to become Taxonomy-aligned is nil. On the other hand, no investment expenditure linked to activity "5.2 - Sale of spare parts" of the circular economy objective has been identified for 2023.

The activities identified by Rexel as eligible CapEx are listed in the table below:

ELIGIBLE ACTIVITIES (OBJECTIVE: CLIMATE CHANGE MITIGATION)	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 leases company vehicles and 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 roads freight vehicles.
Activity 7.4 – Installation, maintenance and repair of charging stations for electric vehicles inside buildings (and in parking lots attached to buildings)	Installation, for the head office and its subsidiaries, of charging stations for electric vehicles inside buildings and in parking lots attached to buildings occupied by Rexel.
Activity 7.6 – Installation, maintenance and repair of renewable energy technologies	Installation, for the head office and its subsidiaries, of solar photovoltaic systems and auxiliary technical equipment, and heat pumps in buildings occupied by Rexel.
Activity 7.7 – Building acquisition and ownership	Buildings owned or leased by the Group.

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).

On December 31, 2023, the amount of eligible CapEx identified by the Group amounted to €279M and represents 32% of the Group's CapEx. The variation of -31 points compared with the previous year is mainly due to the acquisition of Wasco in 2023 which added non-eligible CapEx.

Operating expenditures ("OpEx")

According to the Taxonomy Regulation, the operating expenses to be taken into account when calculating the "OpEx" ratio are direct non-capitalizable costs corresponding to research and development expenses, building renovation costs, rents charged to the income statement, reparation and maintenance costs and any other direct expenses linked to the routine maintenance of assets.

On December 31, 2023, the denominator of the OpEx ratio amounts to €139M and corresponds to rent expensed for €12M and vehicle and building maintenance costs for €128M. As this amount represents 3.9% of total consolidated OpEx, it is considered immaterial. The Group has therefore opted for the materiality exemption provided for in the regulation.

4.9.2 Analysis of the Group's activities with regard to their alignment

Results

As the eligible turnover only concerns the Circular Economy objective, it was not the subject of an alignment analysis in 2023, this analysis being only required from 2024. The Group's CapEx alignment

rate amounts to 2.3% of total CapEx, or 7.0% of eligible CapEx. Finally, OpEx are considered non-material within the meaning of the Taxonomy; these latter aggregates have not been the subject of an alignment analysis.

Description of the method used for the alignment analysis

Analysis of the substantial contribution

- **Activities 6.5 and 6.6:** the Group has identified the electric vehicle fleet (company vehicles, light commercial vehicles and road freight vehicles) as making a substantial contribution to activities 6.5 and 6.6.
- **Activities 7.4 and 7.6:** all CapEx eligible for these activities meet the substantial contribution criterion, by their very nature (charging stations, photovoltaic systems, heat pumps).
- **Activity 7.7:** the Group has analyzed the substantial contribution of all its buildings eligible for CapEx by December 31, 2023. The Group has identified buildings constructed before December 31, 2020 that have an energy performance certificate of at least class A, or failing that are among the top 15% of the national or regional building stock in terms of operational primary energy consumption.

For buildings constructed before December 31, 2020 and located in countries that do not have sufficiently robust data for the local definition of the 15% of the most efficient real estate stock, the European top 15% was considered to carry out the analysis alignment. The average consumption of buildings in the top 15% in Europe is 82 kWhEP /m²/year. It arises from the latest European benchmark published by Deepki⁽¹⁾, based on real data collected automatically. This benchmark was developed by Deepki in collaboration with IEIF, DGNB and RICS, and it was constructed from a robust representative sample to ensure statistically reliable values for each typology in each country. The Group has also identified buildings constructed after December 31, 2020 with an energy performance at least 10% below the threshold established for the requirements relating to buildings with almost zero energy consumption. For buildings constructed after December 31, 2020 located in countries that do not have a requirement threshold for buildings with almost zero energy consumption (nZEB), the European average was considered to carry out the

analysis of alignment. This average corresponds to 90 kWhEP/m²/year (nZEB – 10%: 81 kWhEP/m²/year). The European average comes from an analysis carried out by the BPIE (Buildings Performance Institute Europe)⁽²⁾ covering all member States of the European Union. The criteria relating to buildings of more than 5,000 m² are not applicable for Rexel, since no eligible CapEx as of December 31, 2023 relates to a building with a surface area greater than 5,000 m².

Analysis of the Do No Significant Harm (DNSH) criteria

- Adapting to climate change :

To meet this criterion, the Group has carried out a study (EcoAct) of physical climate risks. It consists of a climate diagnosis to assess the exposure of Rexel's activities to the future impacts of climate change. The study covers all Rexel sites with the exception of Wasco sites (acquisition completed on September 1, 2023), as well as the main sites impacting the Group's value chain: supplier sites, raw material extraction sites, and ports.

The study covers the horizons 2030 and 2050, and was conducted according to IPCC climate scenario 8.5 (Business As Usual). The climate risks relevant to Rexel were taken into account in the study: coastal and river flooding, extreme precipitation, cyclones, water stress, cooling degree days and heat waves, and made it possible to identify the sites most exposed to climate hazards. At the most exposed sites, a vulnerability analysis was carried out, 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.

Adaptation solutions have been deployed at Group level to deal with the various climate risks identified. The Group has drawn up a crisis management plan, and each country has incorporated the results of the risk study when updating its business continuity plans, which now include solutions for adapting to climate risks. These plans are reviewed and monitored by the Group's internal control department.

(1) Deepki ESG Index.

(2) BPIE nZEB.

- Transition to a circular economy:

This DNSH is applicable to activities 6.5 and 6.6 and covers vehicle reuse, recyclability, recovery and waste management. For all its electric vehicles, the Rexel Group has checked with its suppliers to ensure compliance with the minimum percentages of reuse or recycling (85%) and reuse or recovery (95%) required by the taxonomy, as well as the existence of measures to manage waste during the use phase (maintenance) and at the end of the fleet's life. Vehicles meeting these criteria were considered as aligned.

- Pollution prevention and control:

This DNSH is applicable to activities 6.5 and 6.6 and covers vehicle emissions, as well as compliance with external rolling noise and rolling resistance coefficient requirements. All the Group's European electric vehicles comply with these requirements.

Analysis of minimum guarantees

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 "Business Ethics", the paragraph 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 Care (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", the paragraph on "Employee training in business ethics" of the Universal Registration Document) and the Competition Law Guide. The analysis of minimum guarantees is not impacted by the Notification of Charges issued by the Investigation Department of the French Competition Authority. As detailed in Chapter 2, section 2.1.4 Ethics and Environmental risks, under risk No. 5 "Unethical behavior within the Group (corruption, anticompetitive agreements, embargoes, personal data protection)". Rexel disputes the charges notified. The procedure will continue.

- Corruption

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 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.

FISCAL YEAR	2023			SUBSTANTIAL CONTRIBUTION CRITERIA						DOES NOT SIGNIFICANT HARM (DNSH) CRITERIA									
ECONOMIC ACTIVITIES (1)	CODE(S) (2)	ABSOLUTE TURNOVER (3)	SHARE OF SALES (4)	CLIMATE CHANGE MITIGATION (5)	CLIMATE CHANGE ADAPTATION (6)	AQUATIC & MARINE RESOURCES (7)	CIRCULAR ECONOMY (8)	POLLUTION (9)	BIODIVERSITY & ECOSYSTEMS (10)	CLIMATE CHANGE MITIGATION (11)	CLIMATE CHANGE ADAPTATION (12)	AQUATIC & MARINE RESOURCES (13)	CIRCULAR ECONOMY (14)	POLLUTION (15)	BIODIVERSITY & ECOSYSTEMS (16)	MINIMUM WARRANTIES (17)	ALIGNED SHARE OF SALES (A.1.) OR ELIGIBLE (A.2.) ON TAXONOMY, YEAR N-1 (18)	CATEGORY (ENABLING ACTIVITY) (19)	CATEGORY (TRANSITIONAL ACTIVITY) (20)
		MILLION €	%	0; N; N/EL	0; N; N/EL	0; N; N/EL	0; N; N/EL	0; N; N/EL	0; N; N/EL	0; N	0; N	0; N	0; N	0; N	0; N	0; N	%	H	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable activities (Taxonomy-aligned)

Revenue from environmentally sustainable operations (A.1)	0.00	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0	0	0	0	0	0	0	0	0%		
of which enabling	0.00	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0	0	0	0	0	0	0	0	0%	H	
of which transients	0.00	0.0%							0	0	0	0	0	0	0	0	0%		T

A.2. Taxonomy-eligible but environmentally unsustainable activities (non-Taxonomy-aligned)

				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Sale of spare parts	SG 5.2	48.66	0.3%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								N/A		
Turnover of activities eligible for the taxonomy but not environmentally sustainable (A.2)		48.66	0.3%	0%	0%	0%	0,3%	0%	0%								0%		
Turnover of taxonomy-eligible activities (A)		48.66	0.3%	0%	0%	0%	0,3%	0%	0%								0%		

B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY

Turnover from non-taxonomy-eligible activities	19,104.69	99.7%
Total (A+B)	19,153.35	100%

FISCAL YEAR	2023			SUBSTANTIAL CONTRIBUTION CRITERIA						DOES NOT SIGNIFICANT HARM (DNSH) CRITERIA									
ECONOMIC ACTIVITIES (1)	CODE(S) (2)	ABSOLUTE CAPEX (3)	SHARE OF CAPEX (4)	CLIMATE CHANGE MITIGATION (5)	CLIMATE CHANGE ADAPTATION (6)	AQUATIC & MARINE RESOURCES (7)	CIRCULAR ECONOMY (8)	POLLUTION (9)	BIODIVERSITY & ECOSYSTEMS (10)	CLIMATE CHANGE MITIGATION (11)	CLIMATE CHANGE ADAPTATION (12)	AQUATIC & MARINE RESOURCES (13)	CIRCULAR ECONOMY (14)	POLLUTION (15)	BIODIVERSITY & ECOSYSTEMS (16)	MINIMUM WARRANTIES (17)	SHARE OF ALIGNED CAPEX (A.1.) OR ELIGIBLE (A.2.) ON TAXONOMY, YEAR N-1 (18)	CATEGORY (ENABLING ACTIVITY) (19)	CATEGORY (TRANSITIONAL ACTIVITY) (20)
		MILLION €	%	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N	O; N	O; N	O; N	O; N	O; N	O; N	%	H	

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable activities (Taxonomy-aligned)

Transport by motorcycles, passenger cars and light commercial vehicles	CCM 6.5	9.03	1.0%	O	N/EL	N/EL	N/EL	N/EL	N/EL	O	O	O	O	O	O	O	0.0%	H	
Road freight transport	CCM 6.6	0.07	0.0%	O	N/EL	N/EL	N/EL	N/EL	N/EL	O	O	O	O	O	O	O	0.0%	H	
Installation, maintenance and repair of electric vehicle charging stations inside buildings (and in parking lots attached to buildings)	CCM 7.4	3.11	0.4%	O	N/EL	N/EL	N/EL	N/EL	N/EL	O	O	O	O	O	O	O	0.0%	H	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.60	0.1%	O	N/EL	N/EL	N/EL	N/EL	N/EL	O	O	O	O	O	O	O	0.0%	H	
Acquisition and ownership of buildings	CCM 7.7	7.24	0.8%	O	N/EL	N/EL	N/EL	N/EL	N/EL	O	O	O	O	O	O	O	2.8%	H	
CAPEX of environmentally sustainable operations (A.1)		20.06	2.3%	2.3%	0%	0%	0%	0%	0%	O	O	O	O	O	O	O	2.8%		
of which enabling		12.82	1.5%	1.5%	0%	0%	0%	0%	0%	O	O	O	O	O	O	O	100%	H	
of which transients		0.00	0%							O	O	O	O	O	O	O	0%		T

A.2. Taxonomy-eligible but environmentally unsustainable activities (non-Taxonomy-aligned)

				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transport by motorcycles, passenger cars and light commercial vehicles	CCM 6.5	24.62	2.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.5%		
Road freight transport	CCM 6.6	2.13	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3.6%		
Acquisition and ownership of buildings	CCM 7.7	240.40	27.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								52.2%		
CAPEX of taxonomy-eligible but environmentally unsustainable activities (A.2)		267.15	30.4%	30.4%	0%	0%	0%	0%	0%								60.3%		
CAPEX of Taxonomy-eligible activities (A)		287.21	32.7%	32.7%	0%	0%	0%	0%	0%								63.1%		

B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY

CAPEX of non-taxonomy-eligible activities	592.08	67.3%
Total (A+B)	879.29	100%

FISCAL YEAR	2023			SUBSTANTIAL CONTRIBUTION CRITERIA						DOES NOT SIGNIFICANT HARM (DNSH) CRITERIA									
ECONOMIC ACTIVITIES (1)	CODE(S) (2)	ABSOLUTE OPEX (3)	SHARE OF OPEX (4)	CLIMATE CHANGE MITIGATION (5)	CLIMATE CHANGE ADAPTATION (6)	AQUATIC & MARINE RESOURCES (7)	CIRCULAR ECONOMY (8)	POLLUTION (9)	BIODIVERSITY & ECOSYSTEMS (10)	CLIMATE CHANGE MITIGATION (11)	CLIMATE CHANGE ADAPTATION (12)	AQUATIC & MARINE RESOURCES (13)	CIRCULAR ECONOMY (14)	POLLUTION (15)	BIODIVERSITY & ECOSYSTEMS (16)	MINIMUM WARRANTIES (17)	SHARE OF OPEX ALIGNED (A.1.) OR ELIGIBLE (A.2.) ON TAXONOMY, YEAR N-1 (18)	CATEGORY (ENABLING ACTIVITY) (19)	CATEGORY (TRANSITIONAL ACTIVITY) (20)
		MILLION €	%	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N; N/EL	O; N	O; N	O; N	O; N	O; N	O; N	O; N	%	H	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable activities (Taxonomy-aligned)

OPEX of environmentally sustainable operations (A.1)	0.00	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0	0	0	0	0	0	0	0%		
of which enabling	0.00	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0	0	0	0	0	0	0	0%	H	
of which transients	0.00	0%								0	0	0	0	0	0	0	0%		T

A.2. Taxonomy-eligible but environmentally unsustainable activities (non-Taxonomy-aligned)

			EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL											
OPEX of activities eligible for the taxonomy but not environmentally sustainable (A.2)	0%	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
OPEX of Taxonomy-eligible activities (A)	0%	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		

B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY

OPEX of non-taxonomy-eligible activities	139.31	0%
Total (A+B)	139.31	100%

Nuclear energy related activities

1 The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2 The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3 The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

Fossil gas related activities

4 The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5 The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6 The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

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 therefore implement a vigilance plan comprising five measures:

1. Risk mapping with a view to their identification, analysis and prioritization (Section 4.10.2.1 "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 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.

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").

Meetings are held with strategic suppliers to discuss sustainable development issues, including the results of CSR supplier assessments, sustainable supply and sharing of the latest technological innovations, and presentation of the Responsible Supplier Charter.

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 accountability 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 incorporate controls related to ethics, employee health and safety, and compliance with environmental, Human Rights laws and Fundamental Freedoms. It is updated and enriched every year to keep pace with new standards and regulations. New controls related to business ethics are regularly added. 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 coordinate the Rexel Group's ethics strategy, a network of Ethics Correspondents 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.

The questionnaire covers 21 criteria divided into four categories: environment, social and human rights, ethics, and responsible purchasing. The criteria are drawn from international CSR standards, such as the ten principles of the United Nations Global Compact, the conventions of the International Labour Organization (ILO), the Global Reporting Initiative (GRI), ISO 26000, the CERES principles and the United Nations Guiding Principles on Business and Human Rights, also known as the "Ruggie Framework". 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.

In addition to the platform, the evaluation process follows a structured methodology and timetable that guarantee its success.

The Purchasing team, assisted by members of the Sustainable Development team, are in contact with suppliers to explain the approach, encourage participation and communicate the results. The challenge is to feed back local information and promote the application of these ethical and sustainable development principles to suppliers, with a view to creating shared value.

Each supplier receives individual feedback from Rexel teams following the evaluation. If necessary, corrective or improvement actions can be implemented. This rigorous assessment process improves the transparency and traceability of Rexel's value chain, and helps limit risks. Data recovery enables performance to be compared using common indicators, and results to be shared with all stakeholders. The aim is to initiate a collective dynamic of continuous improvement and promote a relationship model based on trust and integrity. To this end, a monitoring system is set up to ensure that suppliers have their performance regularly reassessed, and that this assessment evolves favorably and in line with the Group's expectations.

Commitment

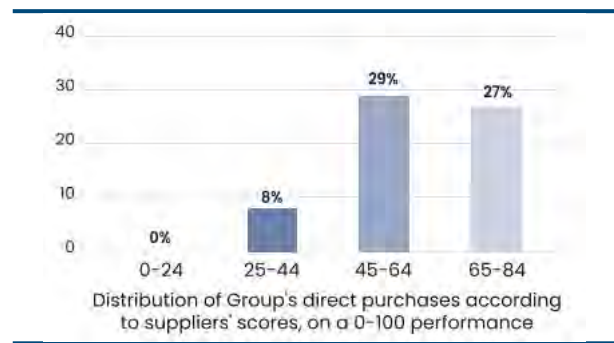
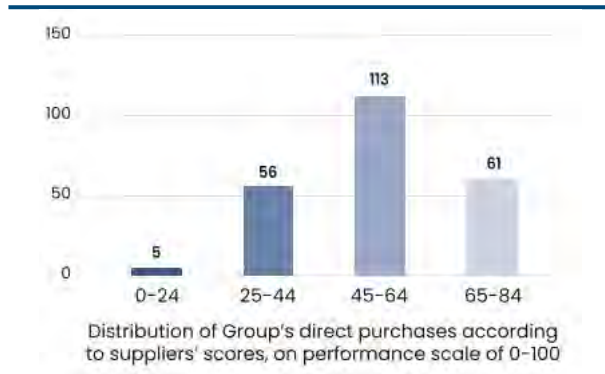
The approach focuses primarily on so-called "strategic" suppliers, *i.e.* those whose added value is significant for the Group in terms of sales, geographical deployment or innovations. The Group has set itself the ambitious target of covering 80% of its direct purchasing volume by value by 2025.

Results

Since the beginning of the CSR supplier evaluation process, more than 435 suppliers representing 80% of the Group's direct purchases have received a request to assess their performance in terms of sustainable development.

The evaluation of supplier performance is regularly reviewed. Thus, 213 suppliers representing 54% of the Group's direct purchases have an evaluation of less than 2 years ago.

The results are presented below:



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, to comply with the fundamental conventions of the International Labour 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 since 2021 to the suppliers concerned. The Charter is available in 13 languages and accessible on the website dedicated to ethics (<https://ethique.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, 2023, the Responsible Supplier Charter had already been endorsed by suppliers representing over 84% of the Group's direct purchases. Supplier commitment must continue as part of the discussions on contractual commitments for 2024.

Internally, compliance with the rules of ethics implies continuous mobilization of employees. For this reason, team training and information sessions are essential. A common training program for all Group employees is organized around e-learning modules and a series of compliance videos. The training covers obligations in terms of competition, anti-corruption, personal data protection and commercial restrictions. They are distributed to employees *via* the Group's online training tools and in their own language.

Specific face-to-face programs are also offered to employees who are most exposed to some of these risks, particularly in terms of anti-corruption and competition law.

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 Correspondents 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.

Third-party diligence guidelines

In order to improve the prevention of corruption risk in its business transactions and relations with third parties, the Group has adopted third-party due diligence guidelines. The nature and depth of assessments depend on the risk identified. Assessments are carried out by various means, using specific software or, in cases requiring in-depth evaluation, by sending an assessment questionnaire directly to the third party. This evaluation enables us to assess the risk of entering into or continuing a commercial relationship. All Group entities are equipped with a digital third-party due diligence tool.

Conflict of interest guidelines

In 2023, the Group published and deployed new specific guidelines targeting conflicts of interest. These guidelines have been deployed in all Group countries and enable employees to identify and declare situations of conflict of interest.

Training employees in business ethics

Compliance with ethical rules requires the ongoing involvement of our employees. Team training and awareness-raising are therefore 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 theme of compliance on the other. The training courses cover obligations in terms of competition, anti-corruption, personal data protection and trade restrictions. They are distributed to employees via the Group's online training tools and in their own language.

Specific face-to-face programs are also offered to employees most exposed to some of these risks, notably in the areas of anti-corruption and competition law. By 2023, more than 90% of the

Group's employees worldwide will have taken these training courses.

Disseminating a culture of business ethics

Integrating the Group's values and ethical principles into its behavior is a key factor in the success of this approach. This requirement is supported by a network of Compliance Correspondents and Ethics Correspondents who work in close collaboration with local management. A collaborative, decentralized organization ensures that ethical principles are understood, and action plans are deployed in the various countries where the Group operates.

The results of the "Satisfaxion23" internal commitment survey indicate that 88% of survey respondents believe that Rexel acts with integrity in its relations.

Rexel's management is fully committed to spreading the culture of business ethics. Management teams regularly speak out on these issues. Rexel also organized a "Compliance Day" for the first time in 2023 in all Group entities, a day dedicated to ethics and compliance.

Corruption risk mapping

Rexel has relaunched a corruption risk mapping campaign based on the methodology of the French Anti-Corruption Agency. All Group entities have mapped their risks, enabling them to implement the relevant control measures.

Accounting controls

Rexel has set up accounting control procedures to ensure that books, records and accounts are not used to conceal fraud. Specific anti-corruption accounting controls are also defined for a certain number of operations deemed sensitive in terms of anti-corruption risk mapping. These controls are deployed across all Group entities.

Corrective action

Deficiencies associated with the implementation of procedures are analyzed in order to identify their cause and correct them. 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.

Dedicated compliance audits

Second-level controls have been put in place with regard to the mapping of corruption risks, and audits dedicated exclusively to compliance risks are organized on a regular basis.

The effectiveness of this organization is reflected in the results of the latest Satisfaxion internal commitment survey conducted by the Group in 2023: 88% of survey respondents believe that Rexel acts with integrity.

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. Whistleblowers can choose to make their alerts anonymous. 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 Chief Compliance Officer and the Ethics Correspondents, 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 2023 by the Chief Compliance Officer and all Ethics Correspondents according to their type, author, subject, and geographical area.

In 2023, 92 ethics cases were submitted to Rexel Group Ethics Correspondents during the year. All requests have been processed, verified (through audits or investigations carried out by the relevant country management) and followed up with preventive and/or corrective action as appropriate.

		NUMBER OF QUERIES RECEIVED BY ETHICS CORRESPONDENTS IN 2023	NUMBER OF QUERIES RECEIVED BY ETHICS CORRESPONDENTS IN 2022
Type of query	Information	61	10
	Complaint	23	49
	Legal dispute	1	1
	Other packaging	7	0
Source of query	Customers	7	7
	Rexel employees	71	46
	Suppliers	0	3
	Local authorities	0	0
	Employee representatives / trade unions	0	0
	Anonymous	10	3
	Other packaging	4	1
Subject of query	Customer relations	5	9
	Supplier relations	1	2
	Relations between employees	26	10
	Discrimination	12	14
	Working conditions	23	13
	Anti-corruption	0	3
	Tax evasion	0	0
	Anti-fraud and anti-theft	25	9
	Environmental protection	0	0
Type of measures implemented	Preventive	25	16
	Corrective	49	44
	Other	18	N/A
Region	Europe	24	6
	North America	54	40
	Asia-Pacific	14	14

4.10.2.5 System for monitoring the measures implemented and assessing their effectiveness

The Group assesses the relevance of risk mitigation actions and implements action plans, including:

- Launching campaigns for the CSR assessment of suppliers in 2021.
- Since the beginning of the CSR supplier evaluation process, more than 435 suppliers representing 80% of the Group's direct purchases have received a request for an evaluation of their sustainability performance. This result is a clear improvement in comparison to 2021.
- Drawing up a Responsible Supplier Charter in 2020 and rolling it out since 2022 among the suppliers concerned.
- By December 31, 2023, the Responsible Supplier Charter had already been adopted (formally committed and signed) by suppliers representing more than 84% of the Group's direct purchases.

- Implementation of a whistleblowing system open to employees, external and occasional collaborators, suppliers, customers and stakeholders in all countries.

- 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

As part of its program to detect and prevent corruption, Rexel has drawn up a Group-wide Anti-Corruption Code of Conduct. This Code of Conduct specifies payments and practices requiring particular attention. In particular, it defines the conditions under which all employees may intervene 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>.

- 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 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.

- 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.

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.

Report by one of the Statutory Auditors, appointed as an independent third party, on the consolidated non-financial information statement

Year ended December 31, 2023

REXEL S.A.

13, boulevard du Fort de Vaux CS 60002

75838 Paris Cedex 17

In our capacity as Statutory Auditor of the company Rexel S.A. (hereinafter the "Entity"), appointed as an independent third party and accredited by Cofrac (Cofrac Inspection Accreditation n° 3-1862 rév.1, whose scope is 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

(hereinafter the "Information" and the "Statement", respectively), prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), for the year ended December 31, 2023, 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*).

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.

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, the significant elements of which are available on request at the head office.

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, on a voluntary basis, 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

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*.

Independence and quality control

Our independence is defined by the provisions of Article L.821-28 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.

Means and resources

Our work engaged the skills of 8 people between December 2023 and February 2024 and took a total of 4 weeks.

We were assisted in our work by our specialists in sustainable development and corporate social

responsibility. We conducted 26 interviews with people responsible for preparing the Statement, representing in particular ESG, Compliance, Human Resources, Health and Safety, Environment and Purchase directions.

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.225-102-1 as well as information regarding compliance with human rights and anti corruption and tax avoidance legislation, 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 provides the information required under Article R.225-105 II of the French Commercial Code where relevant with respect to the main risks,
- 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 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 and for which our work was performed at the consolidating entity (Ineffective implementation of the sustainable development strategy. Heterogeneous deployment in countries and operations; Practices contrary to anti-corruption regulations or competition laws that could lead to legal proceedings and damage the Company's reputation; 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; Risks related to scandals affecting suppliers and their supply chains, in relation to their social and/or environmental practices; 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; Risk of deterioration in the quality of customer relations leading to a loss of trust, the basis of any ethical relation). For other risks, our work was carried out on the consolidating entity and on a selection of entities: M. KELLIHER 1988 Ltd, Rexel NEW ZEALAND Ltd, Rexel USA (including Mayer), Sofinther, Rexel Italia SPA, Rexel Germany GmbH & Co KG, Rexel Sverige AB, Rexel APAC HQ & Rexel China.
- 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: M. KELLIHER 1988 Ltd, Rexel NEW ZEALAND Ltd, Rexel USA (including Mayer), Sofinther, Rexel Italia SPA, Rexel Germany GmbH & Co KG, Rexel Sverige AB,

Rexel APAC HQ & Rexel China and covers between 43% and 54% 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 15, 2024

One of the Statutory Auditors,

PricewaterhouseCoopers Audit

Pierre Clavié Partner

Aurélié Castellino

Sustainable Development Partner

Appendix: List of the information we considered most importantKey performance indicators, for the year 2023:

- Percentage of employees considered as sensitive who completed the training sessions related to competition law;
- Percentage of employees considered as sensitive who completed the training sessions related to anti-corruption;
- Number of annual ethic queries;
- Percentage of Independent directors;
- Percentage of women on the Board of Directors;
- Percentage of the employees of the Rexel European subsidiaries trained in the protection of personal data and in the operation data implantation of the European General Data Protection Regulation;
- Long-term new employee integration rate;
- Average hours of training per employee trained;
- Favourable response rate to the following question: "I am proud of working for my company" (Satisfaction Survey);
- Percentage of women recruited on open-ended contract;
- Frequency rate of work accidents leading to work stoppage;
- Percentage of sites covered by an internal environmental management system;
- Percentage of sites covered by a certified environmental management system;
- Percentage of sites covered by a certified energy management system;
- Scope 1 and 2 emissions (tCO₂e);
- Scope 3 indirect emissions (tCO₂e);
- Packaging consumption (tons);
- Waste generated (excluding WEEE and batteries) (tons);
- Recovery rate;
- Percentage of direct purchases covered by the Responsible Supplier Charter;
- Percentage of direct purchases having received a request to assess their performance in terms of sustainable development;
- Suppliers reassessed during the year who maintained or improved their environmental performance;
- Annual turnover (millions of euros) that relate to photovoltaic products;
- Annual turnover (millions of euros) that relate to EV charging equipment;
- Percentage of countries monitoring the net promoter score.

Other quantitative results for the year 2023:

- Total headcount as of December 31, 2023;
- Breakdown of employees on open-ended contracts by age and by gender as of December 31, 2023;
- Number of recruitments of employees on open-ended contract in 2023;
- Number of departure of employees on open-ended contracts in 2023;
- Number of employees reporting a disability in 2023;
- Number of work accidents leading to a sick-leave in 2023;
- Number of overtime hours in 2023;
- Number of vertical promotions in 2023, for women and for men;
- Number of horizontal promotions in 2023, for women and for men;
- Number of lost days due to illness, work accidents and other reason, in 2023;
- Number of lost days corresponding to short-term absences (below or equal 5 days) or LT absences (above 5 days);
- Number of theoretical working days per person in 2023;
- Number of agreements signed in 2023;
- Number of sites equipped with at least 50% of LED lights in 2023;
- Consumption of the internal fleet used for the shipment of goods.

Qualitative information (actions and results) for the year 2023:

- Roadmap associated to protection of personal data;
- Supplemental health and insurance policies offered to employees;
- "Rexel +" program;
- Exit interviews with departing employees;
- Dedicated course "Rexel Climate School";
- GAIN program "Grow Achieve Inquire Network" deployed in the United-States;
- Satisfaction annual survey;
- Commitment of Rexel employees in France in the "Capital Filles" association;
- Mentoring program conducted at group's HQ in 2023;
- Fun and attractive videos created at Rexel Australia for Health & Safety;
- Elaboration of Rexel's mission statement "Electrifying solutions that make a sustainable future possible";
- Implementation of the quarterly reporting for Scope 1 and 2 CO₂ emissions;
- Rexel Experience program;
- "Sustainable selection";
- Implementation of "Carbon Tracker".

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5

Financial and accounting information



5 Financial and accounting information



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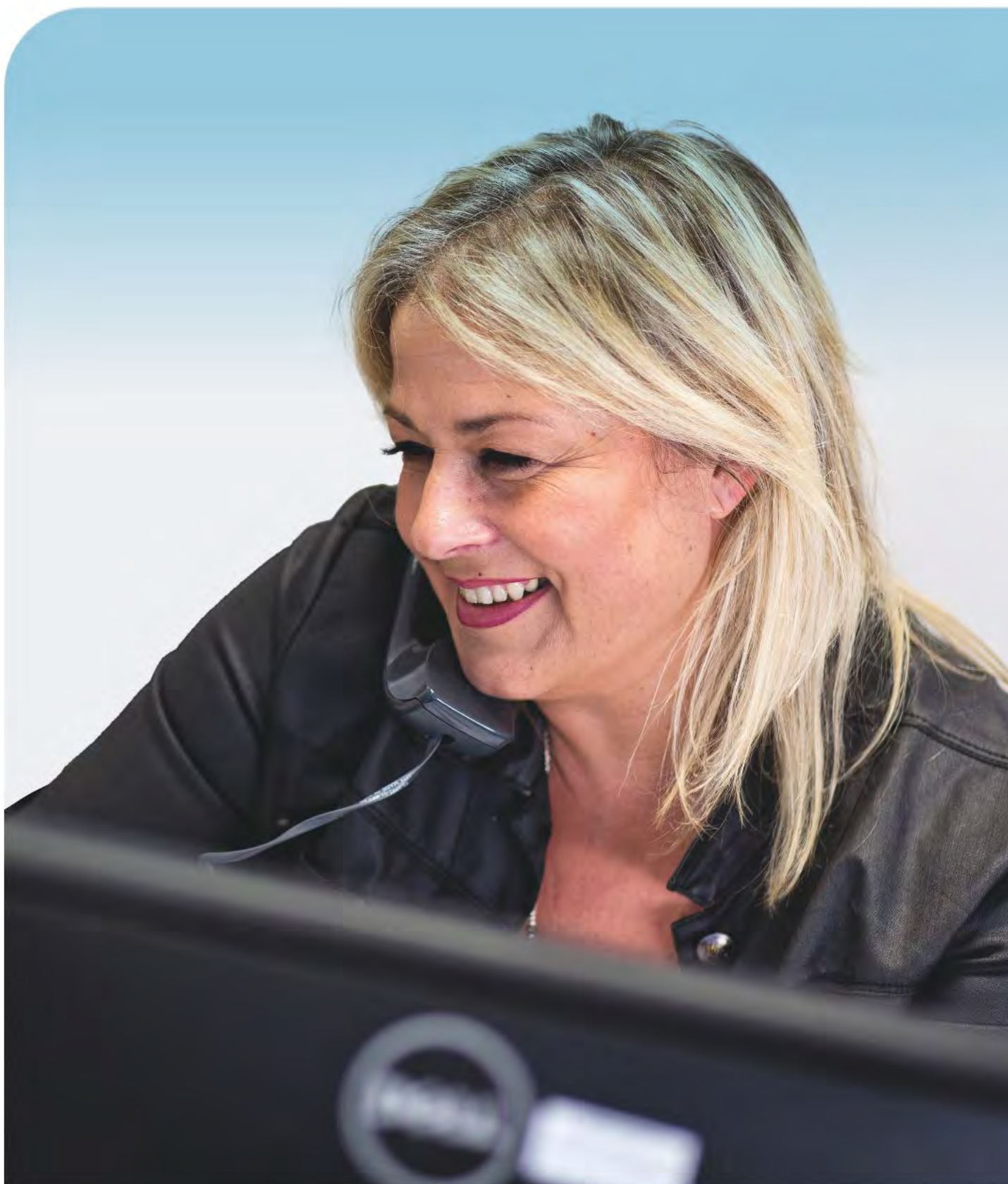
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5.1

Consolidated results



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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, 2023 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, 2023, 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, 2022, 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 302 to 321, in pages 324 to 393, and 396 to 415, respectively, of the French version of the Universal Registration Document filed with the *Autorité des marchés financiers* on March 9, 2023, under number D.23-0078; and
- 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.

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.

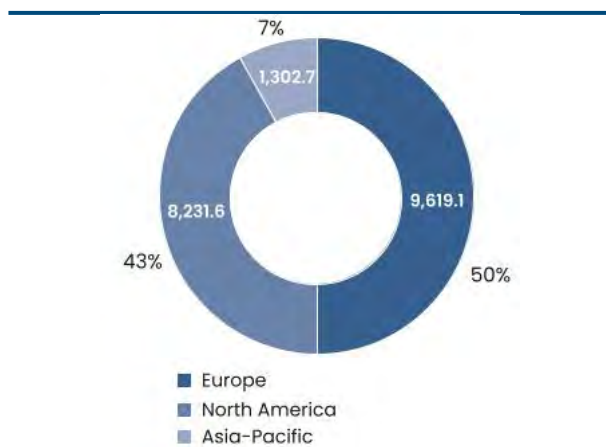
The activity report analyzes the financial results, liquidity and financial resources of the Group for the year ended December 31, 2023.

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. The Group operates in three geographic areas: Europe, North America and Asia-Pacific. This geographic segmentation is based on the Group’s financial reporting structure.

In 2023, the Group recorded consolidated sales of €19,153.4 million in the following geographies:



The Group’s activities in Europe (50% of Group sales) are in France (38% of the region’s sales), the United Kingdom, Germany, Sweden, Switzerland, Belgium, Austria, the Netherlands, Finland, Ireland, Italy, Slovenia and Luxembourg.

The Group’s activities in North America (43% of Group sales) are in the United States and Canada representing 82% and 18% of region’s sales.

The Group’s activities in Asia-Pacific (7% of Group sales) are in Australia (45% of the region’s sales), China (40%), New Zealand and India.

5.1.1.1.2 Significant events of the reporting period

In 2023, Rexel recorded sales of €19,153.4 million, up 4.3%, on a constant and same-day basis boosted by electrification trends in Europe and commercial and industrial projects in North America. The Group

posted an Adjusted EBITA margin of 6.8% in the upper range of its guidance and record free cash flow before interest and tax performance close to €1 billion.

On the M&A side, Rexel closed the acquisition of Wasco, one of the leading distributors of Heating, Ventilation and Air Conditioning ("HVAC") products and services in the Netherlands. This acquisition was mainly financed through the issuance of €400 million, 5.25% sustainability-linked senior notes due 2030. Other acquisitions were completed

to strengthen the Group's footprint in North America and in Europe.

Notwithstanding the funding of acquisitions, the payment of dividends at a record level of €1.20 per share and the share buy-back program, the indebtedness ratio was contained at a healthy 1.33x.

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 15% of 2023 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 2022 have been mainly adjusted for:

ACQUISITIONS	OPERATING SEGMENT	EFFECTIVE DATE	ADJUSTED PERIOD
Wasco	Europe	September 1, 2023	September 1, 2022 – December 31, 2022
Buckles-Smith	North America	January 1, 2023	January 1, 2022 – December 31, 2022
Lineman's Testing Laboratories (LTL)	North America	January 1, 2023	January 1, 2022 – December 31, 2022

DISPOSALS	OPERATING SEGMENT	EFFECTIVE DATE	ADJUSTED PERIOD
Spanish and Portuguese businesses	Europe	October 30, 2022	January 1, 2022 – October 31, 2022
Russian business	Europe	February 28, 2022	January 1, 2022 – February 28, 2022
Norwegian business	Europe	February 28, 2023	February 28, 2022 – December 31, 2022

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	
	2023	2022
<i>(in millions of euros)</i>		
Operating income before other income and other expenses	1,261.7	1,330.9
Changes in scope of consolidation	—	35.4
Foreign exchange effect	—	(25.7)
Non-recurring copper effect	14.2	23.7
Amortization of the intangible assets ⁽¹⁾	24.3	13.9
Adjusted EBITA on a constant basis	1,300.1	1,378.2

(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	
	2023	2022
<i>(in millions of euros)</i>		
Net income (as reported)	774.7	922.3
Non-recurring copper effect	14.2	23.7
Other expense & income	45.1	(12.1)
Financial expenses related to refinancing transactions	—	—
Tax impact of the items above and other non-recurring tax effects	(10.7)	(22.1)
Net Recurring income	823.3	911.8

5.1.1.2 Comparison of financial results as of December 31, 2023 and as of December 31, 2022

5.1.1.2.1 Rexel Group's consolidated financial results

The following table sets out Rexel's consolidated income statement for 2023 and 2022, 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			YEAR ENDED DECEMBER 31		
	2023	2022	Δ %	2023	2022	Δ %
(in millions of euros)	Reported			Adjusted for copper one-off	On a constant basis, adjusted for copper one-off	
Sales	19,153.4	18,701.6	2.4%	19,153.4	18,387.2	4.2%
Same-day basis						4.3%
Gross profit	4,876.4	4,868.6	0.2%	4,890.7	4,831.3	1.2%
as a % of sales	25.5%	26.0%		25.5%	26.3%	
Operating expenses	(3,243.4)	(3,187.8)	1.7%	(3,243.5)	(3,122.9)	3.9%
Depreciation	(347.1)	(335.9)	3.3%	(347.1)	(330.2)	5.1%
Distribution and administrative expenses before amortization of intangible assets	(3,590.5)	(3,523.8)	1.9%	(3,590.6)	(3,453.1)	4.0%
as a % of sales	(18.7)%	(18.8)%		(18.7)%	(18.8)%	
EBITA	1,285.9	1,344.8	(4.4)%	1,300.1	1,378.2	(5.7)%
as a % of sales	6.7%	7.2%		6.8%	7.5%	
Amortization of intangible assets ⁽¹⁾	(24.3)	(13.9)	74.0%			
Operating income before other income and expenses	1,261.7	1,330.9	(5.2)%			
Other income and expenses	(45.1)	12.1	n.a.			
Operating income/(loss)	1,216.6	1,343.0	(9.4)%			
Net financial expenses	(167.7)	(119.4)	40.4%			
Share of profit / (loss) in associates	—	(0.1)	n.a.			
Pre tax income/(loss)	1,048.9	1,223.5	(14.3)%			
Income taxes	(274.2)	(301.2)	(9.0)%			
Effective tax rate	26.1%	24.6%				
Net income/(loss)	774.7	922.3	(16.0)%			

(1) Amortization of the intangible assets recognized as part of the allocation of the purchase price of acquisitions.

Sales

In 2023, Rexel's consolidated sales amounted to €19,153.4 million, as compared to €18,701.6 million in 2022.

On a reported basis, sales were up 2.4% year-on-year, including:

- A positive net scope effect of €93.4 million (0.5% of the 2022 sales) resulting from:

- The acquisitions of Wasco in the Netherlands, Trilec in Belgium, Buckles-Smith and Horizon Solutions in the US and as well as LTL in Canada;
- The disposals of businesses in Norway, Spain, and to a lesser extent, in Portugal and Russia.
- A negative currency effect of €407.8 million (2.2% of the 2022 sales), mainly due to the depreciation of the US and Canadian dollars against the euro.

On a constant and actual number of working days basis, sales increased by 4.2%.

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	FULL YEAR 2023
Growth on a constant and same-days basis	10.1%	6.2%	2.6%	(1.4)%	4.3%
Number of working days effect	1.0%	(1.0)%	(0.8)%	0.3%	(0.1)%
Growth on a constant and actual-day basis ⁽¹⁾	11.1%	5.2%	1.8%	(1.1)%	4.2%
Changes in scope effect	0.5%	(0.4)%	(0.3)%	2.1%	0.5%
Foreign exchange effect	0.7%	(2.0)%	(4.5)%	(2.7)%	(2.2)%
Total scope and currency effect	1.3%	(2.4)%	(4.9)%	(0.5)%	(1.7)%
Growth on a reported basis	12.6%	2.8%	(3.1)%	(1.6)%	2.4%

(1)

On a constant and same-day basis, sales increased by 4.3%, driven by selling price increase (+2.3%) and volume rise (+2.0%). Negative 2023 fourth quarter sales growth resulted from challenging comparable base, negative price effect in solar panels and lower demand, especially on Solar activity in Europe, where low electricity prices have temporarily reduced the immediate payback from installing photovoltaic solutions. Conversely, electrification trends in North America remain positive, with an increasing contribution of re-shoring trends in several industrials sectors.

By geography area, North America increased by 4.0%, Europe increased by 5.1% and Asia-Pacific decreased by 0.1%.

Same-day sales growth benefited from higher demand for energy solutions and 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 represented 22% of Group's sales in 2023, up 10.8% as compared to 2022.

Digital sales representing 28.3% of Group sales in 2023, as compared to 25.3% in 2022, on a constant basis.

Gross profit

In 2023, gross profit amounted to €4,876.4 million, up 0.2%, on a reported basis, as compared to €4,868.6 million in 2022.

In 2023, on a constant basis, adjusted gross margin stood at 25.5% down 74 basis points ("bps") as compared to last year or up 24 bps restated for the 98 bps one-off inventory price inflation on non-cable products in 2022.

Distribution & administrative expenses before amortization of intangible assets

In 2023, distribution and administrative expenses before amortization of intangible assets amounted to €3,590.5 million, up 1.9% on a reported basis, as compared to €3,523.8 million in 2022 and by 4.0% on a constant and adjusted basis.

Distribution and administrative expenses before amortization of intangible assets and represented 18.7% of sales in 2023 as compared to 18.8% of sales in 2022, reflecting higher efficient organization to partly compensate inflation on transportation costs and wage increases. In 2022, distribution and administrative expenses included a 31 bps higher performance-linked bonuses effect.

EBITA

In 2023, EBITA stood at €1,285.9 million, down 4.4%, on a reported basis as compared to 2022.

In 2023, EBITA includes a positive net scope effect of €35.4 million and a negative foreign exchange currency impact of €25.7 million.

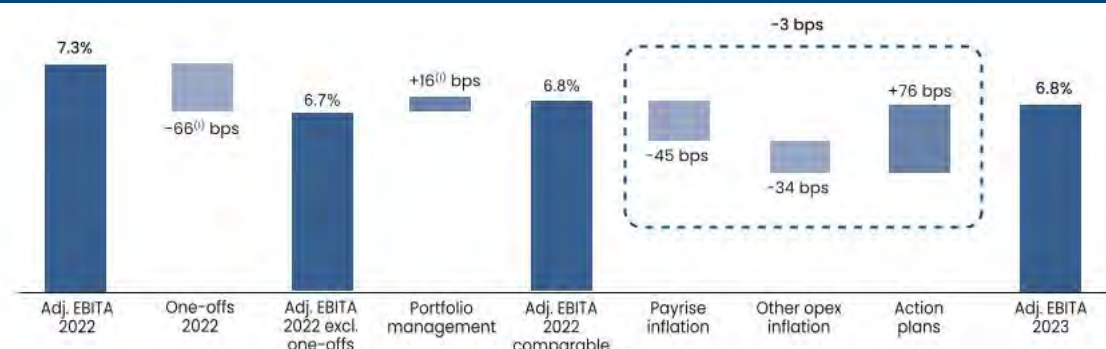
On a constant basis, Adjusted EBITA stood at €1,300.1 million down 5.7% compared to 2022. Adjusted EBITA margin decreased from 7.5% in 2022 to 6.8% in 2023.

Adjusted EBITA margin improved by +13 bps from 6.7% in 2022 to 6.8% in 2023, restated for the non-recurring items from inventory price inflation on non-cable products, net of higher performance-linked bonuses, with:

- A positive effect of 16 bps from portfolio management, notably resulting from the accretive

effect of the Wasco acquisition and the disposal of our activities in Norway.

- A stable evolution on a comparable basis, which can be explained as follows:
 - An opex inflation impact of -79 bps due to overall inflation of +3.9%, including +5.4% from wage increases and +2.3% from other opex;
 - A 76 bps positive impact from Group's action plans from robust activity notably in the first semester and productivity initiatives in the second semester of 2023.



(1) One-off 2022 at scope and rate 2023 stands at -68 bps.

Other income and expenses

In 2023, other expense and income represented a net charge of €45.1 million, consisting mainly of:

- €14.1 million acquisition & integration costs, respectively €8.3 million and €5.8 million;
- €12.9 million restructuring costs;
- €10.3 million goodwill & intangible assets impairment; and
- €10.0 million loss on Norway disposal.

In 2022, other income and expenses represented a net gain of €12.1 million, consisting mainly of:

- €42.7 million net disposal gain, after transaction costs, related to 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.

Net financial expenses

Net financial expenses were €167.7 million in 2023 (€119.4 million in 2022), out of which €55.6 million of interests on lease liabilities (€46.5 million in 2022).

Excluding interests on lease liabilities, net financial expenses stood at €112.1 million in 2023, up €39.1 million year-on-year due to the rise in interest rates and the effect of the issuance of the €400m sustainability-linked senior notes in September 2023.

Effective interest rate of the gross financial debt stood at 3.66% (2.29% in 2022) up 137 bps year-on-year.

Income tax

Income tax expense decreased to €274.2 million from €301.2 million in 2022 mainly resulting from lower pre-tax income.

Effective tax rate stood at 26.1% in 2023 (24.6% in 2022). In 2022 effective tax rate benefited from the positive effect of the non-taxable disposal gain on Rexel Spain and Portugal. Adjusted for the above one-off, effective tax rate remained stable year-on-year.

Net income

Net income stood at €774.7 million in 2023 (€922.3 million in 2022), resulting in earnings per share of €2.57 (€3.04 in 2022).

Recurring net income stood at €823.3 million in 2023, down 9.7% on a difficult comparable base as last year earnings benefited from all-time high inflation tailwind on non-cable products. Earnings per share on recurring net income stood at €2.73 (€3.00 in 2022).

5.1.1.2.2 Europe (50% of Group sales)

	YEAR ENDED DECEMBER 31			YEAR ENDED DECEMBER 31		
	2023	2022	Δ %	2023	2022	Δ %
(in millions of euros)	Reported			Adjusted for copper one-off	On a constant basis, adjusted for copper one-off	
Sales	9,619.1	9,408.1	2.2%	9,619.1	9,200.6	4.5%
Same-day basis						5.1%
Gross profit	2,616.9	2,600.8	0.6%	2,623.1	2,561.1	2.4%
as a % of sales	27.2%	27.6%		27.3%	27.8%	
Operating expenses	(1,739.7)	(1,704.9)	2.0%	(1,739.8)	(1,649.5)	5.5%
Depreciation	(188.7)	(176.4)	7.0%	(188.7)	(173.1)	9.0%
Distribution and administrative expenses before amortization of intangible assets	(1,928.4)	(1,881.4)	2.5%	(1,928.5)	(1,822.6)	5.8%
as a % of sales	(20.0)%	(20.0)%		(20.0)%	(19.8)%	
EBITA	688.5	719.5	(4.3)%	694.7	738.5	(5.9)%
as a % of sales	7.2%	7.6%		7.2%	8.0%	

Sales

In 2023, sales in Europe amounted to €9,619.1 million, up 2.2% on a reported basis, as compared to €9,408.1 million in 2022, including:

- A negative foreign exchange currency effect of €47.5 million ((0.5)% of the 2022 segment sales), mainly due to the depreciation of the Swedish krona against the euro; and
- A net negative effect of change in scope of €(160.0) million ((1.7)% of the 2022 segment sales) mainly due to the disposals of Spanish and Norwegian businesses, partly offset by the acquisitions of Wasco and Trilec in Benelux.

On a constant and actual-day basis, sales increased by 4.5%, including a 60 bps negative calendar effect.

On a constant and same-day basis, sales increased by 5.1% as compared to 2022.

Sales performance was driven by a positive volume contribution of 0.7% on a high comparable base from electrification products, a positive price effect of 4.6% on non-cable products and a negative 0.2% price effect on copper-based cable products. In the fourth quarter of 2023, sales declined by 2.8% due to a challenging base effect from electrification and specifically solar activity.

Digital sales represented 38.1% of Europe sales in 2023 (up 213 bps year-on-year).

The table below highlights the main contributors to the segment sales:

(in millions of euros)

	PERIOD ENDED DECEMBER 31	
	2023	Δ %
	Reported	Same days
Europe	9,619.1	5.1%
France	3,668.7	5.5%
Benelux	1,364.1	2.3%
Germany	1,076.7	10.8%
Nordics	925.9	1.2%
United Kingdom	813.0	2.0%

In **France**, sales performance benefited from positive trends in all markets especially in industrial and commercial end-market and with a lower demand in residential and HVAC markets in the fourth quarter of 2023 on the backdrop of rising interest rates, compensated by valuable services to customers such as the ramp-up of our new decarbonized two-hour delivery offer which allowed the Group to progress substantially in urban areas, especially Paris.

In **Benelux**, sales growth was supported by positive volume on electrification products with more challenging base effect from solar activity in the second half of 2023.

In **Germany**, sales growth was supported by all three end-markets, with continued market shares gains, especially in the residential, boosted by Solar demand, and also by the opening of a new automated distribution center in the Frankfurt area to provide enhanced and differentiated service to customers in this region.

In **Nordics**, sales growth was driven by the industrial activity as well as accelerating electrification trends mitigated by difficult environment in the construction sector, especially in residential activity.

In the **United Kingdom**, sales were driven by positive trends in the first three quarters of 2023, especially in the industrial and residential markets. In the fourth quarter of 2023, sales were down 3.7%, due to a lower commercial activity and on a difficult comparable base, as a sizeable contract from 2022 was not repeat (negative impact of 320 bps). A new automated distribution center opened in 2023 in the London area allowing to substantially improve service to customers and also enabling future progression in digital sales.

Gross profit

In 2023, on a constant basis, adjusted gross profit increased by 2.4% thanks to higher sales.

Adjusted gross margin decreased by 57 bps to 27.3% of sales as 2022 adjusted gross margin was boosted by a 93 bps inventory price inflation on non-cable products.

Distribution & administrative expenses before amortization of intangible assets

On a constant basis, adjusted distribution and administrative expenses before amortization of intangible assets increased by 5.8% in 2023, representing 20.0% of sales in 2023 broadly stable year-on-year. In 2022, distribution and administrative expenses included 24 bps effect higher performance.

EBITA

On a reported basis, EBITA amounted to €688.5 million, down 4.3% as compared to €719.5 million in 2022, including a negative foreign exchange currency impact of €2.5 million, and a positive scope effect of €15.9 million.

On a constant basis, Adjusted EBITA decreased by 5.9% and Adjusted EBITA margin stood at 7.2% of sales, down 80 bps as compared to 2022. Restated for non-recurring items from inventory price inflation on non-cable products, net of higher performance-linked bonuses, the profit margin, down 11 bps, reflects opex inflation mitigated by the improvement of gross margin and our cost control initiatives.

5.1.1.2.3 North America (43% of Group sales)

	YEAR ENDED DECEMBER 31			YEAR ENDED DECEMBER 31		
	2023	2022	Δ %	2023	2022	Δ %
(in millions of euros)	Reported			Adjusted for copper one-off	On a constant basis, adjusted for copper one-off	
Sales	8,231.6	7,893.5	4.3%	8,231.6	7,885.6	4.4%
Same-day basis						4.0%
Gross profit	2,012.3	2,000.4	0.6%	2,020.4	2,021.7	(0.1)%
as a % of sales	24.4%	25.3%		24.5%	25.6%	
Operating expenses	(1,297.9)	(1,261.2)	2.9%	(1,297.9)	(1,266.3)	2.5%
Depreciation	(112.0)	(108.9)	2.9%	(112.0)	(108.4)	3.3%
Distribution and administrative expenses before amortization of intangible assets	(1,409.9)	(1,370.1)	2.9%	(1,409.9)	(1,374.8)	2.6%
as a % of sales	(17.1)%	(17.4)%		(17.1)%	(17.4)%	
EBITA	602.4	630.4	(4.4)%	610.5	646.9	(5.6)%
as a % of sales	7.3%	8.0%		7.4%	8.2%	

Sales

In 2023, sales in North America amounted to €8,231.6 million, up 4.3%, on a reported basis, as compared to €7,893.5 million in 2022, including:

- A negative foreign exchange currency effect of €261.2 million ((3.3)% of the 2022 region's sales), due to the depreciation of the US and Canadian dollar against the euro; and
- A positive effect of change in scope of €253.4 million (3.2% of the 2022 region's sales), linked to the acquisitions of Buckles-Smith and

Horizon Solutions in the US, and, to a lesser extent, LTL in Canada.

On a constant and same-day basis, sales increased by 4.0% as compared to 2022.

Sales performance was driven by a positive volume contribution of 3.8%, a positive price effect of 2.3% on non-cable products and a negative 2.0% price effect on copper-based cable products. In the fourth quarter of 2023, sales growth stood at 0.4%.

Digital sales represented 20.1% of North America's sales, up 393 bps year-on-year.

The table below highlights the segment sales by contributor:

	PERIOD ENDED DECEMBER 31	
	2023	Δ %
(in millions of euros)	Reported	Same days
North America	8,231.6	4.0%
United States	6,737.1	3.4%
Canada	1,494.5	7.0%

In the **United States**, sales performance was driven by robust demand in commercial and industrial end-markets, offsetting negative trends in residential activity. By region, Gulf Central and Mountain Plains posted double digit growth more than compensating lower demand in Northwest.

In **Canada**, sales benefited from robust industrial end-market performance and specifically from Oil & Gas and utility business.

Gross profit

On a constant basis, adjusted gross profit was stable (-0.1%) and adjusted gross margin decreased by 109 bps to 24.5% of sales as 2022 adjusted gross margin was boosted by a 105 bps inventory price inflation on non-cable products.

Distribution & administrative expenses before amortization of intangible assets

On a constant basis, adjusted distribution and administrative expenses before amortization of intangible stood at 17.1% of sales in 2023, as compared to 17.4% in 2022, reflecting a 38 bps high performance-linked bonuses in 2022 and the realization of synergies from recent acquisitions.

EBITA

As a result, EBITA amounted to €602.4 million, down 4.4%, on a reported basis, as compared to

€630.4 million in 2022, including a negative foreign exchange currency impact of €21.0 million, offsetting by a positive scope effect of €19.5 million.

On a constant basis, Adjusted EBITA decreased by 5.6% from 2022 and Adjusted EBITA margin stood at 7.4% of sales, down 79 bps as compared to 2022. Restated for non-recurring items from inventory price inflation on non-cable products, net of higher performance-linked bonuses, the Adjusted EBITA margin was down 11 bps and resulting from opex inflation offset by positive synergies with acquisitions and productivity gains.

5.1.1.2.4 Asia-Pacific (7% of Group sales)

	YEAR ENDED DECEMBER 31			YEAR ENDED DECEMBER 31		
	2023	2022	Δ %	2023	2022	Δ %
(in millions of euros)	Reported			Adjusted for copper one-off	On a constant basis, adjusted for copper one-off	
Sales	1,302.7	1,400.1	(7.0)%	1,302.7	1,301.0	0.1%
Same-day basis						(0.1)%
Gross profit	247.1	267.3	(7.5)%	247.1	248.6	(0.6)%
as a % of sales	19.0%	19.1%		19.0%	19.1%	
Operating expenses	(182.4)	(211.7)	(13.9)%	(182.4)	(197.1)	(7.5)%
Depreciation	(26.3)	(29.2)	(10.0)%	(26.3)	(27.2)	(3.4)%
Distribution and administrative expenses before amortization of intangible assets	(208.6)	(240.9)	(13.4)%	(208.6)	(224.3)	(7.0)%
as a % of sales	(16.0)%	(17.2)%		(16.0)%	(17.2)%	
EBITA	38.5	26.4	45.8%	38.5	24.3	58.6%
as a % of sales	3.0%	1.9%		3.0%	1.9%	

Sales

In 2023, sales in Asia-Pacific amounted to €1,302.7 million, down 7.0%, on a reported basis, as compared to €1,400.1 million in 2022, including a negative foreign exchange currency effect of €99.1 million ((7.1)% of the 2023 segment sales), mainly due to the depreciation of the Australian dollar and the yuan against the euro.

On a constant and same-day basis, sales were stable by 0.1% compared to 2022.

Sales performance included a positive volume contribution of 0.6% and a negative impact in change in non-cable prices of 0.6%. In the fourth quarter of 2023, sales growth declined by 1.4% on a constant basis.

Digital sales represented 8.0% of Asia-Pacific sales (up 284 bps year-on-year).

The table below highlights the main contributors to the segment sales:

(in millions of euros)	PERIOD ENDED DECEMBER 31	
	2023	Δ %
	Reported	Same days
Asia-Pacific	1,302.7	(0.1)%
Australia	584.6	4.5%
New Zealand	106.9	(9.3)%
China	525.2	(3.5)%
India	85.1	24.3%

In **Australia**, sales were driven by all three end-markets, particularly industrial and commercial.

In **China**, sales were down 3.5% mostly due to the customer selectivity strategy implemented in 2023 and price deflation on industrial automation products due to over supply environment.

In other countries, **New Zealand** sales were down 9.3% in a difficult macroeconomic environment and India sales were boosted by the industrial market.

Gross profit

In 2023, on a constant basis, adjusted gross profit decreased by 0.6% and adjusted gross margin was down 14 bps to 19.0% of sales.

Distribution & administrative expenses before amortization of intangible assets

On a constant basis, adjusted distribution and administrative expenses before amortization of

intangible assets decreased by 7.0% compared to 2022, now representing 16.0% of sales, down 123 bps as compared to 2022. In 2022, distribution & administrative expenses were negatively impacted by bad debt expenses in China in a context of tougher credit conditions.

EBITA

As a result, in 2023, EBITA amounted to €38.5 million, up 45.8%, on a reported basis, as compared the previous year.

On a constant basis, Adjusted EBITA increased by 58.6% from 2022 and Adjusted EBITA margin increased by 109 bps to 3.0% of sales, or up +159 bps restated for non-recurring items, reflecting improved profitability in Asia on internal actions and credit control.

5.1.1.2.5 Other operations

(in millions of euros)	YEAR ENDED DECEMBER 31		
	2023	2022	Δ %
Sales	—	—	—
Gross profit	—	—	—
Operating expenses	(23.4)	(10.0)	134.0%
Depreciation	(20.2)	(21.5)	(6.0)%
EBITA	(43.6)	(31.5)	38.5%

This segment mostly includes unallocated centrally-hosted expenses and projects. In 2023, these expenses increased to €43.6 million from

€31.5 million in 2022, mainly as a result of share-based payment schemes embedding risen share price.

5.1.2 Liquidity and capital resources

5.1.2.1 Cash flow

The following table sets out Rexel's cash flow statement for 2023 and 2022 together with a

reconciliation of free cash flow before and after interest and income tax paid.

(in millions of euros)	YEAR ENDED DECEMBER 31		
	2023	2022	Change
Operating cash flow before interest and taxes	1,557.9	1,602.6	(44.7)
Financial interest on borrowings paid ⁽¹⁾	(101.3)	(59.9)	(41.4)
Income tax paid	(327.4)	(310.8)	(16.6)
Operating cash flow before change in working capital	1,129.2	1,231.9	(102.7)
Change in working capital requirements	(187.1)	(391.8)	204.7
Net cash flow from operating activities	942.1	840.1	102.1
Net cash flow from investing activities	(709.3)	(182.1)	(527.2)
<i>o.w. Operating capital expenditures ⁽²⁾</i>	<i>(153.3)</i>	<i>(125.4)</i>	<i>(27.9)</i>
<i>ow Net cash flow from financial investments</i>	<i>(551.1)</i>	<i>(52.6)</i>	<i>(498.5)</i>
Net cash flow from financing activities ⁽³⁾	(200.8)	(286.6)	85.7
Net cash flow	32.0	371.4	(339.4)
Operating cash flow before interest and taxes	1,557.9	1,602.6	(44.7)
Repayment of lease liabilities	(221.1)	(212.1)	(9.0)
Change in working capital requirements	(187.1)	(391.8)	204.7
Operating capital expenditures	(153.3)	(125.4)	(27.9)
Free cash flow before interest and taxes	996.5	873.3	123.1
Financial interest on borrowings paid	(101.3)	(59.9)	(41.4)
Income tax paid	(327.4)	(310.8)	(16.6)
Free cash flow after interest and taxes	567.7	502.6	65.2

(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

Cash flow from operating activities was an inflow of €942.1 million in 2023 compared to €840.1 million in 2022. The net cash inflow was preliminary driven by an improvement in change in working capital requirements in a context of net sales sequential decrease in the fourth quarter of 2023 along with effective working capital management especially in North America.

- Operating cash flow before interest, income tax and changes in working capital requirements decreased from €1,602.6 million in 2022 to €1,557.9 million in 2023 as a result of lower EBITA.

- Financial interest paid stood at €101.3 million in 2023, up from €59.9 million in 2022 reflecting higher interest rates and, to a lesser extent, the issuance in September of €400 million sustainability-linked senior notes.
- Income tax paid increased by €16.6 million from €310.8 million in 2022 to €327.4 million in 2023 despite a lower profit before tax. This reflects an unfavorable phasing effect between installments and 2023 income tax due.

- Change in working capital requirements accounted for an outflow of €187.1 million in 2023, as compared to a €391.8 million in 2022:
 - Net inventories contributed for a €40.8 million outflow (€228.4 million in 2022);
 - Net trade receivables contributed for a €37.1 million inflow (€332.4 million outflow in 2022);
- Net trade payables contributed for a €79.2 million outflow (€214.1 million inflow in 2022); and
- Change in non-trade working capital represented an outflow of €104.2 million (€45.2 million outflow in 2022), as a result of the cash-out of 2022 performance linked bonuses.

Working capital requirements

	AS OF DECEMBER 31	
	2023	2022
Working capital requirements as a % of sales ⁽¹⁾ at comparable basis	12.5%	11.9%
of which Trade Working capital	14.1%	14.2%
	NUMBER OF DAYS	NUMBER OF DAYS
Net inventories	59.6	58.1
Net trade receivables	48.8	47.8
Net trade payables	51.5	52.1

(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 accounted for 12.5% as of December 31, 2023, a

20 bps deterioration as compared to December 31, 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 €709.3 million

outflow in 2023, as compared to €182.1 million outflow in 2022.

(in millions of euros)	YEAR ENDED DECEMBER 31	
	2023	2022
Acquisitions of operating fixed assets	(144.4)	(148.4)
Proceed from disposal of operating fixed assets	4.8	5.9
Net change in debts and receivables on fixed assets	(13.7)	17.1
Net cash flow from capital expenditures	(153.3)	(125.4)
Acquisition of subsidiaries, net of cash acquired	(686.6)	(150.0)
Proceeds from disposal of subsidiaries, net of cash disposed of	135.4	97.4
Net cash flow from financial investments	(551.1)	(52.6)
Net change in long-term investments	(4.8)	(4.0)
Net cash flow from investing activities	(709.3)	(182.1)

Acquisitions and disposals of operating fixed assets

Acquisitions of operating fixed assets, net of disposals, accounted for an outflow of €153.3 million in 2023, as compared to €125.4 million in 2022.

In 2023, gross capital expenditures represented 0.8% of sales and stood at €144.4 million (€148.4 million in 2022) and mostly to support the digital transformation, as well as the supply chain modernization and the renovation of distribution network.

Acquisitions and disposals of subsidiaries

Net cash flow from financial investments accounted for an outflow of €551.1 million in 2023, reflecting:

- Acquisitions of Wasco (the Netherlands), Buckles-Smith (US) and other entities for a total of €686.6 million; offset by
- Proceeds received mainly from the divestments of the Norwegian business.

In 2022, net cash flow from financial investments accounted for an outflow of €52.6 million mainly in connection with the acquisition of Horizons (USA) and Trilec (Belgium) and the divestments of the Spanish and Portuguese businesses.

5.1.2.1.3 Cash flow from financing activities

In 2023, net cash flow from financing activities represented a net cash outflow of €200.8 million, mainly resulting from the:

- €362.2 million dividend distribution;
- €134 million stock repurchase;
- €221.1 million lease liabilities repayment;

Partly offset by:

- the issuance of senior notes due 2030 with coupons of 5.25% for an amount net of transaction costs of €395.4 million;

- higher recourse to credit facilities, commercial papers and other borrowings of €119 million.

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.

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, 2023, Rexel's consolidated net

debt amounted to €1,961.5 million, up €503.1 million as compared to December 31, 2022, consisting of the following items:

(in millions of euros)	AS OF DECEMBER 31					
	2023			2022		
	CURRENT	NON CURRENT	TOTAL	CURRENT	NON CURRENT	TOTAL
Senior notes	—	1,370.1	1,370.1	—	953.2	953.2
Securitization	—	1,183.5	1,183.5	360.0	823.5	1,183.5
Bank facilities	52.4	50.2	102.6	62.3	0.2	62.5
Commercial paper	34.9	—	34.9	45.0	—	45.0
Medium term notes	49.9	—	49.9	—	—	—
Bank overdrafts and other credit facilities	93.5	—	93.5	75.1	—	75.1
Accrued interests	9.6	—	9.6	2.4	—	2.4
Less transaction costs	(2.0)	(10.8)	(12.8)	(2.3)	(8.4)	(10.7)
Total financial debt and accrued interest	238.3	2,592.9	2,831.3	542.4	1,768.6	2,311.0
Cash and cash equivalents			(912.7)			(895.4)
Accrued interest receivable			(4.1)			(3.5)
Debt hedge derivatives			29.6			46.3
Put option on Mavisun minority interests			17.4			—
Net financial debt			1,961.5			1,458.4

As of December 31, 2023 and taking into account the effect of the new revolving credit facility agreement executed on January 23, 2024 (see

description below), the Group's liquidity amounted to €1,470.6 million (€1,662.8 million at December 31, 2022), consisting of the following items:

(in millions of euros)	AS OF DECEMBER 31	
	2023	2022
Cash and cash equivalents	912.7	895.4
Bank overdrafts	(93.5)	(75.1)
Commercial paper	(34.9)	(45.0)
Medium term notes	(49.9)	—
Undrawn Senior credit agreement ⁽ⁱ⁾	700.0	850.0
Bilateral facilities	36.2	37.5
Liquidity	1,470.6	1,662.8

(i) Taking into consideration the terms of the renewal senior credit agreement executed on January 23, 2024.

Senior Credit Facility Agreement

On January 23, 2024, Rexel early terminated its €850 million revolving credit facility agreement, initially dated March 15, 2013, subsequently amended – the latest being dated June 29, 2023 and expiring on January 2025. This facility was undrawn as of December 31, 2023.

Concurrently, Rexel entered into a new revolving credit facility agreement for an aggregate amount of €700 million with the same group of core banks. This facility has a maturity date on January 22, 2029 which can be extended by one or two years at the option of Rexel. It bears interest at a rate in reference to (i) Euribor, (ii) a margin ranging from 0.30% to 1.40% depending on Rexel's rating by S&P and Moody's and (iii) other costs such as commitment or utilization fee.

This facility is subject to a covenant based on the leverage ratio to be maintained below 3.50x as of June 30 and December 31 of each year. The leverage ratio, as calculated under the terms of the new revolving credit facility agreement stood at 1.33x as of December 31, 2023 (0.96x as of December 31, 2022).

As of December 31, 2023, Rexel's ratings by the financial rating agencies were as follows:

AS OF DECEMBER 31, 2023		
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 2023 forecasts and achievements

For 2023, 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 9, 2023, under number D.23-0078. Rexel targeted, at comparable scope of consolidation and exchange rates:

- Same day sales growth of between 2% and 6%;
- Adjusted EBITA margin between 6.3% and 6.7%; and
- Free cash flow conversion above 60%.

On July 28, 2023, Rexel unveiled its upgraded 2023 financial targets, following a strong start to the year:

- Same day sales growth in the upper end of the initial range (between 2% and 6%);
- Adjusted EBITA margin between 6.6% - 6.9%; and
- Free cash flow conversion above 60%.

On February 14, 2024, Rexel released its 2023 full year results, in line or above with the revised guidance:

- Same day sales increased by 4.3% in full-year 2023;
- Adjusted EBITA margin stood at 6.8%; and
- Free cash flow conversion reached 73.5%.

5.1.3.2 Rexel 2024 forecasts

The Group expects 2024 end-markets to evolve as follows:

- Commercial construction (40% exposure) should be globally dynamic, especially in North America, with some sub-segments, however, affected by interest rates.
- Industry (30% exposure) should remain solid, with support from re-shoring trends and stimulus plans.
- Residential renovation (20% exposure) started being impacted by construction cycles, a trend that can be partly offset by positive energy renovation trends.
- And new residential (10% exposure) should remain weak in all European countries.

In addition, while backlog execution in North America will still be a tailwind for 2024, Rexel will continue to face a strong comparable base on electrification categories in H1.

In this environment, we target to deliver resilient profitability thanks to our optimization efforts.

Rexel will further capitalize on the past 2 years' structural changes and more specifically:

- Portfolio management, in order to focus on growing, profitable segments and countries.
- Digital ramp-up, to increase internal efficiency and productivity.
- Customer targeting and value added through services, driving market share and volume.

- Excellent ability to pass-through price increases.
- Very strong cost and cash discipline.

At the same time, the Group also see potential for more profitability improvement:

- Further progression in less profitable countries.
- Logistics optimization.
- AI efficiency acceleration.

And anticipate for 2024, at comparable scope of consolidation and exchange rates:

- Stable to slightly positive same-day sales growth, with a high comparable base in the first semester.
- Adjusted EBITA⁽¹⁾ margin of between 6.3% and 6.6%.
- Free cash flow conversion⁽²⁾ above 60%.

5.1.3.3 Rexel medium-term objectives

On June 16, 2022, Rexel unveiled its upgraded 2022-2025 medium-term objectives.

POWER UP 2025	2022 ACHIEVEMENTS	2023 ACHIEVEMENTS
4% to 7% organic growth over 4 years	14.1%	4.3%
6.5% to 7% Adj. Ebita margin in 2025	7.3% ⁽¹⁾	6.8%
FCF conversion above 60% each year	61%	73%
40% of digital sales in 2025	24% ⁽²⁾ of sales	28% of sales (30% of digital sales in Q4 23)
x3 the number of automatized DC ⁽³⁾	63 automated DC	9 automated DC
Sales growth in Electrification: x2 the pace of our traditional ED business	2.1x	c. 4.3x
Share buyback of €400 m over 4 years	17% completed	50% completed
M&A contribution to sales up to €2 bn in 4 years	c. €250m	c. €1bn cumulated
Divestments of between €200 m & €500 m of sales	c. €480m completed	c. €480m completed

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

(2) Restated from the disposal of Norway in 2023 (25% on a reported basis).

(3) Excluding the automatized DC in Norway that had been disposed.

The Group will present the initiatives implemented under Power Up 2025 and share our updated mid-term prospects on June 7, 2024.

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, 2023, the Board of Directors will submit a proposal to the Shareholders' Meeting to be held on April 30, 2024, to distribute a dividend of €1.20 per share, payable in cash in early May 2024, in order to enable Rexel to comply with its commitments as regards the distribution of dividends to the shareholders.

(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.

Rexel has distributed the following amounts in respect of the last three financial years:

YEAR	TOTAL AMOUNTS DISTRIBUTED	AMOUNT DISTRIBUTED PER SHARE
2023	€357,488,687	€1.20 ^(*)
2022	€362,298,467	€1.20
2021	€230,061,984	€0.75

(*) 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 other than the execution on

January 23, 2024, of a new revolving credit facility agreement that would have a significant impact on Rexel's financial situation.

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, 2023 (Article D.441-4 I of the French Commercial Code)

	ARTICLE D.441-4 I. 1°: INVOICES RECEIVED, UNPAID AS OF DECEMBER 31, 2023	ARTICLE D.441-4 I. 2°: INVOICES ISSUED, UNPAID AS OF DECEMBER 31, 2022
(A) Overdue invoices		
Number of invoices concerned	9	1
Total amount of invoices concerned (including taxes) (in thousands of euros)	2	31
Percentage of total purchases for the year (excluding taxes)	—%	
Percentage of sales for the year (excluding taxes)		1.6%
(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 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)

	JANUARY 1 TO DECEMBER 31				
(in euros)	2019	2020	2021	2022	2023
SHARE CAPITAL AT YEAR END					
a) Share capital	1,520,510,065	1,522,125,530	1,528,582,455	1,517,066,325	1,503,601,175
b) Number of issued shares	304,102,013	304,425,106	305,716,491	303,413,265	300,720,235
c) Number of convertible bonds	—	—	—	—	—
INCOME STATEMENT INFORMATION					
a) Sales, excluding sales taxes	1,256,921	1,437,674	4,027,503	1,668,824	1,950,825
b) Net income before taxes, depreciation and provisions	(74,281,399)	(44,758,027)	(84,032,760)	10,532,400	446,510,238
c) Income taxes	(58,111,590)	(46,428,531)	(22,918,786)	(11,238,176)	(16,412,732)
d) Net income	(14,542,954)	(6,783,866)	(53,245,790)	22,789,276	428,897,365
e) Amount distributed	—	139,577,760	230,061,984	362,298,467	357,488,687 ⁽¹⁾
EARNINGS PER SHARE					
a) Earnings per share after taxes but before depreciation and provisions	(0.05)	0.01	(0.02)	0.14	1.54
b) Earnings per share after taxes, depreciation and provisions	(0.05)	(0.02)	(0.17)	0.08	1.43
c) Amount paid per share	—	0.46	0.75	1.20	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 30, 2024.

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, 2022, set out on pages 324 to 393 of the French version of the Universal Registration Document for the financial year ended December 31, 2022, filed with the AMF on March 9, 2023, under number D.23-0078; and
- 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.22-008.

5.2 Consolidated financial statements

5.2.1 Consolidated financial statements as of December 31, 2023

Consolidated Statement of profit or loss

(in millions of euros)	Note	FOR THE YEAR ENDED DECEMBER 31,	
		2023	2022
Sales	5	19,153.4	18,701.6
Cost of goods sold		(14,276.9)	(13,833.0)
Gross profit	6	4,876.4	4,868.6
Distribution and administrative expenses	7	(3,614.8)	(3,537.7)
Operating income before other income and expenses		1,261.7	1,330.9
Other income	8	5.6	54.1
Other expenses	8	(50.7)	(42.0)
Operating income		1,216.6	1,343.0
Financial income		10.7	5.2
Interest expense on borrowings		(95.9)	(51.2)
Other financial expenses		(82.4)	(73.4)
Net financial expenses	9	(167.7)	(119.4)
Share of profit / (loss) of associates		—	(0.1)
Net income before income tax		1,048.9	1,223.5
Income tax	10	(274.2)	(301.2)
Net income		774.7	922.3
Portion attributable:			
to the equity holders of the parent		774.7	922.3
to non-controlling interests		—	—
Earnings per share:			
Basic earnings per share (in euros)	11	2.57	3.04
Fully diluted earnings per share (in euros)	11	2.57	3.04

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,	
		2023	2022
Net income		774.7	922.3
Items to be reclassified to profit or loss in subsequent periods			
Net gain / (loss) on net investment hedges		(5.9)	(22.4)
Income tax	10.3	1.5	5.8
Net gain / (loss) on net investment hedges, net of tax		(4.3)	(16.7)
Foreign currency translation adjustment		(66.0)	60.1
Income tax	10.3	2.6	(3.1)
Foreign currency translation adjustment, net of tax		(63.4)	57.0
Net gain / (loss) on cash flow hedges		(17.4)	23.5
Income tax	10.3	4.5	(6.1)
Net gain / (loss) on cash flow hedges, net of tax		(12.8)	17.4
Items not to be reclassified to profit or loss in subsequent periods			
Net gain / (loss) on remeasurements of net defined benefit liability	18.3	(6.6)	24.8
Income tax	10.3	2.4	(10.0)
Net gain / (loss) on remeasurements of net defined benefit liability, net of tax		(4.2)	14.8
Other comprehensive income / (loss) for the period, net of tax		(84.8)	72.5
Total comprehensive income / (loss) for the period, net of tax		689.9	994.8
Portion attributable:			
to the equity holders of the parent		689.9	994.8
to non-controlling interests		—	—

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,	
		2023	2022
Goodwill	12.1	3,722.3	3,454.5
Intangible assets	12.1	1,482.0	1,167.4
Property, plant and equipment	12.3	354.5	306.8
Right-of-use assets	12.4	1,232.5	1,123.1
Long-term investments	12.5	73.1	66.5
Deferred tax assets	10.3	67.2	63.5
Total non-current assets		6,931.6	6,181.8
Inventories	13.1	2,386.4	2,275.4
Trade accounts receivable	13.2	2,623.8	2,617.0
Current tax assets		23.4	9.9
Other accounts receivable	13.3	771.7	743.3
Assets held for sale	14	—	186.8
Cash and cash equivalents	19.1	912.7	895.4
Total current assets		6,718.0	6,727.9
Total assets		13,649.6	12,909.7

(in millions of euros)

EQUITY AND LIABILITIES	Note	AS OF DECEMBER 31,	
		2023	2022
Share capital	15	1,503.6	1,517.1
Share premium	15	589.0	1,015.8
Reserves and retained earnings		3,438.4	2,748.9
Total equity attributable to equity holders of the parent		5,531.1	5,281.8
Non-controlling interests		0.1	0.1
Total equity		5,531.1	5,281.8
Interest bearing debt (non-current part)	19.1	2,592.9	1,768.6
Lease liabilities (non-current part)	12.4	1,140.5	1,039.5
Net employee defined benefit liabilities	18.2	158.7	164.1
Deferred tax liabilities	10.3	295.3	232.4
Provisions and other non-current liabilities	17	86.0	79.4
Total non-current liabilities		4,273.4	3,284.0
Interest bearing debt (current part)	19.1	228.7	540.0
Accrued interest	19.1	9.6	2.4
Lease liabilities (current part)	12.4	221.4	203.6
Trade accounts payable		2,299.3	2,371.8
Income tax payable		33.9	50.1
Other current liabilities	20	1,052.2	1,088.3
Liabilities directly associated with the assets held for sale	14	—	87.6
Total current liabilities		3,845.1	4,343.9
Total liabilities		8,118.5	7,627.8
Total equity and liabilities		13,649.6	12,909.7

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

(in millions of euros)

(in millions of euros)

		FOR THE YEAR ENDED DECEMBER 31,	
	Note	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income		1,216.6	1,343.0
Depreciation, amortization and impairment of assets and assets write-off	7 - 8	382.1	353.4
Employee benefits		(21.3)	(25.6)
Change in other provisions		2.6	2.9
Other non-cash operating items		33.6	(24.5)
Financial interest paid on borrowings		(101.3)	(59.9)
Interest on lease liabilities	12.4	(55.6)	(46.5)
Income tax paid		(327.4)	(310.8)
Operating cash flows before change in working capital requirements		1,129.2	1,231.9
Change in inventories		(40.8)	(228.4)
Change in trade receivables		37.1	(332.4)
Change in trade payables		(79.2)	214.1
Change in other working capital items		(104.1)	(45.2)
Change in working capital requirements		(187.1)	(391.8)
Net cash from operating activities		942.1	840.1
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of tangible and intangible assets		(158.2)	(131.4)
Proceeds from disposal of tangible and intangible assets		4.8	5.9
Acquisitions of businesses or affiliates, net of cash acquired	4.1	(686.6)	(150.0)
Proceeds from disposal of businesses or affiliates, net of cash disposed of	4.2	135.4	97.4
Change in long-term investments		(4.8)	(4.0)
Net cash from investing activities		(709.3)	(182.1)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Purchase) / Disposal of treasury shares	15.2	(131.4)	(66.3)
Issuance of senior notes net of transaction costs	19.2	395.4	—
Net change in credit facilities, commercial papers, other financial borrowings	19.2	103.8	(54.1)
Net change in securitization	19.2	14.6	275.9
Repayment of lease liabilities	12.4	(221.1)	(212.1)
Dividends paid	16	(362.2)	(230.1)
Net cash from financing activities		(200.8)	(286.6)
Net (decrease) / increase in cash and cash equivalents			
		32.0	371.4
Cash and cash equivalents at the beginning of the period	19.1	895.4	573.5
Effect of exchange rate changes on cash and cash equivalents		(16.2)	(48.0)
Cash and cash equivalents reclassified to assets held for sale		1.6	(1.6)
Cash and cash equivalents at the end of the period	19.1	912.7	895.4

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, 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	—	—	—	—	—	—
Allocation of free shares and free shares cancelled	15	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		—	—	(64.7)	—	—	—	(64.7)	—	(64.7)
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

FOR THE YEAR ENDED DECEMBER 31, 2023	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, 2023		1,517.1	1,015.8	2,716.8	126.4	17.0	(111.3)	5,281.8	0.1	5,281.8
Net income		—	—	774.7	—	—	—	774.7	—	774.7
Other comprehensive income		—	—	—	(67.8)	(12.8)	(4.2)	(84.8)	—	(84.8)
Total comprehensive income for the period		—	—	774.7	(67.8)	(12.8)	(4.2)	689.9	—	689.9
Cash dividends	16	—	(362.3)	—	—	—	—	(362.3)	—	(362.3)
Cancellation of Rexel shares	15	(17.7)	(57.7)	75.4	—	—	—	—	—	—
Allocation of free shares, net of forfeitures		4.2	(6.8)	2.5	—	—	—	—	—	—
Share-based payments	7	—	—	27.1	—	—	—	27.1	—	27.1
Disposal of subsidiaries		—	—	(0.7)	42.1	—	0.7	42.1	—	42.1
(Purchase) / Disposal of treasury shares		—	—	(130.1)	—	—	—	(130.1)	—	(130.1)
Acquisition of non controlling interests		—	—	(17.4)	—	—	—	(17.4)	—	(17.4)
Balance at December 31, 2023		1,503.6	589.0	3,448.3	100.8	4.2	(114.8)	5,531.1	0.1	5,531.1

(1) "Other changes" include changes in Group structure and transactions with non-controlling interests in 2022.

The accompanying notes are an integral part of these consolidated financial statements.

Accompanying Notes

Note 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, 2023 and were authorized for issue by the Board of Directors on February 14, 2024.

Note 2. Significant events of the reporting period

As of September 1, 2023, Rexel closed the acquisition of Wasco, one of the leading distributors of Heating, Ventilation and Air Conditioning (“HVAC”) products and services in the Netherlands (see

note 4.1). This acquisition was mainly financed through the issuance of €400 million, 5.25% sustainability-linked senior notes due 2030 (see note 18).

Note 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, 2023 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, 2023.

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.

Several standards and amendments to IFRSs apply for the first time in 2023, but have not had any

significant impact on the consolidated financial statements of the Group:

- Initial application of IFRS 17 – “Insurance Contracts”, the Group does not manage for any insurance contracts falling into the scope of IFRS 17;
- Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (Amendments to IAS 8);
- Amendments to IAS 12 – Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (see note 10.3);
- International Tax Reform – Pillar 2 Model Rules (Amendments to IAS 12) (see note 10.5);
- Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies (Amendments to IAS 1).

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.

Note 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.

4.1. Acquisitions

4.1.1. 2023 Business combinations

Wasco (Netherlands)

As of September 1, 2023, the Group acquired 100% shares of Wasco B.V., one of leading distributors of HVAC products and services in the Netherlands. Wasco operates 35 branches and two distribution centers in the Netherlands, and generated annual sales of circa €560 million, including 60% through

digital channels. The consideration paid for the transaction stood at €478.0 million.

As of December 31, 2023, the purchase price allocation was recognized on a provisional basis. Fair value measurement of inventories and trade receivables is in progress and should be finalized in the first half of 2024.

As part of the purchase price allocation, the Group recognized (in millions of euros):

Consideration transferred:	478.0
Adjusted net value:	(68.2)
Excess purchase price:	409.8
• Customer relationships (20-year useful life)	200.1
• Distribution network (indefinite useful life)	65.5
• Other PPA adjustments	3.3
• Deferred tax liabilities on the above adjustments	(69.4)
• Residual goodwill	210.3

Buckles-Smith Electric Company (USA)

On January 5, 2023, the Group purchased the company Buckles-Smith Electric Company, an industrial automation player and authorized reseller of Rockwell automation solutions with 6 branches in California for an aggregate price of €158.7 million.

As part of the purchase price allocation, the Group recognized:

- € 49.7 million of distribution agreement with a useful life of 14 years;
- €19.7 million of customer relationships with a useful life of 10 years;
- €16.9 million of distribution network with indefinite useful life;
- a residual goodwill of €63.3 million.

Other acquisitions

The Group also acquired the following companies for an overall consideration of €44.7 million:

- Lineman's Testing Laboratories "LTL" (Canada) – a utility business with a set of services, products and solutions;
- Teche Electric Supply LLC (USA) – an electrical distributor operating in the Gulf Central Region;
- Piscaer – a family-owned distributor in Belgium;
- 51% interest of Mavisun, a French photovoltaic solutions distribution company. This investment was not consolidated at the reporting date due to the ongoing integration process and the low materiality relative to the group total assets. In 2023, this investment is presented under the line item "Other long term investment" (see note 12.5) and will be consolidated as from January 1, 2024.

The above acquisitions are non-material relative to the Group's total assets, sales and operating income.

The table below shows the purchase price allocation to identifiable assets acquired and liabilities assumed for the entities acquired in 2023:

(in millions of euros)	WASCO	BUCKLES-SMITH	OTHER	TOTAL
Net assets acquired and consideration transferred				
Distribution agreement	—	49.7	—	49.7
Customer relationships	200.1	19.7	—	219.8
Distribution networks	65.5	16.9	—	82.4
Right-of-use assets	55.5	8.1	3.5	67.0
Other fixed assets	19.4	0.5	1.3	21.2
Other non-current assets	—	0.3	—	0.3
Current assets	132.0	32.7	20.2	184.9
Net financial debt	(6.2)	5.7	0.3	(0.2)
Deferred tax liabilities	(69.1)	(21.6)	—	(90.8)
Other non-current liabilities	(1.7)	—	—	(1.7)
Lease liabilities	(55.5)	(8.1)	(3.5)	(67.1)
Current liabilities	(72.2)	(8.4)	(7.0)	(87.7)
Net asset acquired (except goodwill acquired)	267.7	95.3	14.8	377.8
Goodwill acquired	210.3	63.3	29.9	303.5
Consideration transferred	478.0	158.7	44.7	681.3
Cash acquired	(0.7)	(6.4)	(1.0)	(8.2)
Deferred payments	—	—	(1.0)	(1.0)
Payments for entities not yet consolidated	—	—	14.4	14.4
Net cash paid for acquisitions	477.3	152.2	57.1	686.6

Acquired entities contributed for circa €380 million to the sales and €30 million to the EBITA from their acquisition date until the reporting date as of

December 31, 2023. On an annual basis, sales of acquired entities represented circa €800 million.

4.1.2. 2022 Business combinations

In 2022, the Group acquired:

- Trilec, a Belgian family-owned electrical distributor;
- Horizon Solutions an industrial automation distributor specialist with 10 branches in the north-east of the USA for which the Group finalized the

purchase price allocation with a €2.0 million adjustment resulting for a trade receivable write-off as compared to the provisional basis reported as of December 31, 2022;

The overall consideration paid for these acquisitions was €150 million.

4.2. Divestments

Rexel Norway

On March 1, 2023, Rexel sold its business in Norway to Kesko for an overall consideration of €120.1 million and further, liquidated the holding company of Rexel Norway. The total disposal loss of these transactions stood at €10.0 million (see note 8).

As of December 31, 2022, Rexel Norway assets were presented in assets classified as held for sale.

Trace Software International

In December 2023, the Group divested from its 25% interest of Trace Software International, a French company specialized in software development solutions for commercial buildings, to Group Trace, the major shareholder of Trace Software international. This investment, previously accounted for under the equity method, was derecognized resulting in a €1.0 million disposal gain (see note 8).

In 2022, the Group divested from its activities in Spain, Portugal and Russia,

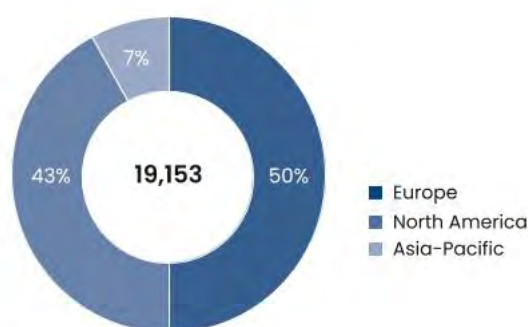
Net disposal gains were recognized for €42.7 million (see note 8).

Note 5. Segment reporting

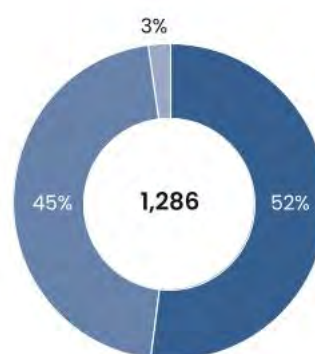
Segment information is presented by geographic segment (Europe, North America and Asia-Pacific) consistently with the Group's management reporting structure.

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".

2023 SALES (in millions of euros)
by operating segment



2023 EBITA (in millions of euros)
by operating segment



2023						
(in millions of euros)	EUROPE	NORTH AMERICA	ASIA-PACIFIC	TOTAL OPERATING SEGMENTS	CORPORATE OVERHEAD AND OTHER RECONCILING ITEMS	TOTAL GROUP
FOR THE YEAR ENDED DECEMBER 31,						
Warehouse sales	9,184.6	5,402.1	1,261.1	15,847.8	—	15,847.8
Direct sales	701.5	2,878.1	42.0	3,621.6	—	3,621.6
Rebates, discount and services	(267.0)	(48.6)	(0.5)	(316.0)	—	(316.0)
Sales to external customers	9,619.1	8,231.6	1,302.7	19,153.4	—	19,153.4
EBITA ⁽¹⁾	688.5	602.4	38.5	1,329.5	(43.6)	1,285.9
AS OF DECEMBER 31,						
Working capital	1,062.0	1,114.7	186.9	2,363.6	60.4	2,423.9
Goodwill	2,135.0	1,493.6	93.7	3,722.3	—	3,722.3

(1) EBITA is defined as operating income before amortization of intangible assets recognized upon purchase price allocation and before other income and other expenses.

	2022					
	EUROPE	NORTH AMERICA	ASIA-PACIFIC	TOTAL OPERATING SEGMENTS	CORPORATE OVERHEAD AND OTHER RECONCILING ITEMS	TOTAL GROUP
<i>(in millions of euros)</i>						
FOR THE YEAR ENDED DECEMBER 31,						
Warehouse sales	8,994.9	5,330.9	1,356.3	15,682.1	—	15,682.1
Direct sales	681.2	2,611.9	44.8	3,337.8	—	3,337.8
Rebates, discount and services	(268.0)	(49.3)	(1.0)	(318.3)	—	(318.3)
Sales to external customers	9,408.1	7,893.5	1,400.1	18,701.6	—	18,701.6
EBITA ⁽¹⁾	719.5	630.4	26.4	1,376.3	(31.5)	1,344.8
AS OF DECEMBER 31,						
Working capital	794.8	1,166.7	162.0	2,123.5	38.7	2,162.2
Goodwill	1,908.3	1,446.0	100.1	3,454.5	—	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.

The reconciliation of EBITA with the Group's consolidated net income before tax breakdown as follows:

<i>(in millions of euros)</i>	FOR THE YEAR ENDED DECEMBER 31,	
	2023	2022
EBITA	1,285.9	1,344.8
Amortization of intangible assets recognized upon allocation of the acquisition price of acquired entities	(24.3)	(13.9)
Other income and other expenses	(45.1)	12.1
Net financial expenses	(167.7)	(119.4)
Net income before tax	1,048.9	1,223.5

The reconciliation of the total allocated assets and liabilities with the Group's consolidated total assets is presented in the following table:

<i>(in millions of euros)</i>	AS OF DECEMBER 31,	
	2023	2022
Working capital	2,423.9	2,162.2
Goodwill	3,722.3	3,454.5
Total allocated assets & liabilities	6,146.2	5,616.7
Liabilities included in allocated working capital	3,351.3	3,459.3
Other non-current assets	3,142.1	2,663.8
Deferred tax assets	67.2	63.5
Current tax assets	23.4	9.9
Other current assets	4.9	4.6
Assets classified as held for sale	—	186.8
Derivatives	1.8	9.6
Cash and cash equivalents	912.7	895.4
Group total assets	13,649.6	12,909.7

Note 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.

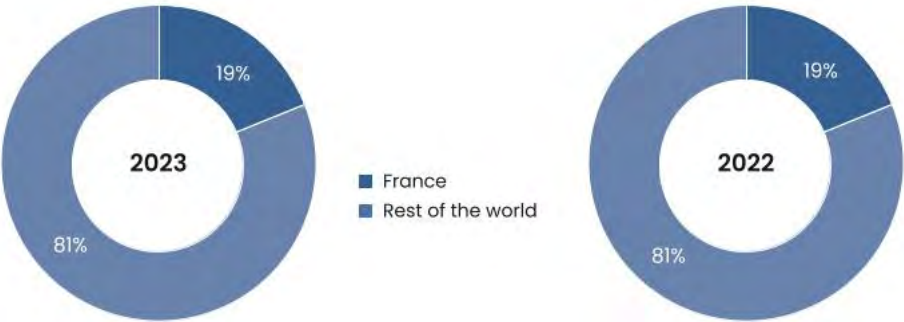
Certain arrangements provide customers with a right to return the goods within a specified period. For goods that are expected to be returned, instead of sales, the Group recognizes a refund liability. To estimate the variable consideration for the expected goods returned, the Group applies the most 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

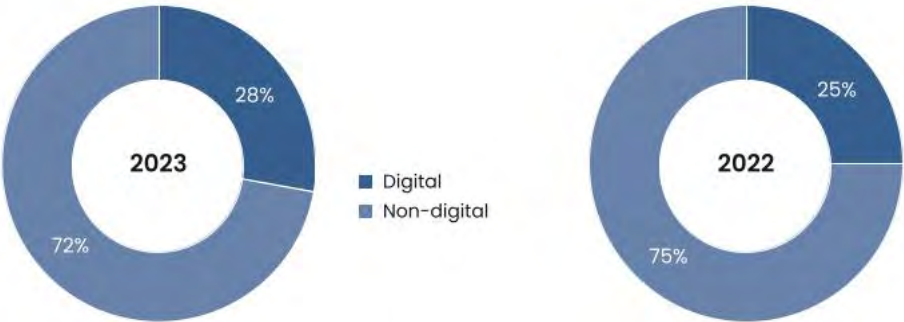
Cost of goods sold corresponds to the cost of purchases net of supplier rebates and commercial income, changes in inventory (including impairments), discounting revenue, exchange gains and losses on goods purchases, logistics costs and other costs.

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

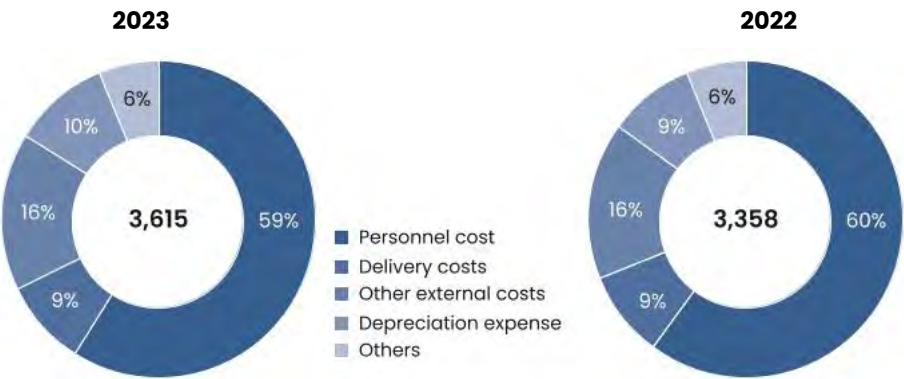


Digital Sales*



* Web and EDI (Electronic Data Interchange) solutions sales.

Note 7. Distribution & administrative expenses



(in millions of euros)	FOR THE YEAR ENDED DECEMBER 31,	
	2023	2022
Personnel costs	(2,142.0)	(2,117.0)
Delivery costs	(327.0)	(313.7)
Other external costs ⁽¹⁾	(583.0)	(559.9)
Depreciation expense ⁽²⁾	(347.1)	(335.9)
Building and occupancy costs	(157.3)	(140.2)
Amortization of intangible assets recognized upon the allocation of the acquisition price of acquired entities	(24.3)	(13.9)
Bad debt expense	(34.2)	(57.0)
Total distribution and administrative expenses	(3,614.8)	(3,537.7)

(1) Including IT Maintenance costs of €135.3 million and professional fees of €83.6 million in 2023 (respectively €121.9 million and €85.8 million in 2022).

(2) Including depreciation expense of right-of-use assets of €233.3 million in 2023 (€220.5 million in 2022) (see note 12.4).

Personnel costs

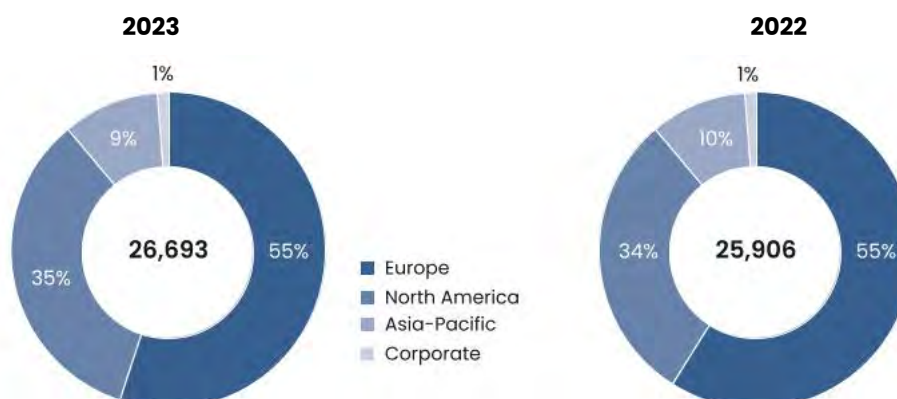
Personnel costs include short-term benefits and long-term benefits.

- 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,	
	2023	2022
Salaries and social security charges	(2,042.6)	(2,033.6)
Share-based payments	(26.3)	(20.7)
Pension and other post-retirement benefits – defined benefit plans	(15.0)	(10.3)
Other employee expenses ⁽¹⁾	(58.1)	(52.4)
Total personnel costs	(2,142.0)	(2,117.0)

(1) Mainly interim & external personnel.

Average number of employees



Group average number of employees breakdown as follows:

	FOR THE YEAR ENDED DECEMBER 31,	
	2023	2022
Europe	14,557	14,344
North America	9,439	8,910
Asia-Pacific	2,469	2,450
Total operating segments	26,465	25,704
Corporate	228	202
Group average number of employees	26,693	25,906

Increase in Group average number of employees mainly reflected the effect of the acquisitions in the US and in Europe in 2022 and 2023.

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 SBF120 index.

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, 2023 were as follows:

Plan	2020		2021		2022	2023	
Grant date	09/28/2020	04/22/2021	10/20/2021	04/21/2022	04/20/2023	12/15/2023	
Delivery date	09/29/2023	04/23/2024	10/21/2024	04/22/2025	04/21/2026	12/15/2026	
Fair value per share (in euros)	8.48	15.36	15.98	17.32	16.93	19.05	
Adjusted number of shares granted⁽¹⁾	1,608,555	1,928,625	53,450	1,931,440	2,115,712	55,000	
Number of shares cancelled since the origin	(202,615)	(255,490)	(1,350)	(235,230)	—	—	
Number of shares delivered since the origin	(1,405,940)	—	—	—	(94,180)	—	
Total maximum number of shares granted at December 31, 2023	—	1,673,135	52,100	1,696,210	2,021,532	55,000	

(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,	
	2023	2022
Plans issued in 2019	—	(1.8)
Plans issued in 2020	(2.9)	(3.7)
Plans issued in 2021	(8.7)	(8.1)
Plans issued in 2022	(8.9)	(6.4)
Plans issued in 2023	(6.6)	—
Expense related to employee share purchase plan and other	0.9	(0.6)
Total share-based payment expenses	(26.3)	(20.7)

Note 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,	
	2023	2022
Gain on disposal of subsidiaries and associates ⁽¹⁾	1.0	45.6
Gains on disposal of fixed assets	2.6	1.9
Release of unused provisions	—	0.7
Gain on lease terminations	1.1	3.8
Gains on earn-out	—	2.0
Other operating income	0.9	0.1
Total other income	5.6	54.1
Restructuring costs ⁽²⁾	(12.9)	(5.9)
Impairment of goodwill and intangible assets with indefinite useful life ⁽³⁾	(10.3)	—
Loss on disposal of investments in consolidated companies ⁽⁴⁾	(10.0)	(2.9)
Acquisition-related costs ⁽⁵⁾	(8.3)	(6.2)
Integration costs ⁽⁶⁾	(5.8)	(4.7)
Impairment of other assets	(0.3)	(3.4)
Losses on non-current assets disposed of ⁽⁷⁾	(1.2)	(9.3)
Litigations	(1.1)	(3.7)
Other operating expenses	(0.8)	(5.9)
Total other expenses	(50.7)	(42.0)

(1) Disposal gains associated with the sale of Trace Software International in 2023 (disposal gain of operations in Spain and Portugal in 2022) (see note 4.2).

(2) In 2023, transformation plans mainly in the United Kingdom, France and Nordics. In 2022, including €4.1 million wind-up costs of group's business in United Arab Emirates.

(3) Consisting in goodwill and other intangible assets with indefinite useful life impairment losses allocated to Italy (€8.6 million) and New Zealand (€1.7 million).

(4) In 2023, disposal loss of the Norwegian business (disposal loss of the Russian business in 2022).

(5) Mainly costs associated with the acquisition of Wasco in 2023.

(6) Including mainly non-recurring costs associated with the integration of US newly acquired entities within the Group's organization.

(7) In 2022, including €8.3 million related to abandonment of IT developments.

Note 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,	
	2023	2022
Interest income on cash and cash equivalents	7.9	1.9
Interest income on receivables and loans	2.8	3.3
Financial income	10.7	5.2
Interest expense on financial debt (stated at amortized cost)	(105.9)	(57.8)
Interest gain / (expense) on interest rate derivatives	10.3	6.7
Change in fair value of interest rate derivatives through profit and loss	(0.3)	(0.1)
Interest expense on borrowings	(95.9)	(51.2)
Foreign exchange gain (loss)	0.7	(1.5)
Change in fair value of exchange rate derivatives through profit and loss	—	(1.7)
Net foreign exchange gain (loss)	0.7	(3.2)
Net financial expense on employee benefit obligations	(8.4)	(6.1)
Interest on lease liabilities	(55.6)	(46.5)
Others ⁽¹⁾	(19.2)	(17.6)
Other financial expenses	(82.4)	(73.4)
Net financial expenses	(167.6)	(119.4)

(1) Mainly interests on derecognized trade receivables.

Note 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,	
	2023	2022
Current tax	(291.9)	(315.3)
Deferred tax	19.0	13.6
Prior year adjustments on current tax or deferred tax	(1.4)	0.5
Total income tax expense	(274.2)	(301.2)

10.2. Effective tax rate

(in millions of euros)	FOR THE YEAR ENDED DECEMBER 31,			
	2023		2022	
Income before tax and before share of profit in associates	1,048.9		1,223.5	
<i>French legal tax rate</i>	25.8%		25.8%	
Income tax calculated at the legal tax rate	(270.6)		(315.7)	
Differences of tax rates between French and foreign jurisdictions	11.3	(1.1)%	12.7	(1.0)%
Changes in tax rates	(0.6)	0.1%	0.2	—%
(Current year losses unrecognized), prior year losses recognized	5.2	(0.5)%	4.6	(0.4)%
(Non-deductible expenses), tax exempt revenues ⁽¹⁾	(11.7)	1.1%	4.8	(0.4)%
Others	(7.9)	0.7%	(7.8)	0.6%
Actual income tax expense	(274.2)	26.1%	(301.2)	24.6%

(1) Of which a negative impact of non tax-deductible goodwill impairment expense of €2.6 million in 2023 (including the €12.8 million positive effect of the non-taxable gain on Spain and Portugal disposal in 2022).

10.3. Deferred tax assets and liabilities

Changes in net deferred tax assets / (liabilities) are as follows:

(in millions of euros)	2023	2022
Net deferred tax at the beginning of the year	(168.9)	(166.0)
Change in consolidation scope ⁽¹⁾	(91.0)	0.4
Deferred tax income (expense)	16.5	17.5
Other comprehensive income	11.0	(13.4)
Currency translation adjustment	4.8	(8.8)
Other changes	(0.5)	1.5
Net deferred tax at the end of the year	(228.1)	(168.9)

(1) Mainly reflecting the effect of Wasco and Buckles-Smith's acquisition in 2023 (see note 4.1).

Analysis of deferred tax assets and liabilities by nature is as follows:

(in millions of euros)	AS OF DECEMBER 31,	
	2023	2022
Intangible assets	(429.2)	(342.0)
Property, plant and equipment	(1.2)	(7.5)
Right-of-use assets	(49.6)	(52.8)
Lease liabilities	82.4	87.7
Financial assets	2.6	3.0
Trade accounts receivable	27.6	28.7
Inventories	20.0	16.4
Employee benefits	64.5	61.6
Provisions	10.2	14.7
Financing fees	1.7	1.9
Other items	(3.0)	3.5
Tax losses carried forward	151.4	125.7
Deferred tax assets / (liabilities), before allowance	(122.5)	(58.9)
Valuation allowance on deferred tax assets	(105.7)	(110.0)
Net deferred tax assets / (liabilities)	(228.2)	(168.9)
of which deferred tax assets	67.2	63.5
of which deferred tax liabilities	(295.3)	(232.4)

As of December 31, 2023, 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 (€180 million), Germany (€137 million) and Italy (€71 million). The expiry date of such tax losses carried forward is as follows:

(in millions of euros)	AS OF DECEMBER 31,	
	2023	2022
One year	0.7	1.0
Two years	0.3	2.8
Three years	1.0	1.5
Four years	2.2	1.5
Five years	2.0	1.7
Thereafter	397.3	423.2
Total tax losses carried forward (tax basis) subject to a valuation allowance	403.5	431.8

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, 2023, 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. On December 31, 2023, RHNL merged into Rexel Développement S.A.S. The Group believes that the matter will be resolved favorably in its interest and has therefore not recorded a provision on this reassessment.

10.5. International Tax Reform

On December 30, 2023, the 2024 Finance Bill transposed in the French tax code, the "Pillar 2" European directive 2022/2523 aiming at ensuring a minimum level of global taxation for groups of companies as part of the global anti-erosion rules of the tax base approved by the OECD in December 2021.

Basically, these rules aim to ensure that, effective in 2024, multinational groups of companies support a minimum tax rate of 15% on their profits in each jurisdiction.

The effective tax rate must be calculated, for each jurisdiction, by dividing the sum of the adjusted amounts of the covered taxes of the constituent entities located in that jurisdiction by their net qualified profit. In the event of insufficient taxation, a top-up tax, calculated based on the net qualified profit of the group in the jurisdiction reduced by a deduction based on substance, must be paid.

Typically, this additional tax must be paid by the ultimate parent entity of the group in its country of residence. Alternatively, this tax must be collected, proportionally in the jurisdictions applying Pillar 2 rules in which the other constituent entities of the group are established. In addition, countries may decide to introduce a national additional tax to collect this additional tax themselves for the constituent entities established on their territory.

The Finance Bill provides for some transitional safe harbor measures in accordance with OECD clarifications. These safe harbor measures establish a temporary presumption of no top up tax under Pillar 2 rules in jurisdictions considered to be low risk to allow for a gradual implementation and to avoid the complexity associated with calculations leading to the determination of minimum tax in states where the Group's presence is not significant or where the tax rate is higher than 15% or where the substance is significant.

Based on the work conducted using the data available as of December 31, 2023, the Group deems that the impact of Pillar 2 rules on its tax burden would be marginal.

The Group has applied the mandatory exemption to recognizing and disclosing information about deferred tax assets and liabilities arising from Pillar 2 income taxes in accordance with the IAS 12 amendments issued by the IASB in May 2023.

Note 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,	
	2023	2022
Net income attributed to ordinary shareholders (in millions of euros)	774.7	922.3
Weighted average number of issued common shares adjusted for non-dilutive potential shares (in thousands)	300,860	302,943
Basic earnings per share (in euros)	2.57	3.04
Dilutive potential shares (in thousands)	1,048	728
Weighted average number of common shares adjusted for dilutive potential shares (in thousands)	301,908	303,671
Fully diluted earnings per share (in euros)	2.57	3.04

Note 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.

For software as a service agreements, the Group determines 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.

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, 2022	185.6	737.6	897.6	1,820.8	4,571.0
Change in consolidation scope ⁽¹⁾	—	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
Change in consolidation scope ⁽²⁾	—	82.4	282.6	365.0	305.6
Additions	—	—	45.5	45.5	—
Disposals	—	—	(10.5)	(10.5)	—
Currency translation adjustment	—	(7.5)	(12.1)	(19.7)	(36.3)
Other changes	—	—	0.2	0.2	—
Gross carrying amount as of December 31, 2023	185.6	818.1	1,248.7	2,252.4	4,743.9
Accumulated amortization and depreciation as of January 1, 2022	—	(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)
Change in consolidation scope	—	—	(12.6)	(12.6)	—
Amortization expense	—	—	(71.0)	(71.0)	—
Impairment losses	(0.3)	—	—	(0.3)	(10.3)
Release	—	—	9.9	9.9	—
Currency translation adjustment	—	0.4	7.4	7.8	8.9
Other changes	—	—	0.1	0.1	—
Accumulated amortization and depreciation as of December 31, 2023	(0.3)	(22.8)	(747.3)	(770.4)	(1,021.5)
Carrying amount as of January 1, 2022	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
Carrying amount as of December 31, 2023	185.3	795.3	501.4	1,482.0	3,722.3

(1) Of which €46.3 million related to Horizon and Trilec acquisitions partly offset by €39.1 million associated with Rexel Spain and Portugal disposals.

(2) Mainly related to 2023 business combinations (see note 4.1).

(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 €105.4 million as of December 31, 2023 (€106.5 million as of December 31, 2022);

- Customer relationships of €266.4 million as of December 31, 2023 (€73.4 million as of December 31, 2022).

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, 2023			As of December 31, 2022		
		GOODWILL	INTANGIBLE ASSETS	TOTAL	GOODWILL	INTANGIBLE ASSETS ⁽¹⁾	TOTAL
France	Europe	1,105.3	202.6	1,307.9	1,105.3	202.6	1,307.9
United States	North America	1,041.2	297.9	1,339.1	1,004.8	290.3	1,295.1
Canada	North America	452.4	72.9	525.3	441.2	73.9	515.1
Switzerland	Europe	336.8	47.1	383.9	316.7	44.4	361.1
Wasco ⁽²⁾	Europe	210.3	65.5	275.8	—	—	—
Sweden	Europe	177.4	17.6	195.0	176.9	17.6	194.5
Austria	Europe	96.8	14.2	111.1	96.8	14.2	111.1
Belgium	Europe	112.1	1.6	113.8	108.1	1.6	109.8
Australia	Asia-Pacific	64.2	24.6	88.9	66.6	25.5	92.1
Germany	Europe	40.3	54.8	95.1	40.3	54.8	95.1
United Kingdom	Europe	21.6	59.9	81.6	21.2	58.7	79.9
Other		63.7	121.8	185.5	76.4	122.1	198.5
Total		3,722.3	980.6	4,702.9	3,454.5	905.7	4,360.1

(1) In 2023, following the evolution of the marketing servicing fee grid within the Group, Rexel reallocated existing strategic partnerships to the related CGUs. The table shows intangible assets with indefinite useful life including strategic partnerships for the main CGUs after reallocation.

(2) See Business Combinations (Note 4).

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).

Typically, impairment testing 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 years one to three are derived from the budget and the three-year strategic plan such as 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, 2023			As of December 31, 2022		
	DISCOUNT RATE (WACC)	LONG-TERM GROWTH RATE (g)	WACC - (g)	DISCOUNT RATE (WACC)	LONG-TERM GROWTH RATE (g)	WACC - (g)
France	8.8%	1.6%	7.2%	8.9%	1.6%	7.3%
United States	10.0%	2.1%	7.9%	9.3%	2.0%	7.3%
Canada	9.3%	2.0%	7.3%	8.9%	2.0%	6.9%
Switzerland	7.7%	1.0%	6.7%	7.9%	1.0%	6.9%
Wasco ⁽¹⁾	N/A	N/A	N/A	N/A	N/A	N/A
Sweden	8.9%	2.0%	6.9%	8.9%	2.0%	6.9%
Austria	9.6%	2.0%	7.6%	8.9%	2.0%	6.9%
Belgium	9.7%	2.0%	7.7%	8.2%	1.7%	6.5%
Australia	10.3%	2.6%	7.7%	10.3%	2.5%	7.8%
Germany	8.7%	2.0%	6.7%	8.1%	2.0%	6.1%
United Kingdom	9.3%	2.0%	7.3%	8.4%	2.0%	6.4%
Other	8.8% to 14.6%	2.0% to 4.0%	6.8% to 10.6%	8.3% to 14.2%	1.8% to 4.0%	6.5% to 10.2%

(1) Wasco is deemed as a separate CGU for impairment testing purposes and, due to its recent acquisition, no impairment testing was performed as of December 31, 2023.

Impairment loss

The Group recognized a €10.3 million impairment loss on goodwill and other intangible assets with indefinite useful life in Italy and New Zealand due to lower than expected prospects.

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)		IMPAIRMENT EXPENSE		
CGU	GOODWILL	EBITA MARGIN (-50 BPS)	DISCOUNT RATE (+50 BPS)	LONG-TERM GROWTH RATE (-50 BPS)
United Kingdom	21.6	(2.2)	—	—
Germany	40.3	(26.3)	—	—
Australia	64.2	(14.5)	(4.4)	(1.7)
Other	7.5	(2.4)	(0.8)	(0.5)

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, 2022	178.5	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	0.4	4.4	(13.0)	(8.1)
Gross carrying amount as of December 31, 2022	170.1	748.9	45.5	964.5
Change in consolidation scope	14.2	29.0	—	43.2
Additions	0.8	88.7	9.4	98.9
Disposals	(2.3)	(20.3)	(0.6)	(23.2)
Currency translation adjustment	1.6	(4.6)	0.1	(2.8)
Other changes ⁽¹⁾	(9.2)	21.1	(14.3)	(2.3)
Gross carrying amount as of December 31, 2023	175.3	862.9	40.2	1,078.3
Accumulated amortization and depreciation as of January 1, 2022	(109.1)	(509.5)	(28.0)	(646.7)
Change in consolidation scope	19.7	10.0	0.2	29.9
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	—	4.9	0.3	5.2
Accumulated amortization and depreciation as of December 31, 2022	(93.8)	(534.4)	(29.4)	(657.7)
Change in consolidation scope	(5.9)	(17.5)	—	(23.4)
Depreciation expense	(4.6)	(60.5)	(2.0)	(67.1)
Impairment losses	—	—	—	—
Release	1.0	18.8	0.6	20.4
Currency translation adjustment	(1.6)	3.4	—	1.9
Other changes ⁽¹⁾	1.2	(2.9)	3.8	2.1
Accumulated amortization and depreciation as of December 31, 2023	(103.7)	(593.2)	(26.9)	(723.8)
Carrying amount as of January 1, 2022	69.3	183.6	19.0	271.9
Carrying amount as of December 31, 2022	76.2	214.5	16.1	306.8
Carrying amount as of December 31, 2023	71.6	269.7	13.2	354.5

(1) Mainly reflecting asset held for sale classification (see note 14) and reclassification to the related property plant and equipment realized by some countries.

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).

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, 2022	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
Change in consolidation scope	64.7	2.2	66.9
Additions	239.4	55.2	294.6
Depreciation expenses and impairment	(190.3)	(43.0)	(233.3)
Currency translation adjustment	(17.6)	(1.2)	(18.8)
As of December 31, 2023	1,138.5	94.0	1,232.5

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, 2023			AS OF DECEMBER 31, 2022		
	CURRENT	NON-CURRENT	TOTAL	CURRENT	NON-CURRENT	TOTAL
Properties	181.4	1,082.2	1,263.5	166.9	987.1	1,154.0
Equipments & vehicles	40.0	58.3	98.4	36.6	52.4	89.1
Total lease liabilities	221.4	1,140.5	1,361.9	203.6	1,039.5	1,243.1

(in millions of euros)	2023	2022
As of January 1,	1,243.1	1,168.8
Change in scope	67.1	15.4
Additions	293.6	279.9
Interest expenses	55.6	46.5
Payments	(276.7)	(258.6)
Transfer to Liabilities directly associated with the assets held for sale	—	(28.7)
Currency translation adjustment	(20.8)	19.8
As of December 31,	1,361.9	1,243.1

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, 2023	221.4	202.6	173.7	147.8	118.6	497.8	1,361.9
As of December 31, 2022	203.6	188.7	162.2	133.4	114.9	440.2	1,243.1

12.4.3. Lease expense analysis

Set out below are the amounts recognized in profit or loss for the year ended December 31, 2023 and for the year ended December 31, 2022:

(in millions of euros)	FOR THE YEAR ENDED DECEMBER 31,	
	2023	2022 Statement of Profit and Loss classification
Depreciation of right-of-use assets	(233.3)	(220.5) Depreciation expenses (note 7)
Interest on lease liabilities	(55.6)	(46.5) Other financial expenses (note 9)
Rent on short-term and low-value assets leases	(18.3)	(18.2) Building and occupancy costs (note 7)
Impairment losses	—	(1.1) Other expenses (note 8)
Net gain on lease termination	1.1	3.8 Other income (note 8)
Total amount recognized in P&L	(306.2)	(282.5)

12.5. Long-term investments

(in millions of euros)	AS OF DECEMBER 31,	
	2023	2022
Deposits	48.9	44.5
Derivatives	7.4	15.6
Loans	0.7	0.6
Other long-term investments ⁽¹⁾	16.1	5.7
Long-term investments	73.1	66.5

(1) Including Mavisun investment of €14.1 million (see note 4.1).

Note 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,	
	2023	2022
Cost	2,532.0	2,406.7
Allowance	(145.6)	(131.3)
Inventories	2,386.4	2,275.4

Changes in the carrying amount of inventories:

(in millions of euros)	AS OF DECEMBER 31,	
	2023	2022
As of January 1,	2,275.4	2,057.2
Change in consolidation scope ⁽¹⁾	104.5	(4.1)
Change in inventories at cost	58.7	260.8
Impairment net of release	(15.9)	(34.1)
Currency translation adjustment	(36.3)	29.8
Transfer to assets held for sale	—	(34.2)
As of December 31,	2,386.4	2,275.4

(1) Mainly reflecting the effect of Wasco and Buckles-Smith's acquisitions in 2023 (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,	
	2023	2022
Nominal value	2,768.4	2,768.6
Impairment losses	(144.6)	(151.6)
Trade accounts receivable	2,623.8	2,617.0

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 €261.6 million as of December 31, 2023 (€322.4 million as of December 31, 2022).

The Group has implemented credit insurance programs in certain significant countries. Trade accounts receivable covered by these programs

amounted to €1,013.8 million as of December 31, 2023 (€1,034.2 million as of December 31, 2022).

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 €411.1 million as of December 31, 2023 (€406.8 million as of December 31, 2022).

Impairment losses on trade accounts receivable*(in millions of euros)*

	2023	2022
As of January 1,	(151.6)	(128.6)
Change in consolidation scope	(3.4)	9.7
Net allowance	(20.5)	(52.6)
Write-off	27.7	20.9
Foreign exchange movement	4.2	0.5
Other changes	(0.9)	(1.5)
As of December 31,	(144.6)	(151.6)

As of December 31, 2023, trade receivables are subject to an impairment loss based on aging-based matrix for €35.8 million as of December 31, 2023 (€38.1 million as of December 31, 2022).

In addition, trade receivables were subject to impairment losses estimated on an individual basis following the assessment of the customer default risk for €97.1 million (€111.1 million as of December 31, 2022).

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
2023	2,258.2	330.0	104.0	35.9	32.6	7.6	2,768.4
2022	2,221.5	357.2	107.1	41.3	33.9	7.7	2,768.6

13.3. Other accounts receivable*(in millions of euros)*

	AS OF DECEMBER 31,	
	2023	2022
Suppliers' rebates and services ⁽¹⁾	430.2	396.3
VAT receivable and other sales taxes	32.9	22.2
Prepaid expenses	43.4	40.1
Derivatives	1.8	9.6
Other receivables	263.4	275.1
Total other accounts receivable	771.7	743.3

(1) Suppliers' rebates and services income recognized for the year ended December 31, 2023, were €1,140.0 million (€1,160.6 million for the year ended December 31, 2022).

Note 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.

As of December 31, 2022, assets and liabilities associated with Rexel Norway were presented in assets classified as held for sale.

The disposal of Rexel Norway was completed on March 1, 2023 (see note 4.2).

Note 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:

	NOTE	NUMBER OF SHARES	(in millions of euros)	
			SHARE CAPITAL	SHARE PREMIUM
As of January 1, 2022		305,716,491	1,528.6	1,289.8
Issuance of shares in connection with free share plans ⁽¹⁾		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
Issuance of shares in connection with free share plans ⁽²⁾		849,976	4.3	—
Allocation of free shares		—	—	(10.6)
Free shares cancelled		—	—	3.8
Cancellation of shares under the stock repurchase program	15.2	(3,543,006)	(17.7)	(57.7)
Cash dividends		—	—	(362.3)
As of December 31, 2023		300,720,235	1,503.6	589.0

(1) Issuance of 1,176,532 shares in connection with the 2019 bonus share plans.

(2) Issuance of 849,976 shares in connection with the 2020 bonus share plans.

15.2. Capital Management and treasury shares

The General Meeting of April 20, 2023 (fourteenth resolution) authorised the Company's Board of Directors, with powers to subdelegate, to purchase or arrange for the purchase of a maximum number of Company shares representing up to 10% of the Company's share capital at a maximum price of 30 euros per share. This programme is limited to 250 million euros and has a duration of 18 months from the date of the General Meeting (i.e. until October 19, 2024).

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, 6.5 million of shares were repurchased for a total amount of €134.0 million in 2023, of which:

- 5.0 million of shares, representing an overall purchase price of €105.5 million out of which 3.5 million were cancelled in 2023;
- 1.4 million of shares purchased for €28.4 million to serve its free share plans.

In 2022, 4.0 million of shares were repurchased for a total amount of €65.5 million.

The Group also runs an ongoing 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 €21.4 million as of December 31, 2023 (€21.5 million as of December 31, 2022).

Net purchases of treasury shares under the agreement stood at €2.6 million in 2023. Net capital gains realized on the sale of treasury shares in 2023 amounted to €1.3 million net of tax and were recognized as increase in shareholders' equity (net capital gain of €0.8 million in 2022).

As of December 31, 2023, Rexel held in aggregate 2,812,996 treasury shares (555,407 as of December 31, 2022) valued at an average price of €20.36 per share (€17.87 per share as of December 31, 2022) that were recognized as a reduction in shareholders' equity, for a total of €57.3 million (€9.9 million as of December 31, 2022) out of which 1,150,044 of these shares were held to serve its free share plans.

Note 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,	
	2023	2022
Dividends per share (in euros)	1.20	0.75
Dividends paid in cash through share premium distribution (in millions of euros)	362.2	230.1

Note 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,	
	2023	2022
Provisions	27.2	23.8
Derivatives ⁽¹⁾	50.3	47.4
Other non-current liabilities ⁽²⁾	8.4	8.3
Provisions and other non-current liabilities	86.0	79.4

(1) Of which €30.0 million fair value hedge derivatives on senior notes as of December 31, 2023 (€46.2 million as of December 31, 2022) – see note 19.3.

(2) Including employee profit sharing related payables in France in the amount of €8.4 million (€8.3 million at December 31, 2022).

The variation in provisions is detailed in the table below:

(in millions of euros)	RESTRUCTURING	OTHER LITIGATION & CLAIMS	LEASED ASSETS RESTORATION	TOTAL PROVISIONS
As of January 1, 2022	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
Increase	4.9	3.2	0.2	8.2
Use	(0.7)	(3.7)	(0.2)	(4.6)
Release	(0.5)	(0.6)	—	(1.1)
Currency translation adjustment	—	(0.1)	0.1	—
Other changes	—	0.9	—	0.9
As of December 31, 2023	7.1	17.7	2.4	27.2

Note 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 starts 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.

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 in April 2023. 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 2023.

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, 2022	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
Change in consolidation scope	(0.4)	—	—	(0.3)	(0.7)
Currency translation adjustment	(22.1)	2.4	11.8	0.9	(6.9)
Past service cost / settlement and other	—	—	—	(2.3)	(2.3)
Remeasurements					
<i>Effect of change in demographic assumptions</i>	—	—	(0.3)	—	(0.3)
<i>Effect of change in financial assumptions</i>	(195.8)	(58.4)	(38.7)	(46.9)	(339.8)
<i>Effect of experience adjustments</i>	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
Service cost	—	1.2	5.8	5.6	12.6
Interest cost	16.6	9.7	7.2	5.0	38.5
Benefit payments	(16.0)	(13.6)	(12.2)	(8.9)	(50.7)
Employee contributions	—	0.3	5.4	0.5	6.3
Currency translation adjustment	7.3	(2.8)	16.5	(1.2)	19.8
Past service cost / settlement and other	0.5	—	0.5	0.4	1.4
Remeasurements					
<i>Effect of change in demographic assumptions</i>	—	—	—	1.4	1.4
<i>Effect of change in financial assumptions</i>	10.9	10.0	24.4	9.9	55.2
<i>Effect of experience adjustments</i>	(8.3)	4.5	(1.8)	(3.0)	(8.6)
As of December 31, 2023	364.4	208.1	285.1	159.0	1,016.7

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, 2022	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
Employer contributions	13.8	6.6	8.0	8.0	36.3
Employee contributions	—	0.4	5.0	0.4	5.8
Interest income	11.4	9.0	7.3	2.4	30.1
Benefit payments	(16.0)	(13.6)	(12.2)	(9.3)	(51.1)
Currency translation adjustment	5.9	(2.6)	16.3	(0.7)	19.0
Return on plan assets excluding interest income ⁽¹⁾	6.1	9.5	20.5	4.8	40.8
As of December 31, 2023	309.0	191.5	282.0	75.5	858.0

(1) Of which €35.6 million of asset ceiling on the Switzerland plan (€(4.6) million in 2022).

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, 2022	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)
Benefit payments	—	—	—	0.6	0.6
Change in consolidation scope	—	—	—	(0.3)	(0.3)
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
Service cost	—	1.2	5.8	5.6	12.6
Interest cost	5.2	0.7	(0.1)	2.6	8.4
Past service cost/settlement and other	0.5	—	0.5	0.4	1.4
Employer contributions	(13.8)	(6.6)	(8.0)	(8.0)	(36.3)
Benefit payments	—	—	—	0.5	0.5
Change in consolidation scope	—	—	—	0.1	0.1
Currency translation adjustment	1.3	(0.2)	0.2	(0.5)	0.8
Remeasurements	(3.4)	5.0	2.1	3.6	7.2
As of December 31, 2023	55.4	16.7	3.0	83.6	158.7

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, 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

For the year ended December 31, 2023

Defined benefit obligations	364.4	208.1	285.1	159.0	1,016.7
<i>of which Funded schemes</i>	363.7	191.8	282.1	89.1	926.7
<i>of which Unfunded schemes</i>	0.7	16.3	3.0	70.0	90.0
Fair value of plan assets	(309.0)	(191.5)	(282.0)	(75.5)	(858.0)
Recognized net liability for defined benefit obligations	55.4	16.7	3.0	83.6	158.7

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	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)
Return on plan assets excluding interest income and asset ceiling	(6.1)	(9.5)	(22.3)	(4.8)	(42.6)
Effect of change in demographic assumptions	—	—	—	1.5	1.5
Effect of change in financial assumptions	10.9	10.0	26.0	9.5	56.4
Effect of experience adjustments	(8.1)	4.5	(2.1)	(3.1)	(8.7)
OCI recognized for the year ended December 31, 2023	(3.2)	5.0	1.6	3.2	6.6

18.4. Employee Benefit expense

The expense recognized in the consolidated income statement breaks down as follows:

(in millions of euros)	EXPENSE				
	UNITED KINGDOM	CANADA	SWITZERLAND	OTHER	GROUP
Service costs ⁽¹⁾	—	2.2	6.9	5.7	14.7
Past service costs ⁽¹⁾	—	—	—	(2.3)	(2.3)
Interest cost ⁽²⁾	3.3	1.2	(0.4)	1.9	6.1
Other ⁽¹⁾	0.0	(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
Service costs ⁽¹⁾	—	1.2	5.8	5.6	12.6
Past service costs ⁽¹⁾	0.5	—	0.5	0.4	1.4
Interest cost ⁽²⁾	5.2	0.7	(0.1)	2.6	8.4
Other ⁽¹⁾	0.2	—	0.5	0.3	1.0
Expense recognized for the year ended December 31, 2023	5.9	1.9	6.7	8.9	23.4

(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, 2023 and December 31, 2022.

18.5. Plan asset allocation

(in millions of euros)	PLAN ASSETS CLASS		
	UNITED KINGDOM	CANADA	SWITZERLAND
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
Cash and cash equivalents	5.0	12.0	11.4
Equity instruments (quoted in an active market)	—	16.9	119.5
Debt instruments (quoted in an active market)	48.2	43.8	106.9
Real estate	—	—	85.5
Investment funds	252.5	—	—
Asset held by insurance company	2.7	118.9	1.2
Other	—	—	7.8
As of December 31, 2023	308.2	191.6	332.2

18.6. Actuarial assumptions

The main actuarial assumptions are as follows:

	UNITED KINGDOM		CANADA		SWITZERLAND	
	2023	2022	2023	2022	2023	2022
Average plan duration (in years)	13	14	10	11	13	12
Discount rate (in %)	4.50	4.75	4.60	5.10	1.25	2.25
Future salary increases (in %)	N/A	N/A	3.00	3.00	1.50	1.00

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	0.2	0.2	0.6
Defined Benefit Obligation (in %)	6%	5%	5%	5%	6%

	SENSITIVITY TO A 10% DOWNTURN IN FINANCIAL MARKET				
	UNITED KINGDOM	CANADA	SWITZERLAND	OTHER	GROUP
(in millions of euros)					
Plan assets	—	(1.7)	(11.9)	(0.4)	(14.0)

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 2024	20.0	13.9	11.8	9.5	55.3
Expected benefit payments for 2025	19.2	14.2	9.4	8.7	51.6
Expected benefit payments for 2026	19.3	14.5	9.7	13.2	56.6
Expected benefit payments for 2027	20.2	14.6	10.3	10.2	55.4
Expected benefit payments for 2028 and after	130.4	87.4	69.1	77.1	364.0
Expected employer contributions for 2024	12.2	6.8	8.1	7.9	35.0

Note 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, 2023, Rexel's consolidated net debt stood at €1,961.5 million, consisting of the following items:

(in millions of euros)	As of December 31, 2023			As of December 31, 2022		
	CURRENT	NON-CURRENT	TOTAL	CURRENT	NON-CURRENT	TOTAL
Senior notes	—	1,370.1	1,370.1	—	953.2	953.2
Securitization	—	1,183.5	1,183.5	360.0	823.5	1,183.5
Bank facilities	52.4	50.2	102.6	62.3	0.2	62.5
Commercial paper	34.9	—	34.9	45.0	—	45.0
Medium term notes	49.9	—	49.9	—	—	—
Bank overdrafts and other credit facilities	93.5	—	93.5	75.1	—	75.1
Accrued interests ⁽¹⁾	9.6	—	9.6	2.4	—	2.4
Less transaction costs	(2.0)	(10.8)	(12.8)	(2.3)	(8.4)	(10.7)
Total financial debt and accrued interest	238.3	2,592.9	2,831.3	542.4	1,768.6	2,311.0
Cash and cash equivalents			(912.7)			(895.4)
Accrued interest receivable			(4.1)			(3.5)
Debt hedge derivatives ⁽²⁾			29.6			46.3
Put option on Mavisun minority interests			17.4			—
Net financial debt			1,961.5			1,458.4

(1) Of which accrued interests on Senior Notes for €7.2 million as of December 31, 2023 (€0.9 million as of December 31, 2022). The first installment of interest on the 2023 notes is due March 2024.

(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,	
				2023	2022
2021 Sustainability linked senior notes (November)	600.0	December 2028	2.125%	600.0	599.3
2021 Sustainability linked senior notes (May)	400.0	June 2028	2.125%	370.1	353.9
2023 Sustainability linked senior notes (September)	400.0	September 2030	5.250%	400.0	—
TOTAL	1,400.0			1,370.1	953.2

€400 million senior sustainability-linked notes due 2030

On September 13, 2023, Rexel issued €400 million of unsecured senior sustainability-linked notes. The notes were issued at 100% of their nominal amount and bear interest at 5.25% 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 March 15 and September 15, starting from March 15, 2024. The notes mature on September 15, 2030 and are listed on the Luxembourg Stock Exchange.

The notes are redeemable in whole or in part at any time prior to December 15, 2026 at a redemption price equal to 100% of their principal amount, plus a "make-whole" premium and accrued and unpaid interest.

On or after September 15, 2026, 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
September 15, 2026	102.625%	102.750%
September 15, 2027	101.313%	101.375%
September 15, 2028 and after	100.000%	100.000%

The senior notes are subjected to sustainability performance targets:

- a 45% reduction in greenhouse gas emissions related to the consumption of products sold, per euro of turnover (Scope 3) by December 31, 2025 from a 2016 baseline; and
- a 38% reduction in greenhouse gas emissions related to energy consumption (Scopes 1 & 2) in its operations by December 31, 2025 from a 2016 baseline.

The interest rate of the Notes shall be increased by 25 basis points to 5.50% per annum from September 15, 2026, if the Group does not achieve one of the above targets.

As of December 31, 2023, the Group considers that these sustainability performance targets will be achieved.

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

€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.

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%

The senior notes issued on May 2021 and November 2021 were both 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 (Scopes 1 & 2) in

its operations by December 31, 2023 from a 2016 baseline.

The interest rate of the Notes would have increased by 25 basis points to 2.375% per annum from June 15, 2024, if the Group did not achieve one of the above targets.

As of December 31, 2023, the Group reached the above sustainability performance targets.

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,			AS OF DECEMBER 31,		MATURITY
	COMMITMENT	AMOUNT OF RECEIVABLES ASSIGNED	AMOUNT DRAWN DOWN	2023	2022	
				(in millions of currency)	(in millions of euros)	
MAIN PROGRAMS						
France	€360.0	€536.0	€360.0	360.0	360.0	12/16/2026
Europe (excl. France)	€219.0	€371.2	€217.3	217.3	216.2	07/19/2025
United States – on balance sheet	US\$500.0	US\$771.8	US\$500.0	452.5	468.8	08/03/2025
United States – off-balance sheet	US\$225.0	US\$225.0	US\$225.0	203.6	210.9	08/03/2025
Canada	C\$225.0	C\$344.4	C\$225.0	153.7	138.5	01/19/2026
TOTAL				1,387.1	1,394.4	
Of which:						
• on balance sheet:				1,183.5	1,183.5	
• off-balance sheet:				203.6	210.9	

The total outstanding amount authorized for these securitization programs was €1,387.1 million and was totally used as of December 31, 2023.

These securitization programs pay interest at variable rates including a specific credit spread to each program.

In addition, on December 19, 2023, Rexel entered into a AU\$110m securitization program in Australia starting in January 2024.

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.

As of December 31, 2023, derecognized receivables totaled €203.6 million (€210.9 million as of December 31, 2022) and the discounting loss was recorded as a financial expense for €18.7 million (€12.0 million in 2022). Cash collected under the servicing agreement in relation to derecognized receivables and not yet transferred to the purchaser totaled €43.6 million and was recognized in financial liabilities (€31.2 million as of December 31, 2022).

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, 2023, 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.

19.1.3. Factoring arrangements

In addition to its securitization programs, Rexel entered into a factoring agreement in Belgium. Under this arrangement, Rexel assigns trade receivables to the factor and receives cash payment for a maximum amount of €40 million.

As a result of this arrangement, 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.

Moreover, in December 2023, Rexel terminated its ongoing factoring agreement in France and repurchased derecognized trade receivables for €29.0 million.

As of December 31, 2023, Rexel derecognized the trade receivables sold to the factor for €31.4 million (€84.1 million as of December 31, 2022). Cash collected on behalf of the factor in relation with the transferred receivables was recognized in financial liabilities for €6.1 million as of December 31, 2023 (€18.5 million as of December 31, 2022).

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, 2023, the Company had €34.9 million of outstanding commercial papers (€45.0 million as of December 31, 2022).

19.1.5. Medium term notes

Starting in 2023, Rexel runs a €100 million medium term notes, with fixed maturities of at least twelve months issued to diversify its investor base and minimize the cost of financing.

As of December 31, 2023, the Company had €49.9 million of outstanding medium term notes.

19.1.6. 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, 2023, Bank Acceptance Drafts were derecognized from the balance sheet for €45.1 million (€68.2 million as of December 31, 2022).

19.1.7. Cash and cash equivalents

(in millions of euros)

	AS OF DECEMBER 31,	
	2023	2022
Cash at bank	911.7	894.5
Cash in hand	1.0	0.8
Cash and cash equivalents	912.7	895.4

19.2. Change in net financial debt

As of December 31, 2023, and December 31, 2022, the change in net financial debt was as follows:

<i>(in millions of euros)</i>	2023	2022
As of January 1,	1,458.4	1,551.2
Issuance of senior notes net of transaction costs	395.4	—
Transaction costs and refinancing costs	—	(1.6)
Net change in credit facilities, commercial papers and other financial borrowings	103.8	(52.4)
Net change in credit facilities	499.2	(54.0)
Net change in securitization	14.6	275.9
Net change in financial liabilities	513.8	221.9
Change in cash and cash equivalents	(32.0)	(371.4)
Effect of exchange rate changes on net financial debt	(5.4)	51.5
Effect of acquisition	7.6	—
Amortization of transaction costs	2.8	3.7
Put option on minority interest	17.4	—
Effect of assets held for sale classification	(1.6)	1.6
Other changes	0.4	0.1
As of December 31,	1,961.5	1,458.4

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.

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, with a flexibility of +/- 20%, 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.

Analysis of fixed and variable rates before and after hedging of the financial debt is as follows:

(in millions of euros)	AS OF DECEMBER 31,	
	2023	2022
Senior Notes and other fixed rate debt less transaction costs and before hedging	1,388.1	990.3
Fixed to floating rate swaps on Senior Notes	(300.0)	(350.0)
Floating to fixed rate swaps on securitization	591.4	784.5
Sub-total fixed or capped rate instruments	1,679.5	1,424.8
% sub-total fixed or capped rate instruments / Net debt before cash	58%	61%
Securitization at floating rate debt before hedging	1,183.5	1,183.5
Floating to fixed rate swaps on securitization	(591.4)	(784.5)
Other floating rate debt (not hedged)	302.7	179.9
Fixed to floating rate swaps on Senior Notes	300.0	350.0
Sub-total floating rate debt instruments	1,194.8	928.9
% sub-total floating rate debt instruments / Net debt before cash	42%	39%
Cash and cash equivalents	(912.7)	(895.4)
Total net financial debt	1,961.5	1,458.4

Fair value hedge derivatives

As of December 31, 2023, 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	300.0	300.0	June 2028	(0.02)%	Euribor 3M	(30.0)
Total		300.0				(30.0)

(1) Derivative instruments are presented at fair value, including accrued interest payable for €0.6 million.

As of December 31, 2022, 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	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 receivable for €0.3 million.

Fair value of the hedging swaps and senior notes were as follows:

(in millions of euros)	FOR THE YEAR ENDED DECEMBER 31	
	2023	2022
Fair value of the hedging swaps	(30.0)	(46.2)
Fair value of the senior notes	30.5	47.1

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 May 2026. 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, 2023:

	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	90.5	January 2025	SOFR capi	1.01%	4.6
	100.0	90.5	July 2025	SOFR capi	2.57%	3.0
	100.0	90.5	December 2025	SOFR capi	3.80%	0.6
	100.0	90.5	April 2026	SOFR capi	4.17%	3.0
	50.0	45.2	May 2026	SOFR capi	3.61%	0.4
Canadian dollar	50.0	34.1	December 2024	CDOR 3M	1.77%	1.1
Swiss franc	50.0	54.0	November 2024	Saron	(0.28%)	1.0
	25.0	27.0	December 2024	Saron	1.37%	—
	150.0	162.0	December 2025	Saron	1.79%	(2.1)
Euro	150.0	150.0	March 2025	Euribor 3M	(0.53%)	(0.4)
Total		834.4				11.1

(1) Derivative instruments are presented at fair value, including accrued interest receivable for €3.4 million.

- 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.

The change in fair value of the cash flow hedging instruments for the year ended December 31, 2023 was recorded as a €17.9 million decrease in cash flow hedge reserve before tax (€24.3 million increase for the year ended December 31, 2022). The ineffectiveness recognized in profit and loss in 2023 was immaterial.

Sensitivity to interest rate variation

As of December 31, 2023, 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 €3.2 million and a €12.0 million gain related to the change in fair value of the hedging instruments of which a €0.5 million in the net financial expenses and €11.4 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, 2023, unrealized exchange loss in other comprehensive income related to external borrowings qualified as net investment hedges accounted for €5.9 million before tax.

As of December 31, 2023, the notional value of foreign exchange derivatives was €(7.4) million (€4.0 million of forward sales and €11.4 million of forward purchases). Forward contracts are recognized at their fair value for a net negative amount of €0.1 million. The change in fair value of forward contracts for the year ended December 31, 2023 was nil (loss of €1.7 million recognized in financial expenses for the year ended December 31, 2022).

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 sales of €481.5 million and a decrease (increase) in operating income before other income and other expenses of €31.3 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, 2023 would result in a corresponding decrease (increase) in financial debt and shareholders' equity of €27.7 million and €183.8 million respectively.

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	804.2	(95.9)	(1.3)	90.4	(0.3)	(9.2)	(245.6)	471.7	36.4	(1.6)	1,048.8
Cash and cash equivalents	611.5	297.4	79.0	(44.6)	0.1	4.6	174.2	(235.7)	18.1	8.1	912.7
Net financial position before hedging	1,415.7	201.5	77.7	45.8	(0.2)	(4.6)	(71.4)	236.0	54.5	6.5	1,961.5
Impact of hedges	(8.4)	(4.0)	—	—	—	—	—	7.0	4.4	1.0	—
Net financial position after hedging	1,407.3	197.5	77.7	45.8	(0.2)	(4.6)	(71.4)	243.0	58.9	7.5	1,961.5
IMPACT OF A 5% DEPRECIATION OF THE EURO		105.5	30.8	5.5	—	12.4	13.7	10.3	3.6	2.1	183.9

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, 2023, 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	—	—	—	—	970.1	400.0	1,370.1
Securitization	—	669.8	513.7	—	—	—	1,183.5
Others	240.3	50.2	—	—	—	—	290.5
Total gross financial debt before transaction costs	240.3	720.0	513.7	—	970.1	400.0	2,844.1
Interests owed in relation to financial indebtedness	111.3	83.2	55.3	42.3	37.1	35.8	365.0
Interests owed (to receive) on derivatives	3.9	7.4	6.0	6.4	3.1	—	26.8
Total	355.5	810.6	575.0	48.7	1,010.3	435.8	3,235.9

Senior notes are due in 2028 and 2030.

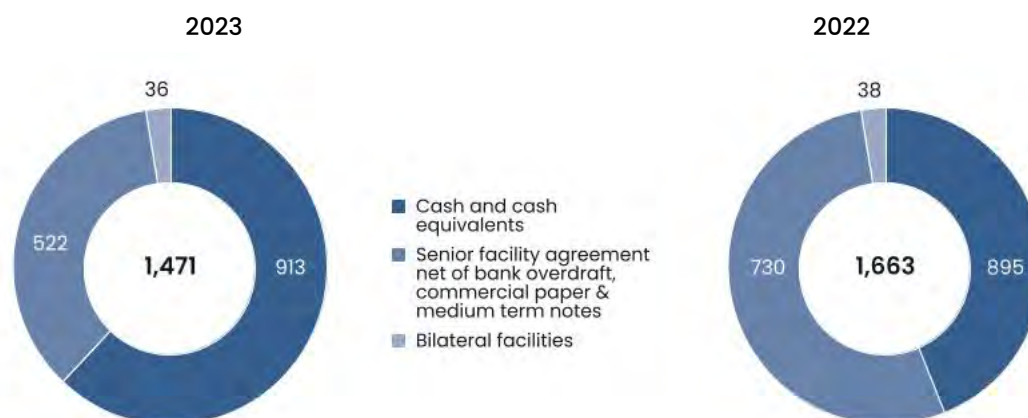
Securitization programs mature in 2025 and 2026 as a result of amendments executed in 2022 and 2023. The financing under securitization programs directly depends on the amounts and quality of transferred receivables. In the event that the relevant companies do not comply with certain obligations, these 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, 2023, Group's liquidity stood at €1,470.6 million (€1,662.8 million as of December 2022) 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)



(1) Taking into consideration, the terms of the new senior credit agreement executed on January 23, 2024.

Revolving Credit Facility Agreement

On January 23, 2024, Rexel early terminated its €850 million revolving credit facility agreement, initially dated March 15, 2013, subsequently amended – the latest being dated June 29, 2023 and expiring on January 31, 2025. This facility was undrawn as of December 31, 2023.

Concurrently, Rexel entered into a new revolving credit facility agreement for an aggregate amount of €700 million with BNP Paribas, Crédit Agricole Corporate and Investment Bank, Crédit Industriel et Commercial, HSBC Continental Europe, ING Bank N.V. French Branch, Natixis and Société Générale as mandated lead arrangers and bookrunners. This facility expires on January 22, 2029 and can be extended by one or two years at the option of Rexel.

Interest and margin

This facility bears interest at a rate in reference to (i) Euribor, (ii) a margin ranging from 0.30% to 1.40% depending on Rexel's rating and (iii) other costs such as commitment or utilization fee.

Leverage ratio

This facility is subject to a covenant based on the ratio of (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.
- 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.

Other facilities

Rexel can access to a €36.2 million bilateral term loan agreement (US\$ 40.0 million) with Wells Fargo Bank international which matures in June 2024. As of December 31, 2023, this facility was undrawn.

Rexel can also access to a €50.0 million facility agreement with Bank of China which matures in September 2026. As of December 31, 2023, this facility was totally drawn.

Trade accounts payables, amounting to €2,299.3 million as of December 31 2023 (€2,371.8 million as of December 31, 2022), are due in less than one year and are funded through recurring positive free cash flow from operating activities.

"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;

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, 2023, the maximum risk corresponding to the total accounts receivable amounted to €2,623.8 million (€2,617.0 million as of December 31, 2022) and is detailed in note 13.2 Trade accounts receivable.

The outstanding amount was €921.9 million as of December 31, 2023 (€920.6 million as of December 31,

2022), 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 €743.3 million (€716.6 million as of December 31, 2022) 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, 2023

(in millions of euros)	ACCOUNTING CATEGORIES						FAIR VALUE HIERARCHY ⁽¹⁾
	NOTE	MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS	MEASURED AT FAIR VALUE THROUGH OCI	STATED AT AMORTIZED COST	CARRYING AMOUNT	FAIR VALUE	
ASSETS							
Derivative instruments	12.5/ 13.3	0.5	8.7	—	9.2	9.2	2
Deposits	12.5	—	—	48.9	48.9	48.9	
Loans	12.5	—	—	0.7	0.7	0.7	
Trade accounts receivable	13.2	—	—	2,623.8	2,623.8	2,623.8	
Supplier rebates receivable	13.3	—	—	430.2	430.2	430.2	
Other accounts receivable	13.3	—	—	263.4	263.4	263.4	
Cash and cash equivalents	19.1	912.7	—	—	912.7	912.7	
LIABILITIES							
Senior notes	19.1	—	—	1,370.1	1,370.1	1,354.7	1
Other financial debts, including accrued interest	19.1	—	17.4	1,461.2	1,478.6	1,478.6	
Derivative instruments	17/ 20	30.1	2.9	—	33.0	33.0	2
Trade accounts payable		—	—	2,299.3	2,299.3	2,299.3	
Customer rebates payable	20	—	—	238.3	238.3	238.3	
Other liabilities	20	—	—	368.4	368.4	368.4	

(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, 2022

(in millions of euros)	ACCOUNTING CATEGORIES						FAIR VALUE HIERARCHY ⁽¹⁾
	NOTE	MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS	MEASURED AT FAIR VALUE THROUGH OCI	STATED AT AMORTIZED COST	CARRYING AMOUNT	FAIR VALUE	
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.

Note 20. Other current liabilities

	AS OF DECEMBER 31,	
	2023	2022
<i>(in millions of euros)</i>		
Customer rebates payable	238.3	222.4
Personal and social obligations	356.3	405.9
VAT payable and other sales tax	80.6	72.8
Derivatives	0.2	0.9
Other liabilities	368.4	378.0
Deferred income	8.4	8.3
Total other current liabilities	1,052.2	1,088.3

Note 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,	
	2023	2022
Salaries and other short-term benefits ⁽¹⁾	10.2	9.9
Post-employment benefits (service costs)	0.9	0.5
Indemnities at termination of contract	0.7	0.8
Free shares and stocks options ⁽²⁾	5.9	4.3

(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 €12.7 million.

Note 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	
	2023	2022	2023	2022	2023	2022
Audit services	1.1	1.0	1.2	1.0	2.3	2.1
Non audit services	1.4	0.2	0.3	0.1	1.7	0.3
Total	2.5	1.2	1.5	1.1	4.0	2.4

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.

Note 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. This decision was a step in the procedure which in no way prejudices Rexel's guilt.

On October 26, 2023, the French Competition Authority's investigation services sent Rexel a report maintaining the objections notified to Rexel and refers to its press release on fines to list the various variables for a possible sanction. The multiplicity of variables used and the leeway of the Authority's College in this matter make it impossible at this

stage to assess a possible amount of sanction. Furthermore, on January 10, 2024, Rexel submitted observations in response to this report, firmly maintaining its position that the special price agreement mechanism does not constitute an agreement with the supplier that intends to fix or has the effect of fixing Rexel's resale prices.

Note 24. Events after the reporting period

At the presentation date of the consolidated financial statements there have been no subsequent events other than the execution, on

January 23, 2024, of a new revolving credit facility agreement (see note 19.3.3) that would have a significant impact on Rexel's financial situation.

Note 25. New Accounting Pronouncements

The following amendments, which are effective for future annual reporting periods, have not been early applied and are not expected to have a significant impact on the Group's consolidated financial statements:

- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16, applicable for reporting periods beginning on or after January 1, 2024: these amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.
- Non-current Liabilities with Covenants – Amendments to IAS 1, applicable for reporting periods beginning on or after January 1, 2024: the amendment clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7, applicable for reporting periods beginning on or after January 1, 2024: the amendments add disclosure requirements on qualitative and quantitative information about supplier finance arrangements.
- Lack of Exchangeability – Amendments to IAS 21, applicable for reporting periods beginning on or after January 1, 2025: the amendments clarify when a currency is exchangeable and how to determine the exchange rate when it is not.

Note 26. Consolidated entities as of December 31, 2023

	HEAD OFFICE	% INTEREST & CONTROL
FRANCE		
Holding companies and Group services companies		
Rexel	Paris	Parent company
Rexel Développement S.A.S.	Paris	100.00
Rexel Holding International 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 Électrique	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
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
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
Clearlight Electrical Company	Birmingham	100.00
Sweden		
Rexel Sverige AB	Älvsjö	100.00
Austria		
Rexel Central Europe Holding GmbH	Vienna	100.00
Rexel Austria GmbH	Vienna	100.00
Comtech IT Solutions GmbH	Annaberg	100.00

	HEAD OFFICE	% INTEREST & CONTROL
The Netherlands		
Rexel Nederland B.V.	Zoetermeer	100.00
Wasco Group B.V.	Twello	100.00
Wasco Holding B.V.	Twello	100.00
Wasco Groothandels Greop B.V.	Twello	100.00
Wasco Distributiecentrum B.V.	Twello	100.00
Wasco Energie Centrum B.V.	Twello	100.00
Aircovent B.V.	Twello	100.00
Het Onderdeel B.V.	Twello	100.00
Wasco Twello B.V.	Twello	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
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
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
Lineman's Testing Laboratories	Ontario	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
Rexel Electric Service Co. Ltd.	Suzhou	100.00
Rexel Electric Service Co. Ltd.	Handan	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 year ended December 31, 2023

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
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75017 Paris

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2023

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, 2023.

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 of December 31, 2023 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 and Risk 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, 2023 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.821-53 and R.821-180 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, 2023, goodwill were recorded in the balance sheet for a net carrying amount of €3,722.3 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.

The value in use of a CGU is measured based on discounted future cash flows and requires a degree of judgment from management, especially for the determination of EBITA margin forecasts as well as

the selection of discount rates and long-term growth rates.

As of December 31, 2023, an impairment test of all CGU holding goodwill and intangible assets with indefinite useful life has been performed and has led to an impairment loss of €10.3 million on Italy and New Zealand assets. A negative change of 50 basis points in EBITA margin would lead to the recognition of an additional impairment expense of € 45.4 million, mainly on Germany and Australia.

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 assumptions determined by management.

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;
- assessed the reasonableness of the long-term growth rates as well as discount rates applied to the projected cash flows of the CGU with the assistance of our valuation experts;

- assessed the consistency of the main fluctuations of CGU value-in-use compared to the previous year;
- assessed the components of the carrying value of the CGU;
- verified the mathematical accuracy of the discounted cash flow model used on the CGU for which an impairment loss is booked;
- Our additional procedures were performed on CGU sensitive to the EBITA margin, discount rate

or long-term growth rate assumptions, which are Germany and Australia. On these CGU, we:

- assessed the reliability of the assumptions process notably by analyzing the cause of any differences between prior years cash flow projections and actual cash flows;
- assessed the consistency of projected cash flow with the local economic environment;
- 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 includes 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 inventory.

How our audit addressed this risk

We analyzed the internal control procedures relating to the rebates contracts signed with suppliers and relating to estimate of rebates in 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 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 no aged uncollected receivables are identified;
- 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 inventory.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications 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 L.225-102-1 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 L.823-10 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 L.451-1-2, 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 of December 31, 2023, PricewaterhouseCoopers Audit and KPMG S.A. were in the 12th year and 8th 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 and Risk 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 L.821-55 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 and Risk Committee

We submit a report to the Audit and Risk 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 and Risk 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 and Risk 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.821-27 to L.821-34 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 and Risk 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 15, 2024

PricewaterhouseCoopers Audit
Pierre Clavié

KPMG S.A.
Éric Jacquet

5.3

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 Universal Registration Document:

- the Company financial statements and the relevant audit report for the year ended December 31, 2022 which are included in pages 396 to 415 of the French version of the Universal Registration Document for the financial year ended on December 31, 2022 registered by the *Autorité des marchés financiers* on March 9, 2023 under number D.23-0078; and
- 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.

5.3 Financial statements

5.3.1 Financial statements as of December 31, 2023

Income statement

(in millions of euros)	Note	FOR THE YEAR ENDED DECEMBER 31	
		2023	2022
Operating revenues	3.1	18.2	12.2
Other purchases and external costs		(33.3)	(23.1)
Taxes other than income taxes		(0.1)	(0.4)
Other expenses		(3.8)	(3.7)
Depreciation, amortization and increase in provisions		(17.8)	(9.5)
Operating expenses	3.1	(54.9)	(36.7)
Operating loss		(36.7)	(24.5)
Dividend income		480.5	53.2
Other financial revenues		24.2	13.3
Total financial revenues	3.2	504.7	66.5
Interest expenses and exchange losses		(55.6)	(32.6)
Total financial expenses	3.2	(55.6)	(32.6)
Net financial income		449.1	33.9
Recurring income / (expense) before tax		412.4	9.4
Non-recurring income (expense)		0.1	2.1
Income / (expense) before tax		412.5	11.6
Income taxes	3.4	16.4	11.2
Net income		428.9	22.8

Balance sheet

		AS OF DECEMBER 31	
(in millions of euros)	Note	2023	2022
ASSETS			
Investments in related companies		3,265.4	3,265.4
Loans and other long-term financial assets		51.5	321.1
Non-current assets	4.1	3,317.0	3,586.5
Trade accounts receivable	4.2	2.4	2.0
Other accounts receivable	4.2	341.5	7.4
Short-term investments, hedging derivatives, cash and bank	4.3	515.3	77.6
Prepaid expenses		0.4	0.2
Current assets		859.5	87.2
Total assets		4,176.5	3,673.7
EQUITY AND LIABILITIES			
Share capital		1,503.6	1,517.1
Share premium		589.0	1,015.8
Legal reserve		71.0	71.0
Other reserves		30.1	27.6
Retained earnings		(30.5)	(53.2)
Net income for the period		428.9	22.8
Total equity	4.4	2,592.2	2,601.0
Provisions	4.5	23.6	5.8
Senior notes	4.6	1,408.3	1,001.9
Borrowings from financial institutions	4.6	85.8	45.0
Other financial borrowings	4.6	57.1	12.2
Trade accounts payable	4.6	2.8	3.0
Other operating liabilities	4.6	6.8	4.7
Deferred income		—	0.0
Total liabilities		1,560.7	1,066.8
Total equity and liabilities		4,176.5	3,673.7

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	2,317.1	100%	3,265.4	3,265.4	0.0	0.0	140.2	444.2	480.5
TOTAL	1,259.2	2,317.1		3,265.4	3,265.4	0.0	0.0	140.2	444.2	480.5

Accompanying Notes

Note 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 affiliate controlling Rexel Group operations.

Note 2. Basis of preparation

The financial statements for the year ended December 31, 2023 are presented with comparative amounts for the year ended December 31, 2022 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 share 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.

Note 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	
	2023	2022
Services provided to subsidiaries	2.0	1.7
Release of provisions ⁽²⁾	16.3	10.5
Total operating revenues	18.2	12.2
Professional fees	(5.1)	(5.6)
Management fees from related companies	(20.8)	(15.1)
Bank charges	(2.8)	(2.4)
Senior notes issuance costs ⁽¹⁾	(4.6)	—
Taxes other than income tax	(0.1)	(0.4)
Personnel costs and other expenses	(3.8)	(3.7)
Depreciation and provisions ⁽²⁾	(17.8)	(9.5)
Total operating expenses	(54.9)	(36.7)
Operating loss	(36.7)	(24.5)

(1) Senior notes issuance costs are related to the €400 million senior notes issued in September 2023 (see note 4.6.1).

(2) Increase and release in provision are mainly linked to own shares held to serve free share plan (see note 4.5).

3.2. Net financial income

Net financial income is detailed as follows:

(in millions of euros)	FOR THE YEAR ENDED DECEMBER 31	
	2023	2022
Dividend income ⁽¹⁾	480.5	53.2
Interest on loans and financial current accounts	4.5	1.8
Other financial income	7.6	0.2
Gains on own shares disposal ⁽²⁾	12.2	11.3
Total financial income	504.7	66.5
Interest on senior notes ⁽³⁾	(38.0)	(21.6)
Net exchange loss	(0.1)	—
Other interest and financial expenses	(7.2)	(0.9)
Loss on own shares disposal ⁽²⁾	(10.4)	(10.1)
Total financial expenses	(55.6)	(32.6)
Net financial income	449.1	33.9

(1) Dividend received from Rexel Développement SAS.

(2) Gains and loss on own shares held to serve free share plans and rebilled to French subsidiaries.

(3) See note 4.6.1.

3.3. Compensation of company officers

Board attendance fees paid to company officers in 2023 amount to €0.9 million (€0.9 million in 2022).

Compensation and indemnities paid to company officers in 2023 amount to €2.4 million (€3.2 million in 2022).

3.4. 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 €16.4 million for 2023 (€11.2 million in 2022) mainly corresponding to tax losses incurred by non-profitable French entities part of the Group tax agreement.

Income tax is analyzed as follows:

<i>(in millions of euros)</i>	INCOME / (EXPENSE) BEFORE TAX	TAX INCOME / (EXPENSE)	NET INCOME
Recurring income / (expense) before tax	412.4	—	412.4
Non-recurring income / (expense) before tax	0.1	—	0.1
Prior year income tax		0.5	0.5
French tax consolidation agreement effect		15.9	15.9
Total	412.5	16.4	428.9

Note 4. Notes to the balance sheet

4.1. Fixed assets

<i>(in millions of euros)</i>		NET AMOUNT AS OF JANUARY 1, 2023	INCREASE	DECREASE	NET AMOUNT AS OF DECEMBER 31, 2023
Financial assets		3,586.5	30.4	(300.0)	3,317.0
Investments in affiliates	4.1.1	3,265.4	—	—	3,265.4
Loans and other long-term financial assets	4.1.2	321.1	30.4	(300.0)	51.5
Total Fixed assets		3,586.5	30.4	(300.0)	3,317.0

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, 2022	INCREASE / DECREASE	CURRENCY TRANSLATION ADJUSTMENT	AMOUNT AS OF DECEMBER 31, 2023
Loans	300.0	(300.0)	—	—
Rexel Développement SAS ⁽¹⁾	300.0	(300.0)	—	—
Liquidity contract ⁽²⁾	21.1	0.3	—	21.4
Own shares to be cancelled ⁽³⁾	—	30.1	—	30.1
Total other securities	321.1	(269.6)	—	51.5

(1) This credit facility with Rexel Développement SAS bears interest indexed on commercial paper interest rates issued and matures on January 31, 2025. This facility was not drawn down as of December 31, 2023.

(2) Own shares and cash equivalents are held under Rexel's share liquidity agreement entered into with a financial institution. As of December 31, 2023, Rexel held 178,094 shares for a gross value of €4.4 million. In addition to Rexel treasury shares, €17.0 million of cash equivalents are held under the liquidity agreement.

(3) As of December 31, 2023, 1,484,858 own-shares are held to be cancelled for a total amount of €30.1 million.

4.2. Receivables

Receivables are detailed as follows:

(in millions of euros)		AS OF DECEMBER 31	
		2023	2022
Trade accounts receivable		2.4	2.0
Current accounts Rexel Développement	4.3	315.6	2.0
Other receivable		25.9	5.3
Total receivables		343.9	9.4

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	
		2023	2022
Own shares ⁽¹⁾		22.8	4.7
Cash and cash equivalents		492.5	72.9
Total short-term investments and cash and cash equivalent		515.3	77.6

(1) Own-share acquisition cost held to serve free share plans. Rexel held 1,150,044 shares for an amount of €22.8 million as of December 31, 2023.

Change in cash and cash equivalent is as follows:

(in millions of euros)		
Cash and cash equivalents as of January 1, 2023		72.9
Dividend paid		(362.3)
Dividend received from Rexel Développement		480.5
Own-share buy-back		(134.0)
Current account Rexel Développement increase	4.2	(313.6)
Issuance of senior notes net of transaction costs		395.4
Change in Rexel Développement loan		300.0
Other financial debt		50.0
Other cash items		3.6
Cash and cash equivalents as of December 31, 2023		492.5

4.4. Equity

As of December 31, 2023, the company's share capital amounts to €1,503,601,175 represented by 300,720,235 shares each with a par value of €5.

(in millions of euros)	JANUARY 1, 2023	APPROPRIATION OF 2022 NET INCOME ⁽¹⁾	2023 NET INCOME	SHARE CANCELLED ⁽²⁾	RESERVES REALLOCATION ^{(3) (4)}	DECEMBER 31, 2023
Share capital	1,517.1	—	—	(17.7)	4.2	1,503.6
Share premium	1,015.8	(362.3)	—	(57.7)	(6.8)	589.0
Legal reserve	71.0	—	—	—	—	71.0
Non-distributable reserve	27.6	—	—	—	2.5	30.1
Retained earnings	(53.2)	22.8	—	—	—	(30.5)
Net income for the year	22.8	(22.8)	428.9	—	—	428.9
Total equity	2,601.0	(362.3)	428.9	(75.4)	—	2,592.2

- (1) The Annual shareholders meeting held on April 20, 2023 decided the distribution of €362.3 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, 3,543,006 million of shares were repurchased for a total amount of €75.4 million in 2023 and were then cancelled.
(3) Share capital was increased by €4.2 million following the issuance of 849,976 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 2023.

4.5. Provisions

(in millions of euros)	AMOUNT AS OF DECEMBER 31, 2022	INCREASE	AMOUNT USED	AMOUNT AS OF DECEMBER 31, 2023
Provisions on own shares ⁽¹⁾	4.8	28.1	(10.4)	22.6
Other provisions	1.0	—	—	1.0
Total provisions	5.8	28.1	(10.4)	23.6

- (1) The increase is related to the 2023 purchase of own-shares held to serve free share plans (see note 4.3).

4.6. Liabilities

Liabilities are detailed as follows:

(in millions of euros)		AS OF DECEMBER 31, 2023	AS OF DECEMBER 31, 2022
Senior notes	4.6.1	1,408.3	1,001.9
Commercial paper	4.6.2	85.1	45.0
Other financial debt	4.6.3	57.8	12.2
Trade accounts payable		2.8	3.0
Other operating liabilities		6.8	4.7
Total		1,560.7	1,066.8

Maturity of those liabilities are presented as follows:

(in millions of euros)		AS OF DECEMBER 31, 2023	DUE WITHIN ONE YEAR	DUE FROM ONE TO FIVE YEARS	DUE THEREAFTER
Senior notes	4.6.1	1,408.3	8.3	1,000.0	400.0
Commercial paper	4.6.2	85.1	85.1	—	—
Other financial debt	4.6.3	57.8	7.8	50.0	—
Trade accounts payable		2.8	2.8	—	—
Other operating liabilities		6.8	6.8	—	—
Total		1,560.7	110.7	1,050.0	400.0

4.6.1. Senior Notes

€400 million senior sustainability-linked notes due 2030

On September 13, 2023, Rexel issued €400 million of unsecured senior sustainability-linked notes. The notes were issued at 100% of their nominal amount and bear interest at 5.25% 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 March 15 and September 15, starting from March 15, 2024.

The notes mature on September 15, 2030 and are listed on the Luxembourg Stock Exchange.

The notes are redeemable in whole or in part at any time prior to December 15, 2026 at a redemption price equal to 100% of their principal amount, plus a "make-whole" premium and accrued and unpaid interest.

On or after September 15, 2026, 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
September 15, 2026	102.625%	102.750%
September 15, 2027	101.313%	101.375%
September 15, 2028 and after	100.000%	100.000%

The senior notes are subjected to sustainability performance targets:

- a 45% reduction in greenhouse gas emissions related to the consumption of products sold, per euro of turnover (Scope 3) by December 31, 2025 from a 2016 baseline; and
- a 38% reduction in greenhouse gas emissions related to energy consumption (Scopes 1 & 2) in its operations by December 31, 2025 from a 2016 baseline.

The interest rate of the Notes shall be increased by 25 basis points to 5.50% per annum from September 15, 2026, if the Group does not achieve one of the above targets.

As of December 31, 2023, the Group considers that these sustainability performance targets will be achieved.

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%

€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.

€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%

The senior notes issued on May 2021 and November 2021 were both 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 (Scopes 1 & 2) in its operations by December 31, 2023 from a 2016 baseline.

The interest rate of the Notes would have increased by 25 basis points to 2.375% per annum from June 15, 2024, if the Group did not achieve one of the above targets.

As of December 31, 2023, the Group reached the above sustainability performance targets.

Senior Facility Agreement

On January 23, 2024, Rexel early terminated its €850 million revolving credit facility agreement, initially dated March 15, 2013, subsequently amended – the latest being dated June 29, 2023 and expiring on January 31, 2025.

Concurrently, Rexel entered into a new revolving credit facility agreement for an aggregate amount of €700 million with BNP Paribas, Crédit Agricole Corporate and Investment Bank, Crédit Industriel et Commercial, HSBC Continental Europe, ING Bank

N.V. French Branch, Natixis and Société Générale as mandated lead arrangers and bookrunners. This facility expires on January 22, 2029 and can be extended by one or two years at the option of Rexel.

Interest and margin

This facility bears interest at a rate in reference to (i) Euribor, (ii) a margin ranging from 0.30% to 1.40% depending on Rexel's rating and (iii) other costs such as commitment or utilization fee.

Leverage ratio

This facility is subject to a covenant based on the ratio of (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 €36.2 million (US\$ 40.0 million) which matures in June 2024.

As of December 31, 2023, all these credit facilities were undrawn.

4.6.2. 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.

Starting in 2023, Rexel runs a €100 million medium term notes, with fixed maturities of at least twelve months.

These programs aim to diversify its investor base and minimize the cost of financing.

As of December 31, 2023, under these programs, €85.0 million were outstanding (€45.0 million in 2022).

4.6.3. Other financial borrowings

As of December 31, 2023, other financial debts are detailed as follows:

<i>(in millions of euros)</i>	AS OF DECEMBER 31, 2023	AS OF DECEMBER 31, 2022
Intercompany long-term debt	7.0	7.0
Other financial debt ⁽¹⁾	50.8	—
Tax group debt	—	4.0
Current accounts Rexel Développement	0.1	1.2
Total	57.8	12.2

(1) €50 million loan taken out with ICBC bank in September 2023. It matures in September 2026 and pays variable interests.

4.7. 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, 2023, the outstanding hedge contracts were as follows:

■ Interest rate swaps

Type of contract	MATURITY	NOTIONAL AMOUNTS (IN MILLIONS OF EUROS)	FAIR VALUE (IN MILLIONS OF EUROS)
Interest rate swap paying EURIBOR 3 months	2028	300,0 EUR	(30.0)

These interest rate swaps are hedging interests on senior notes (see 4.6.1).

4.8. Payables and receivables to / from related companies

Related companies are direct and indirect Rexel subsidiaries.

As of December 31, 2023, balances with related companies were as follows:

(in millions of euros)

ASSETS		LIABILITIES	
Investments in related companies	3,265.4	Other financial debt	6.6
Net Loans and other long-term financial assets	—	Trade accounts payable	1.8
Trade accounts receivable	2.3		
Other accounts receivable	316.1		
EXPENSES		INCOME	
Operating expenses	18.7	Operating income	2.0
Financial expenses	10.5	Financial income	484.9
		Income tax	98.3

Transactions with related parties are entered into on arm's length terms.

Note 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, 2023 were as follows:

Plan	2020	2021	2022	2023		
Grant date	09/28/2020	04/22/2021	10/20/2021	04/21/2022	04/20/2023	12/15/2023
Delivery date	09/29/2023	04/23/2024	10/21/2024	04/22/2025	04/21/2026	12/15/2026
Adjusted number of shares granted⁽¹⁾	1,608,555	1,928,625	53,450	1,931,440	2,115,712	55,000
Number of shares delivered since the origin	(1,405,940)	—	—	—	—	—
Number of shares cancelled since the origin	(202,615)	(255,490)	(1,350)	(235,230)	(94,180)	—
Total maximum number of shares granted at December 31, 2023	—	1,673,135	52,100	1,696,210	2,021,532	55,000

(1) The number of bonus shares have been adjusted as a result of share premium distribution effective after grant date.

5.3. Contingent liabilities

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. This decision was a step in the procedure which in no way prejudices Rexel's guilt.

On October 26, 2023, the French Competition Authority's investigation services sent Rexel a report maintaining the objections notified to Rexel and refers to its press release on fines to list the various variables for a possible sanction. The multiplicity of variables used and the leeway of the Authority's College in this matter make it impossible at this stage to assess a possible amount of sanction. Furthermore, on January 10, 2024, Rexel submitted observations in response to this report, firmly maintaining its position that the special price agreement mechanism does not constitute an agreement with the supplier that intends to fix or has the effect of fixing Rexel's resale prices.

5.4. Off-balance sheet commitments

As part of the Group cash pooling agreement, Rexel SA has provided a guarantee for the obligations of Rexel Développement SAS up to a maximum amounts of €20.0 million.

5.5. Subsequent events

At the presentation date of the financial statements there have been no subsequent events other than the execution, on January 23, 2024, of a new

revolving credit facility agreement (see note 4.6.1) 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, 2023

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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Statutory Auditors' report on the financial statements

For the year ended December 31, 2023

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, 2023.

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, 2023 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 and Risk Committee.

5

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, 2023 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.821-53 and R.821-120 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 of December 31, 2023, investments in related companies are recorded in the balance sheet at a net carrying amount of €3,265.4 million, represent approximately 78% 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 or the 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 D.441-6 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 purchase of investments and controlling interests and 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, 2023, PricewaterhouseCoopers Audit was in the 12th year of total uninterrupted engagement and KPMG S.A. in the 8th 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 and Risk 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 L.821-55 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 and Risk Committee

We submit a report to the Audit and Risk 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 and Risk 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 and Risk 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.821-27 to L.821-34 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 15, 2024

The Statutory Auditors

PricewaterhouseCoopers Audit
Pierre Clavié

KPMG S.A.
Éric Jacquet

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6

**Combined
Shareholders'
Meeting of
April 30, 2024**



6 Combined Shareholders' Meeting of April 30, 2024



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6.1 Report of the Board of Directors to the Combined Shareholders' Meeting of April 30, 2024

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 30, 2024 at 10:30 a.m. at 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 world's leading distributors of low- and ultra-low voltage electrical supplies by 2023, in terms of sales and number of branches. As of December 31, 2023, it operated in 19 countries, mainly in three geographic regions: Europe, North America and Asia-Pacific.

The Rexel Group serves three end-markets in which it supplies electrical equipment. It is involved in construction, extension, renovation and upgrading projects:

- the residential market, which includes homes, complexes, Real Estate Assets and public housing;
- the tertiary market, which encompasses stores, healthcare establishments, schools, offices, hotels, public facilities as well as energy power plants, public networks and transport infrastructures; and
- the industrial market, which includes factories and other industrial sites.

For the financial year ended December 31, 2023, the Group's performance is as follows:

- sales totaled €19,153.4 million, up 4.3% like-for-like and on a constant-day basis;
- the increase in Adjusted EBITA was 6.8%, with Adjusted EBITA of €1,300.1 million;
- indebtedness ratio improved by 1.33x basis points; and
- free cash flow before interest and tax conversion is 74% (calculated on EBITDA_{Adj}).

The Group's net income for 2023 is a profit of €774.7 million, and a recurring net income is down by 9.7%.

A dividend distribution of €1.20 per share is submitted for shareholder approval.

Details of the Company's course of business and financial position for the financial year ended December 31, 2023 are provided in the Company's 2023 universal registration document.

2. Resolutions 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 for shareholder approval the Company's annual and consolidated financial statements for the financial year ended December 31, 2023, as approved by the Board of Directors.

The financial statements show a profit of €428,897,364.84.

The consolidated financial statements show a profit of €774.7 million.

Pursuant to the provisions of Article 223 quater of the French General Tax Code, the first resolution also submits for shareholder approval the amount of charges and expenses referred to in Article 39-4 of the French General Tax Code, which are not deductible from income. For the financial year

ended December 31, 2023, these charges and expenses amounted to €13,134.30 in the previous financial year, corresponding to corporation tax of €3,391.86 in corporation tax. These expenses and

charges correspond to the excess depreciation portion (non-deductible portion of lease payments for leased vehicles).

We invite you to approve these resolutions.

2.2 Allocation of results, distribution of a dividend of 1.20 euro per share (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, 2023 and the following distribution:

Origin of amounts to be allocated:

- | | |
|---|------------------|
| • Results for the financial year 2023 | €428,897,364.84 |
| • Previous carry forward at December 31, 2023 | €(30,456,514.28) |

Total	€398,440,850.56
--------------	------------------------

Assignment:

- | | |
|--------------------------------|-----------------|
| • To the legal reserve (5%) | €19,922,042.53 |
| • To the dividend distribution | €357,488,686.80 |
| • Carried forward | €21,030,121.23 |

Total	€398,440,850.56
--------------	------------------------

It is proposed to pay to each of the shares comprising the share capital and conferring rights to distribution, an amount of €1.20.

The right to this distribution will be detached from the share on May 15, 2024 and the distribution will be paid on May 17, 2024.

The total distribution of €357,488,686.80 will have been determined on the basis of a number of shares making up the share capital of 300,720,234 shares at December 31, 2023 and a number of shares held by the Company of 2,812,996 shares at that same date and will be adjusted to take into account the number of shares held by the Company on the payment date of the distribution

and, if applicable, to take into account the new shares granting rights to distribution issued in the event of definitive acquisition of free shares.

Prior to the payment of the distribution, the Board of Directors or, by delegation, the Chief Executive Officer, will ascertain the number of shares held by the Company as well as the number of additional shares that will have been issued due to the definitive acquisition of free shares. The amounts necessary for the payment of the distribution attached to the shares issued during this period will be deducted from the carried forward account.

In the event of a sale of shares between the date of the Shareholders' Meeting and the payment date, distribution rights will be acquired by the shareholder owning the shares on the day before the detachment date.

The proposed distribution is in line with Rexel's policy of distributing at least 40% of its recurring net profit, reflecting the Rexel group's confidence in its structural ability to generate significant cash flow throughout the cycle.

Shareholders are also informed that, subject to possible adjustments related to the variations referred to in the above paragraphs, the distribution of 1.20 euro per share will be treated for tax purposes as income from movable property taxable, for individual shareholders resident in France, at the flat rate of 12.8%.

If the shareholder so chooses, dividends may be subject to the progressive income tax scale, in which case they will be eligible for a 40% allowance under article 158-3-2 of the French General Tax Code. In any event, shareholders are shareholders are advised to consult their usual tax advisor to review their specific situation.

For the last three financial years, the amounts distributed to shareholders were as follows:

	2022	2021	2020
Amount distributed per share	€1.20 ⁽¹⁾	€0.75 ⁽¹⁾	€0.46 ⁽¹⁾
Number of shares eligible	303,413,265	306,749,312	303,276,624
Total distribution	€363,429,429.6	€230,061,984	€139,507,247.04

(1) Amount(s) eligible for the 40% tax allowance available to individuals domiciled in France for tax purposes, as indicated in article 158-3-2° of the French General Tax Code.

We invite you to approve this resolution.

2.3 Related-party agreements (fourth resolution)

The fourth resolution concerns the approval of agreements governed by Articles L.225-38 *et seq.* of the French Commercial Code, *i.e.* "related-party" agreements that have been 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 have been the subject of a report by the Company's Statutory Auditors and are subject to approval by the Company's Shareholders' Meeting.

New related-party agreement(s)

During the financial year ended December 31, 2023, no new related-party agreements were entered into.

Agreements continuing into the financial year ended December 31, 2023

During the financial year ended December 31, 2023, no agreements entered into in prior years continued.

We therefore invite you to approve this resolution.

2.4 Approval of the compensation policy applicable to the Chairman of the Board of Directors, the Directors and the Chief Executive Officer for the 2024 financial year, as referred to in 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 applicable to the Chairman of the Board of Directors, the Directors and the Chief Executive Officer is described in section 3.2.1. "Compensation policy applicable to corporate officers for financial year 2024 submitted for shareholder approval (article L.22-10-8 of the French Commercial Code)" of the Company's universal registration document for the financial year ended December 31, 2023.

This paragraph outlines the principles of the Group's compensation policy, as well as the principles and criteria for determining, allocating and granting the various items of compensation, currently defined by function.

We invite you to approve the compensation policy applicable to the Chairman of the Board of Directors, the Directors and the Chief Executive Officer for the 2024 financial year.

2.5 Approval of the information required under article L.22-10-9, I of the French Commercial Code for the financial year ended December 31, 2023 (eighth resolution)

Pursuant to Article L.22-10-34, I of the French Commercial Code, the eighth resolution submits for shareholder approval the information referred to in Article L.22-10-9, I of the French Commercial Code for the financial year ended December 31, 2023.

In particular, this information concerns compensation (fixed, variable and exceptional), benefits of any kind, share allotment plans, severance pay, non-compete commitments and pension and similar commitments.

The above information is detailed in paragraph 3.2.2 "Compensation of corporate officers for financial year 2023 (Articles L.22-10-9, I and L.22-10-34 II, of the French Commercial Code)"

of the Company's universal registration document for the financial year ended December 31, 2023.

We invite you to approve this resolution.

2.6 Approval of the fixed, variable and exceptional items of the total compensation and benefits of any kind paid or granted in respect of the financial year ended December 31, 2023 to executive corporate officers (ninth to eleventh resolutions)

Pursuant to Article L.22-10-34, II of the French Commercial Code, the ninth, tenth and eleventh resolutions submit for shareholder approval the fixed, variable and exceptional items of total compensation and benefits of any kind paid or granted in respect of the financial year ended December 31, 2023 to Mr. Ian Meakins, Chairman of the Board of Directors until August 31, 2023, to Mrs. Agnès Touraine, Chairwoman of the Board of Directors from September 1, 2023, and to Mr. Guillaume Texier, Chief Executive Officer.

The compensation items concerned are: (i) the fixed portion, (ii) the annual variable portion and, where applicable, the multi-year variable portion with the objectives contributing to the determination of this variable portion, (iii) exceptional compensation and (iv) benefits of any kind.

The compensation items referred to above are detailed in paragraph 3.2.2 "Compensation of corporate officers for the 2023 financial year (Articles L.22-10-9, I and L.22-10-34, II of the French Commercial Code)" of the Company's universal registration document for the financial year ended December 31, 2023, and are set out below.

We invite you to approve the compensation package for the financial year ended December 31, 2023 for Mr. Ian Meakins, Chairman of the Board of Directors until August 31, 2023, for Mrs. Agnès Touraine, Chairwoman of the Board of Directors from September 1, 2023, and for Guillaume Texier, Chief Executive Officer.

2.7 Appointment and renewal of Directors' terms of office (twelfth to fourteenth resolutions)

2.7.1 Appointment of Éric Labaye as Director (twelfth resolution)

The twelfth resolution asks shareholders to approve the appointment of Éric Labaye as a director of the Company.

This appointment would be for a term of four years and would expire at the end of the Ordinary General Meeting called to approve the financial

statements for the year ending December 31, 2027, to be held in 2028.

Éric Labaye fulfils the conditions to qualify as an independent director and has expertise in strategy and innovation.

Details of the duties of Éric Labaye are shown below:

ÉRIC LABAYE

(62 years old)	Professional address: IDEL Partners 176, avenue Charles de Gaulle 92200 Neuilly sur Seine	Number of Rexel shares held: 0
Experience and expertise <p>Éric Labaye is a French citizen. He is Chairman and co-founder of IDEL Partners, a consulting firm specialized in business transformation.</p> <p>From 2018 to 2023, Éric Labaye was Chairman and President of École Polytechnique, as well as of Institut Polytechnique de Paris from its creation in 2019.</p> <p>Previously, he was a Senior Partner at McKinsey, which he joined in 1985, serving international companies in the high-tech and industrial sectors. Éric Labaye was Managing Partner of the French office, member of the Global Executive Committee in charge of Knowledge and Communication, and Chairman of the McKinsey Global Institute (MGI). He was also a member of McKinsey's Global Board of Directors for 9 years.</p> <p>He is a member of the Board of Directors of Generation France, of the International Advisory Board of ESSEC, the International Advisory Board of the University of Waterloo and the Strategic Council of the School of Public Affairs at Sciences Po. He was a member of the Commission "Release growth in France" and the French Economic Commission.</p> <p>Éric Labaye is a graduate of École Polytechnique and Télécom Paris, and holds an MBA from INSEAD.</p>	Term of office <p><i>First appointment:</i> N/A</p> <p><i>Current term of office:</i> N/A</p>	Titles and other duties exercised in French and foreign companies during the last five financial years <p><i>Titles and duties within the Rexel Group:</i></p> <p>Current:</p> <p><i>In France</i></p> <p>–</p> <p><i>Abroad</i></p> <p>–</p> <p>Over the last five financial years:</p> <p><i>In France</i></p> <p>–</p> <p><i>Abroad</i></p> <p>–</p>
		<p><i>Titles and duties outside the Rexel Group:</i></p> <p>Current:</p> <p><i>In France</i></p> <ul style="list-style-type: none"> Chairman and co-founder at IDEL Partners Member of the board of Generation France (France, association – unlisted) <p><i>Abroad</i></p> <p>–</p> <p>Over the last five financial years:</p> <p><i>In France</i></p> <ul style="list-style-type: none"> Chairman and President at Institut Polytechnique de Paris Chairman and President at École Polytechnique <p><i>Abroad</i></p> <p>–</p>

We invite you to approve this resolution.

2.7.2 Appointment of Catherine Vandendorre as director (thirteenth resolution)

The thirteenth resolution submits for shareholder approval the appointment of Catherine Vandendorre as director. The term of office would be four years, until the Shareholders' Meeting called to approve the financial statements for the financial year ending December 31, 2027, to be held in 2028.

Catherine Vandendorre fulfils the conditions to qualify as an independent and has expertise in the electricity sector, finance, strategic planning, and business development.

Details of the duties of Catherine Vandendorre are shown below:

CATHERINE VANDENDORRE

(53 years old)

Professional address:

Clos du Champ de Bourgeois, 11
1330 Rixensart, Belgium

Number of Rexel shares held:

0

Experience and expertise

Catherine Vandendorre is a Belgian citizen. She started her career at Coopers & Lybrand in 1993 in the Auditing Department. She then joined the Office Central de Cr dit Hypoth caire as Controller in the banking sector.

In 1999, Catherine Vandendorre joined Elia Group, where she successively held the positions of Head of Accounting and Finance and Head of Internal Audit and Programme Management. In 2005, she became Chief Executive Officer of Belpex. Previously she has been member of the Executive Committee of APX-ENDEX, an Anglo-Dutch gas and electricity company based in Amsterdam.

Catherine Vandendorre returned in 2012 to Elia Group as Chief Corporate Affairs, then Chief Financial Officer, and finally Chief Executive Officer Ad Interim, a position she has held since September 2023.

Catherine Vandendorre is a graduate of the Universit  Catholique of Louvain, the  cole Sup rieure des Sciences Fiscales of Bruxelles, the Universit  Saint-Louis of Bruxelles, Insead and Singularity 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

- Chief Executive Officer Ad Interim of Elia Group (Belgium – listed company)

- Chairwoman of the Audit Committee and Independent Director of Proximus (Belgium – listed company)

Over the last five financial years:

In France

–

Abroad

- Chief Financial Officer of Elia Group (Belgium – listed company)

- Independent Director of SN Airholding (Belgium – non-listed company)

We invite you to approve this resolution.

2.7.3 Renewal of Brigitte Cantaloube's term of office (fourteenth resolution)

Brigitte Cantaloube's term of office will expire at the close of the Shareholders' Meeting.

Consequently, the fourteenth resolution submits for shareholder approval the renewal of Brigitte Cantaloube's term of office as director. This renewal would be for a term of four years, until the Shareholders' Meeting called to approve the

financial statements for the financial year ending December 31, 2027, to be held in 2028.

The renewal of Brigitte Cantaloube is proposed as she is an independent director and in view of her expertise and involvement in the Company's various governance bodies.

Details of the duties of Brigitte Cantaloube are shown below:

BRIGITTE CANTALOUBE

(56 years old)

Professional address:

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

Number of Rexel shares held:

1,800

Experience and expertise

Director, Chairwoman of the Remuneration Committee, member of the Appointment, Governance and CSR 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 duties as Director 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. She had previously occupied various executive positions within Yahoo! Group, in particular, Vice-President and Commercial Director in charge of EMEA, 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 at L'Expansion group (1992-2006) where she held a number of executive positions and notably Sales Director in charge of *La Vie Financière* magazine (1996-1999), Partnerships and Marketing of the Internet department (2000-2002), and Commercial Director of L'Express (2003-2006).

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
- Chairwoman of Rexel's Remuneration Committee
- Member of Rexel's Appointment, Governance and CSR Committee

Abroad

–

Over the last five financial years:

In France

- Member of Rexel's Audit and Risk Committee

Abroad

–

Titles and duties outside the Rexel Group:

Current:

In France

–

Abroad

–

Over the last five financial years:

In France

–

Abroad

–

We invite you to approve this resolution.

2.8 Audit and certification of sustainability information

2.8.1 Reappointment of PricewaterhouseCoopers Audit as Statutory Auditors (fifteenth resolution)

PricewaterhouseCoopers Audit's term of office as Statutory Auditor expires at the close of the Shareholders' Meeting.

The fifteenth resolution therefore submits for shareholder approval the reappointment of PricewaterhouseCoopers Audit as Statutory Auditors for a term of six financial years, until the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2029, to be held in 2030.

PricewaterhouseCoopers Audit was initially appointed as Statutory Auditor by the Shareholders' Meeting of May 16, 2012.

The decision to submit the reappointment of PricewaterhouseCoopers Audit to the

Shareholders' Meeting for approval was taken by the Board of Directors on the recommendation of the Audit and Risks Committee. In reaching its decision to renew the appointment of PricewaterhouseCoopers Audit as Statutory Auditor, the Board of Directors took particular account of the very positive internal feedback on PricewaterhouseCoopers Audit's works, the pre-selection of a new team to ensure a smooth transition, the planned rotation of audit processes with KPMG SA, and PricewaterhouseCoopers Audit's use of best audit techniques.

PricewaterhouseCoopers Audit is a member of the Compagnie Régionale des Commissaires aux Comptes de Versailles.

We invite you to approve this resolution.

2.8.2 Appointment of PricewaterhouseCoopers Audit and KPMG SA as auditors in charge of the certification of sustainability information (sixteenth and seventeenth resolutions)

The sixteenth and seventeenth resolutions propose that the Shareholders' Meeting appoint PricewaterhouseCoopers Audit and KPMG SA, the Company's current Statutory Auditors, as Statutory Auditors in charge of certifying sustainability information, in accordance with European Directive no. 2022/2464 of December 14, 2022 on the publication of sustainability information by companies.

It is proposed that the Shareholders' Meeting appoint PricewaterhouseCoopers Audit as Statutory Auditor in charge of certifying sustainability information for the entire duration of its term of office as Statutory Auditor, should this term of office be renewed if the fifteenth resolution proposed to the Shareholders' Meeting is adopted, *i.e.* for a term of office of six financial years expiring at the Shareholders' Meeting

called to approve the financial statements for the financial year ending December 31, 2029, to be held in 2030. KPMG SA was initially appointed as statutory auditor for an term of six financial years by Rexel's shareholders' meeting of May 25, 2016 renewed by the Shareholders' Meeting of April 21, 2022, which will expire at the end of the shareholders' meeting called to approve the financial statements for the financial year ending December 31, 2027. It is proposed that the General Meeting appoints KPMG SA as Statutory Auditor in charge of certifying sustainability information for the remainder of its term of office as Statutory Auditor, *i.e.* for a term of four financial years, which will expire at the end of the General Meeting called to approve the financial statements for the year ending December 31, 2027, to be held in 2028.

We invite you to approve these resolutions.

2.9 Authorization to trade in the Company's shares (eighteenth resolution)

The eighteenth resolution proposes that the Shareholders' Meeting authorize the Board of Directors to repurchase the Company's shares

within the limits determined by the Company's shareholders and in accordance with legal and regulatory provisions.

In particular, the authorization may be used (i) to ensure market liquidity, (ii) to meet obligations relating to share subscription option grants, bonus share grants or other grants, allocations or sales of shares to employees or corporate officers of the Company or an associated company, and to carry out any hedging transactions relating to such transactions, under the conditions stipulated by the market authorities and at the times when the Board of Directors or the person acting on behalf of the Board of Directors acts, (iii) to cover commitments in respect of rights with cash settlement based on a positive change in the Rexel share price granted to employees and corporate officers of the Company or an associated company, (iv) to retain and subsequently deliver shares in the Company in exchange or as payment in connection with external growth transactions, the delivery of shares in connection with external growth transactions, (v) the delivery of shares on the exercise of rights attached to securities, (vi) the cancellation of all or part of the shares repurchased, and (vii) the implementation of any other practice that is or may become permitted or

recognized by law or by the AMF, or any other purpose that complies with applicable regulations.

The authorization that may be granted to the Board of Directors includes restrictions on the maximum repurchase price (€35), the maximum amount allocated to the repurchase plan (€250 million), and the number of shares that may be repurchased (10% of the Company's share capital at the time of purchase) or used in connection with an external growth transaction (5% of the Company's share capital). In addition, the Company may not at any time hold more than 10% of its share capital.

The Board of Directors may not, without the prior authorization of the Shareholders' Meeting, continue to implement its share repurchase plan from the time a third party makes a public offer for the Company's shares until the end of the offer period.

This authorization would be granted for a period of 18 months and would cancel the unused portion of the authorization previously granted.

We invite you to approve this resolution.

3. Resolutions submitted to the Extraordinary Shareholders' Meeting

3.1 Authorization to be granted to the Board of Directors to reduce share capital by canceling shares (nineteenth resolution)

We propose that you authorize the Board of Directors to reduce share capital by cancelling all or part of the shares acquired under any share repurchase plan authorized by the Company's Shareholders' Meeting for this purpose.

Reductions in share capital carried out by the Board of Directors under this authorization would be

limited to 10% of the Company's share capital at the date of cancellation for periods of 24 months.

This authorization would be granted for a period of 18 months.

We invite you to approve this resolution.

3.2 Financial authorizations (twentieth to twenty-third resolutions)

The Company's Shareholders' Meeting regularly grants the Board of Directors the necessary authority or powers to issue ordinary shares and/or securities, with upholding or cancellation of shareholders' preferential subscription rights, in order to meet the Rexel Group's financing requirements.

Accordingly, the Extraordinary Shareholders' Meetings of April 21, 2022 and April 20, 2023 granted the Board of Directors the delegations of authority and authorizations shown in the table attached as Annex 1 to this report, it being noted that said table specifies the cases and conditions in which some of these delegations and authorizations were used.

We remind you that in the event of the issuance of ordinary shares and/or securities, the Company intends to give preference to transactions with shareholders' preferential subscription rights.

However, special circumstances may justify the waiver of shareholders' preferential subscription rights, in line with their interests. For example, the Company could seize opportunities offered by the financial markets, particularly in view of their current situation.

The Company could also involve the Rexel group's employees in its development, in particular through an issuance of securities reserved for them or the allocation of free shares. The Company could issue securities underlying securities issued by the Company or subsidiaries of the Rexel group. The waiver of preferential subscription rights would also allow the Company to carry out public exchange offerings or acquisitions paid for entirely in securities. Lastly, the issuance of securities could be used to compensate contributions in kind of financial securities that are not traded on a regulated or equivalent market.

These delegations and authorizations may not be used during a public tender offer for the Company's shares initiated by a third party, except with the prior authorization of the Shareholders' Meeting.

This restriction would not apply to share issuances reserved for employees or free share issuances.

We also remind you that the maximum amount of all capital increases (excluding capital increases through the capitalization of premiums, reserves, profits or other amounts, and excluding bonus share issues) would be €720 million, or 144 million shares, representing approximately 47.2% of the Company's share capital and voting rights. The maximum amount of all capital increases with cancellation of the preferential subscription right (excluding capital increases reserved for employees or bonus share issues) would be €140 million, or 28 million shares, representing approximately 9.17% of the Company's share capital and voting rights. In addition, the maximum amount of debt securities that may be issued may not exceed €1 billion or the equivalent value in euros of this amount on the date of the decision to issue.

The Board of Directors wishes to submit to the vote of shareholders the renewal of authorizations to issue financial securities to the Group's corporate officers and employees, in connection with employee shareholding plans or free share issues. The draft resolutions submitted to the vote of the Shareholders' Meeting concerning financial authorizations are set out below.

3.2.1 Share capital increases reserved for employees, with cancellation of the preferential subscription right for members of employee savings plans (twentieth resolution)

The purpose of the twentieth resolution is to authorize the Board of Directors to issue shares with cancellation of the preferential subscription rights for the benefit of Rexel Group employees who are members of a company or group savings plan set up jointly by the Company and its French or foreign affiliates under the terms of Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labor Code.

The issues would concern ordinary shares, securities that are equity securities conferring immediate or future access to other equity securities or conferring immediate or future entitlement to the allotment of debt securities and/or securities conferring immediate or future access to equity securities to be issued.

This authorization would be limited to 2% of the Company's share capital. The amount of issues carried out under this authorization, as well as under the twenty-second resolution of the Extraordinary Shareholders' Meeting of April 20, 2023 or any resolution replacing it (in particular the twenty-first resolution of this Shareholders' Meeting if adopted), may not exceed a limit of 2% of the Company's share capital. This limit would be deducted from the overall limit determined in the sixteenth resolution of the Extraordinary Shareholders' Meeting of April 20, 2023, or in any resolution that may replace it.

The subscription price(s) will be determined by the Board of Directors in accordance with Articles L.3332-19 *et seq.* of the French Labor Code.

Consequently, in the case of shares already listed on a regulated market, the subscription price may not exceed the average of the market prices over the twenty trading days preceding the date of the decision setting the opening date of the subscription period. In addition, the subscription price may not be more than 30% below this average.

In addition, pursuant to the provisions of Article L3332-21 of the French Labor Code, the Board of Directors may provide for the allocation of shares to be issued or existing, or other securities

conferring access to the Company's share capital to be issued or existing, in respect of (i) the matching contribution that may be paid in accordance with the regulations governing company or group savings plans, and/or (ii) the discount, if any. This authorization would be granted for a period of 26 months and would supersede, as from the date of the Shareholders' Meeting, the unused portion, if any, of the authorization granted by the twenty-first resolution of the Shareholders' Meeting of April 20, 2023.

We invite you to approve this resolution.

3.2.2 Issuance of shares reserved for certain categories of beneficiaries to allow employee shareholding transactions to be carried out, with cancellation of the preferential subscription right (twenty-first resolution)

The purpose of the twenty-first resolution is to grant the Board of Directors an authorization to increase the share capital by issuing shares with cancellation of the preferential subscription right for the benefit of the categories of beneficiaries listed in the resolution (employees of non-French companies in the Rexel Group and intermediaries who may act on their behalf) in order to allow such employees to benefit from shareholding or employee savings schemes that are equivalent or similar in terms of economic advantage to those that would be available to other employees of the Rexel Group under the twentieth resolution of the Extraordinary Shareholders' Meeting of April 20, 2023 or any successor resolution (in particular the twentieth resolution of this Shareholders' Meeting if adopted) and to benefit, a more favorable legal and tax framework than that of the aforementioned resolution.

The issuances would concern ordinary shares, securities that are equity securities conferring access to other equity securities or giving the right to the allocation of debt securities and/or securities conferring access, immediately or in the future, to equity securities to be issued.

This authorization would be limited to 1% of the Company's share capital. The amount of the issues carried out under this resolution and the twenty-first resolution of the Extraordinary Shareholders' Meeting of April 20, 2023, or any resolution replacing it (in particular the twentieth resolution of this Shareholders' Meeting if adopted), may not exceed a maximum of 2% of the Company's share capital. This limit would be deducted from the limit

determined in the sixteenth resolution of the Extraordinary Shareholders' Meeting of April 20, 2023, or any similar resolution that may replace it.

The subscription price(s) may be determined on the same terms as those set out in article L3332-19 of the French Labor Code, with the discount amounting to a maximum of 30% of the average of the prices quoted over the twenty trading days preceding the date of the decision setting the opening date for subscriptions. The Board of Directors may reduce or cancel the discount thus granted, if it deems this appropriate, in particular to take into account, *inter alia*, applicable regulations in the countries concerned.

The subscription price may also, in accordance with local regulations applicable to the Share Incentive Plan that may be offered under UK legislation or a plan governed by US law based on Rule 423 of the Internal Revenue Code, be equal to the lower of (i) the share price on the Euronext regulated market in Paris at the start of the plan's reference period, which may not exceed 12 months, and (ii) a price recorded after the close of this period within a period determined in application of the said regulations.

In this case, the price will be determined at no discount to the retained share price.

This authorization would be granted for a period of 18 months and would render ineffectual, as from the date of the Shareholders' Meeting, the delegation granted by the Shareholders' Meeting of April 20, 2023 in its twenty-second resolution.

We invite you to approve this resolution.

3.2.3 Allocation of free shares to employees and officers of the Company and its subsidiaries (twenty-second resolution)

In accordance with the provisions of Articles L.225-129 *et seq.*, L.225-197-1 *et seq.* and L.22-10-59 of the French Commercial Code, the purpose of the twenty-second resolution is to authorize the Board of Directors to grant free of charge existing shares and/or shares to be issued by the Company, on one or more occurrences, to employees and/or officers of the Company and/or companies or groupings that are directly or indirectly related to it under the conditions set out in Article L.225-197-2 of the French Commercial Code, or to certain categories of such employees and/or officers.

The granting of this authorization would allow the Board of Directors to set up share allotment plans for the benefit of corporate officers and employees of the Rexel Group, both in France and abroad. These plans have been part of the Group's compensation policy for many years.

Share allotment plans are an essential instrument for Rexel's development and transformation strategy, which requires major involvement of key personnel to successfully carry out the changes required in a disruptive and highly competitive environment.

By recognizing and rewarding committed teams in all its geographies, Rexel improves its performance and ensures that the skills needed for its development are built up over the long term to strengthen its global presence.

Within an unchanged envelope of shares that can be allocated, Rexel wishes to increase the number of participants and make these allocations benefit a broader and operational population, performers and talents.

All shares allocated to Group officers, Executive Committee members and regional, cluster and country managers will be subject to performance and presence conditions.

For other participants, a portion of the shares may be allocated on a presence-only basis, subject to the limits set out below.

The main terms of the authorization submitted to the Shareholders' Meeting are as follows:

Grant limits

The number of shares that may be granted may not exceed 1.4% of the Company's share capital over a period of 26 months, measured at the time the Board of Directors makes its decision.

This limit of 1.4% of the Company's share capital will include, where applicable, any shares allocated to the Company's corporate officers.

Additional limits apply to corporate officers:

1. The number of shares allocated to corporate officers may not exceed 10% of the total number of shares allocated to all beneficiaries (*i.e.* a maximum of 0.14% of share capital over a period of 26 months); and
2. The annual value of performance shares granted to corporate officers may not exceed 100% of their fixed and variable target compensation for the said financial year. The limit of 1.4% of the Company's share capital for a period of 26 months has been determined on the basis of the number of employees in the Rexel Group, the organization in place and the strategic challenges. This limit is consistent with market practices and with the level of capital consumption of plans granted to Rexel's key populations, *i.e.* an average of around 0.64% of share capital per year.

This policy is therefore stable in terms of the number of shares allocated, and in line with market practice.

The total number of free shares allocated may not exceed 10% of share capital at the date of the Board of Directors' decision to allocate them. For information purposes, the free shares allocated and not yet delivered could give rise to the creation of 5,499,977 new shares, representing 1.83% of Rexel's share capital and voting rights at December 31, 2023.

Terms and conditions

The Board of Directors will make the allotment of all shares subject to a presence condition and to performance conditions for Group corporate officers, Executive Committee members and regional, cluster and country managers.

For the other participants, a portion of the shares may be allocated on the basis of presence alone, it being specified that the total number of shares allocated on the basis of presence alone may not exceed 20% of the number of shares that may be allocated under this resolution (the remainder of the package – i.e. at least 80% of the shares – also remaining subject to performance conditions).

Up to a maximum of 900 shares per beneficiary and per plan, irrespective of the beneficiaries (with the exception of the above-mentioned group of executives), these shares, subject only to the condition of presence, would allow to give greater recognition within the organization to a new population of talented, high-performance employees close to the field, by increasing the number of beneficiaries of the plans through the exclusive allocation of shares subject to presence alone. Eligibility criteria, grant levels and performance measurement are determined each year by the Board of Directors upon recommendation of the Compensation Committee. The performance criteria adopted for the share allotment plans are determined in line with the Group's strategy, and are demanding.

If approved by the Shareholders' Meeting, the 2024 plan would include the following performance criteria:

- Average growth of EBITA 2023-2026
- Average between years 2024, 2025 and 2026 of the free cash flow before interest and taxes/ EBITDAaL ratio
- Relative performance of the Rexel share compared to the SBF 120 GR index
- an ESG index based on 4 criteria to capture the deployment of the ESG roadmap. The 4 criteria making up the ESG index are as follows:
 - reduction of carbon footprint Scopes 1, 2 and 3;

- gender diversity in management bodies;
- reduction in the frequency of workplace accidents; and
- satisfaction survey: high level of recommendation of the Group as a "good place to work" by employees.

Any allocation of shares, with the exception of the maximum 20% envelope as described above, would be subject to the achievement of demanding performance targets adapted to Rexel's current environment. These objectives would be defined in accordance with Rexel's medium-term guidance, as approved by the Board of Directors, the medium-term guidance specifying the Group's objectives for the next three years.

Performance levels relative to internal performance criteria would be assessed at the end of the three-year period, and would correspond to the average annual performance. The level of performance relative to Rexel shares would also be assessed at the end of the three-year period.

The expected level of achievement and the performance achieved will be communicated very precisely *ex-post* in the universal registration document. Financial targets are not communicated *ex-ante*, as this would not protect the company's interests by providing information on its long-term strategy in a highly competitive environment. The stock market objective of the LTI plan is communicated *ex-ante*, as are the objectives of the ESG index as detailed below. The main financial criteria over three years are intended to be more challenging than annual objectives disclosed to the market.

CRITERIA	WEIGHT	TARGET
Reduction of carbon footprint – Scopes 1, 2 and 3	40%	15% 14, %
Percentage of women in leadership positions	20%	32%
Reduction in the frequency of workplace accidents	20%	-15%
Employee satisfaction survey: high level of Group recommendation as a "good place to work"	20%	84%
		= 100%

The performance shares granted on April 21, 2022, on April 20, 2023 and December 13, 2023 on the basis of the authorization granted by the Shareholders' Meeting of April 21, 2022 are summarized below (for further details, please refer to paragraph 3.7.2.6 "Free share grants" of the universal registration document for the financial year ended December 31, 2023):

Number of performance shares granted on April 21, 2022	1,588,140
Number of shares granted on April 21, 2022	343,343,000
Representing a percentage of share capital at December 31, 2023 of	0.64%
Of which corporate officers	
Guillaume Texier (performance shares)	100,000
Number of beneficiaries of performance shares	401
Number of beneficiaries of attendance shares	681
Number of performance shares granted on April 20, 2023	1,715,572
Number of shares granted on April 20, 2023	400,140
Representing a percentage of share capital at December 31, 2023 of	0.67%
Of which corporate officers	
Guillaume Texier (performance shares)	106,000
Number of beneficiaries of performance shares	422
Number of beneficiaries of attendance shares	756
Number of performance shares granted on December 13, 2023	55,000
Representing a percentage of share capital at December 31, 2023 of	0.02%
Of which corporate officers	
Guillaume Texier	-
Number of beneficiaries	6

Acquisition and retention periods

The allocation of shares would only be effective after a minimum vesting period of three years and subject to the employee's presence in the Company.

In addition, the shares may be definitively allotted before the end of the vesting period in the event of the beneficiaries' disability corresponding to classification in the 2nd or 3rd categories provided for in Article L341-4 of the French Social Security Code (or equivalent outside France). The shares would then be freely transferable immediately.

In accordance with Rexel's compensation policy, corporate officers are required to retain at least 20% of the shares acquired under these facilities until they cease to hold office.

Since 2014, Rexel has applied performance criteria measured over a minimum period of three years in order to be in line with market practices.

Term of authorization

The authorization would be granted for a period of 26 months from the date of the Shareholders' Meeting.

All these elements demonstrate the Rexel Group's determination to align itself with the best market practices in terms of performance share grants, and thus meet the expectations of its shareholders in this area.

We invite you to approve this resolution.

3.2.4 Allocation of free shares to employees or corporate officers who subscribe to a Group shareholding plan (twenty-third resolution)

In accordance with the provisions of Articles L225-129 *et seq.*, L225-197-1 *et seq.* and L22-10-59 of the French Commercial Code, the twenty-third resolution is

intended to authorize the Board of Directors to make one or more free allocations of existing shares and/or shares to be issued by the Company, to the benefit

of employees and/or corporate officers of the Company and/or companies or groupings directly or indirectly affiliated to it under the terms of Articles L.225-197-2 of the French Commercial Code, who subscribe to a Group employee shareholding plan that would notably be set up as part of a share capital increase reserved for them, carried out pursuant to the twenty-first resolution of the Extraordinary Shareholders' Meeting of April 20, 2023 or any resolution that may replace it, or as part of a sale of existing shares reserved for members of a Rexel Group savings plan.

The granting of this authorization would allow the Board of Directors to set up plans for the allocation of free shares to employees or corporate officers eligible for an employee shareholding plan who subscribe to such a plan. Indeed, a matching contribution is often granted to people who subscribe to employee shareholding plans, and it may be necessary, particularly in countries other than France, for this matching contribution to take the form of an allotment of free shares.

This tool has been implemented by Rexel in recent years as part of its "Opportunity" plans outside France. This resolution is therefore necessary to ensure continuity in the structuring of its employee shareholding plans.

In such a structure, free shares may be allocated at the time of settlement-delivery of shares subscribed under the shareholding plan, and be delivered subject to a presence condition, for example at the end of a minimum period of 3 years, *i.e.* at a date close to the release date of shares under the Rexel Group savings plan.

In this case, no retention period applies.

It makes sense not to make these shares subject to performance conditions, since they are a benefit linked to the employee's or officer's capital expenditure in the employee shareholding plan.

3.3 Powers to carry out legal formalities (twenty-fourth resolution)

The twenty-fourth resolution concerns the powers to be granted in order to carry out formalities subsequent to the Shareholders' Meeting, in particular filing and publication formalities.

The main terms of the authorization submitted to the Shareholders' Meeting are as follows:

Allocation limits

The number of free shares that may be allotted may not exceed 0.3% of the Company's share capital at the time the Board of Directors makes its decision.

The total number of free shares allocated may not exceed 10% of the share capital at the date of the Board of Directors' decision to allocate them.

Terms and conditions

The Board of Directors would determine the conditions of allocation and, if applicable, the criteria for granting the shares. The Board of Directors would make the allocation of shares subject to a presence condition. It may, however, make exceptions to this condition in very specific cases.

Acquisition and retention periods

The shares would only be granted after a minimum vesting period of three years, with no lock-up period.

In addition, the shares may be definitively allotted before the end of the vesting period in the event of the beneficiaries' disability corresponding to classification in the 2nd or 3rd categories provided for in Article L.341-4 of the French Social Security Code (or equivalent outside France). The shares would then be freely transferable immediately.

Term of authorization

The authorization would be granted for a period of 26 months from the date of the Shareholders' Meeting.

We invite you to approve this resolution.

We invite you to approve this resolution.

Signed in Paris

On February 14, 2024

The Board of Directors

Annex 1

CURRENT AUTHORIZATIONS					PROPOSED RESOLUTIONS FOR THE ANNUAL GENERAL MEETING ON APRIL 30, 2024		
NATURE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (RESOLUTION NO.)	TERM (EXPIRY DATE)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NUMBER	DURATION	CAP
AUTHORIZATIONS SUBJECT TO RENEWAL BY THE SHAREHOLDERS MEETING ON APRIL 30, 2024							
Rexel repurchase of its own shares							
Share repurchase	April 20, 2023 (resolution 14)	18 months (October 20, 2024)	10% of capital at the date of completion Total maximum amount: €250,000,000 Minimum redemption price: €30	Use in the context of the liquidity agreement concluded with Natixis and Oddo for market animation purposes: <ul style="list-style-type: none">Acquisition of 7,745,858 shares at an average price of €21.30; andSale of 7,853,969 shares at an average price of €21.34 Use in the context of agreements concluded with Société Générale on March 16, August 1, and September 8, 2023. The repurchases were made for the purpose of free delivery to employees (amounting to 1,436,806 shares) and for the purpose of share cancellation (amounting to 5,027,864 shares): <ul style="list-style-type: none">Acquisition of 6,464,670 shares at an average price of €20.73	18	18 months (October 30, 2025)	10% of the capital on the date of execution Total maximum amount: €250,000,000 Maximum purchase price: 35€
Capital reduction by cancellation of shares							
Capital reduction by cancellation of shares	April 20, 2023 (resolution 15)	18 months (October 20, 2024)	10% of share capital at the cancellation date for 24-month periods	Cancellation of 3,543,006 shares acquired under the share buyback program	19	18 months (October 30, 2025)	10% of the capital on the cancellation date in periods of 24 months

CURRENT AUTHORIZATIONS					PROPOSED RESOLUTIONS FOR THE ANNUAL GENERAL MEETING ON APRIL 30, 2024		
NATURE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (RESOLUTION NO.)	TERM (EXPIRY DATE)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NUMBER	DURATION	CAP
Employee Share Ownership, Grants of Subscription or Purchase Options, Free Stock Grants							
Issuance with the elimination of the preferential subscription right in favor of participants in a savings plan.	April 20, 2023 (Resolution 21)	26 months (June 20, 2025)	2% of the capital on the day of the Board of Directors' decision. This ceiling would be deducted from the €720 million ceiling provided in the 16 th resolution of the Annual General Meeting on April 20, 2023. This ceiling would be deducted from the 2% ceiling common to the 21 st and 22 nd resolutions of the Annual General Meeting on April 20, 2023. The issuance price would be determined under the conditions provided for in articles L.3332-19 and following of the Labor Code. The maximum discount is set at 30% of the average of the first quoted prices during the twenty trading sessions preceding the day of the Board of Directors' decision setting the subscription opening date.	N/A	20	26 months (June 30, 2026)	2% of the capital on the day of the Board of Directors' decision This ceiling would be deducted from the €720 million ceiling provided in the 16 th resolution of the Annual General Meeting on April 20, 2023 This ceiling would also be deducted from the 2% ceiling common to the 21 st and 22 nd resolutions of the Annual General Meeting on April 20, 2023 The issuance price would be determined under the conditions provided for in articles L.3332-19 and following of the Labor Code. The maximum discount is set at 30% of the average of the first quoted prices during the twenty trading sessions preceding the day of the Board of Directors' decision setting the subscription opening date
Issuance with the elimination of preferential subscription rights reserved for certain categories of beneficiaries to enable the implementation of employee share ownership operations. The categories of beneficiaries include (a) employees and officers of non-French companies affiliated with the Company, (b) UCITS or other employee share ownership entities invested in the Company's securities, (c) banks or their subsidiaries involved in the implementation of an employee share ownership plan, and/or (d) financial institutions appointed within the framework of a Share Incentive Plan	April 20, 2023 (Resolution 22)	18 months (October 20, 2024)	1% of the capital on the day of the Board of Directors' decision. This ceiling would be deducted from the €720 million ceiling provided in the 16 th resolution of the Annual General Meeting on April 20, 2023. This ceiling is deducted from the 2% ceiling common to the 21 st and 22 nd resolutions of the Annual General Meeting on April 20, 2023.	N/A	21	26 months (June 30, 2026)	1% of the capital on the day of the Board of Directors' decision. This ceiling would be deducted from the €720 million ceiling provided in the 16 th resolution of the Annual General Meeting on April 20, 2023.

CURRENT AUTHORIZATIONS					PROPOSED RESOLUTIONS FOR THE ANNUAL GENERAL MEETING ON APRIL 30, 2024		
NATURE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (RESOLUTION NO.)	TERM (EXPIRY DATE)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NUMBER	DURATION	CAP
Free allocation of shares to employees and officers of the Company and its subsidiaries.	April 21, 2022 (Resolution 21)	26 months (June 21, 2024)	1.4% of the capital over a period of 26 months, assessed on the day of the allocation decision by the Board of Directors.	Allocation on April 21, 2022 of 1,931,440 shares corresponding to 9,657,200 euros Allocation on April 20, 2023 of 2,115,712 shares corresponding to 10,578,560 euros Allocation on December 13, 2023 of 55,000 shares corresponding to 275,000 euros	22	26 months (June 30, 2026)	1.4% of the capital over a period of 26 months, assessed on the day of the allocation decision by the Board of Directors.
Free allocation of shares to employees and officers of the Company and its subsidiaries subscribing to a Group employee share ownership plan	April 21, 2022 (Resolution 22)	26 months (June 21, 2024)	0.3% of the capital on the day of the Board of Directors' decision.	N/A	23	26 months (June 30, 2026)	0.3% of the capital on the day of the Board of Directors' decision.

AUTHORIZATIONS NOT SUBJECT TO RENEWAL AT THE ANNUAL GENERAL MEETING ON APRIL 30, 2024

Share capital increase

Issuance with preferential subscription rights	April 20, 2023 (resolution 16)	26 months (June 20, 2025)	Equity securities: 720,000,000 (144,000,000 shares) This maximum is common to the 16 th to 22 nd resolution of the Shareholders' Meeting of April 20, 2023 Debt securities: €1,000,000,000 This maximum is common to the 16 th to 22 nd resolution of the Shareholders' Meeting of April 20, 2023.	N/A	N/A	N/A	N/A
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CURRENT AUTHORIZATIONS					PROPOSED RESOLUTIONS FOR THE ANNUAL GENERAL MEETING ON APRIL 30, 2024		
NATURE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (RESOLUTION NO.)	TERM (EXPIRY DATE)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NUMBER	DURATION	CAP
Issuance by means 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 20, 2023 (resolution 17)	26 months (June 20, 2025)	<p>Equity securities: 140,000,000 (28,000,000 shares)</p> <p>This maximum is common to the 17th and 18th resolutions of the Shareholders' Meeting of April 20, 2023</p> <p>This maximum is to be deducted from the maximum provided for in the 16th resolution of the Shareholders' Meeting of April 20, 2023.</p> <p>Debt securities: €1,000,000,000</p> <p>This maximum is to be deducted from the maximum provided for in the 16th resolution of the Shareholders' Meeting of April 20, 2023</p> <p>The issue price is set in accordance with the legal provisions applicable on the issue date (as of today, the weighted average of the prices quoted for the Company's shares over the last three trading sessions prior to the start of the public offering, less a 10% discount where applicable)</p>	N/A	N/A	N/A	N/A
Issuance through an offering governed by Article L.411-2, 1° of the French Monetary and Financial Code, with pre-emptive subscription rights waived.	April 20, 2023 (resolution 18)	26 months (June 20, 2025)	<p>Equity securities: €140,000,000 (i.e. 28,000,000 shares)</p> <p>This maximum is common to the 17th and 18th resolutions of the Shareholders' Meeting of April 20, 2023.</p> <p>This limit will be deducted from the limit set in the 16th resolution of the Shareholders' Meeting of April 20, 2023.</p> <p>Debt securities: €1,000,000,000</p> <p>This limit will be deducted from the limit set in the 16th resolution of the Shareholders' Meeting of April 20, 2023.</p> <p>The issue price is set in accordance with the legal provisions applicable on the issue date (as of today, the weighted average of the prices quoted for the Company's shares over the last three trading sessions prior to the start of the public offering, less a 10% discount where applicable).</p>	N/A	N/A	N/A	N/A

CURRENT AUTHORIZATIONS					PROPOSED RESOLUTIONS FOR THE ANNUAL GENERAL MEETING ON APRIL 30, 2024		
NATURE OF DELEGATION	DATE OF THE SHAREHOLDERS' MEETING (RESOLUTION NO.)	TERM (EXPIRY DATE)	MAXIMUM AUTHORIZED AMOUNT	USE	RESOLUTION NUMBER	DURATION	CAP
Authorization to increase the amount of the initial issue, with or without pre-emptive subscription rights for existing shareholders	April 20, 2023 (resolution 19)	26 months (June 20, 2025)	15% of initial issue This maximum will 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.	N/A	N/A	N/A	N/A
Issuance in the limit of 10% of capital, in compensation contributions in kind	April 20, 2023 (resolution 20)	26 months (June 20, 2025)	10% of share capital on the date of the Board of Directors' decision to issue shares This maximum is deducted from the maximums provided for in the 16 th and 17 th resolutions of the Shareholders' Meeting of April 20, 2023.	N/A	N/A	N/A	N/A
Capital increase by incorporation of premiums, reserves, profits or other items that may be capitalized	April 20, 2023 (resolution 23)	26 months (June 20, 2025)	200,000,000 (i.e. 40,000,000 shares) This maximum does not count against any other maximum.	N/A	N/A	N/A	N/A

6.2 Proposed resolutions to be submitted to the Combined Shareholders' Meeting of April 30, 2024

I. Resolutions submitted to the Ordinary Shareholders' Meeting

First resolution

(Approval of the financial statements for the financial year ended December 31, 2023)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general meetings,

Having reviewed the reports of the Board of Directors and the Statutory Auditors on the financial statements for the financial year ended December 31, 2023,

Approved the financial statements, *i.e.* the balance sheet, income statement and annexes, for the financial year ended December 31, 2023, as presented to it, together with the transactions

reflected in these financial statements and summarized in these reports.

These financial statements show a profit of €428,897,364.84.

Pursuant to the provisions of article 223 quater of the French General Tax Code, the Shareholders' Meeting approved the total amount of expenses and charges referred to in article 39-4 of the French General Tax Code, which amounted to €13,134.30 over the past financial year, corresponding to corporate income tax charged in the amount of €3,391.86. These expenses and charges correspond to the excess depreciation portion (non-deductible portion of lease payments on leased vehicles).

Second resolution

(Approval of the consolidated financial statements for the financial year ended December 31, 2023)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general meetings,

Having reviewed the reports of the Board of Directors and the Statutory Auditors on the consolidated financial statements for the financial year ended December 31, 2023,

Approved the consolidated financial statements, comprising the balance sheet, income statement and annexes, for the financial year ended December 31, 2023, as presented, and the transactions reflected in these financial statements and summarized in these reports.

These financial statements show a profit of €774.7 million.

Third resolution

(Allocation of net result for the financial year ended December 31, 2023, distribution of €1.20 per share from net profit)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general meetings,

Having reviewed the report of the Board of Directors,

Resolved to allocate profit for the financial year ended December 31, 2023 amounting to €428,897,364.84 as follows:

Origin of amounts to be allocated:

- Results for the 2023 financial year €428,897,364.84
- Carry forward at December 31, 2023 €(30,456,514.28)

Total €398,440,850.56

Allocation:

- To the legal reserve (5%) €19,922,042.53
- To the dividend distribution €357,488,686.80
- Carried forward €21,030,121.23

Balance €398,440,850.56

The Shareholders' Meeting resolves to determine the distribution at €1.20 per share carrying entitlement to this distribution and attached to each of the shares carrying entitlement to it.

The right to this distribution will be detached from the share on May 15, 2024 and the distribution will be paid on May 17, 2024.

The total payout of €357,488,686.80 was determined on the basis of a number of shares making up the share capital of 300,720,234 shares at December 31, 2023 and a number of shares held by the Company of 2,812,996 shares at the same date.

The total amount of the distribution will be adjusted to take account of the number of shares held by the Company at the date of payment of the distribution that are not entitled to distributions and, where applicable, the new shares entitled to

distributions issued in the event of definitive acquisition of shares allocated free of charge. Prior to the payment of the dividend, the Board of Directors or, by delegation, the Chief Executive Officer, will record the number of shares held by the Company and the number of additional shares issued as a result of the definitive acquisition of free shares. The amounts required to pay the dividend on shares issued during this period will be deducted from the account retained earnings.

Concerning the tax treatment of the distribution of €1.20 per share proposed to the Company's shareholders, it is specified, subject to possible adjustments linked to the possible variations referred to in the paragraph above, the distribution will have the tax nature, in the amount of €1.20 per share, of income from movable property taxable, for individual shareholders resident in France, at the flat rate of 12.8%. If the shareholder so chooses, dividends may be subject to the progressive income tax scale, in which case they will be eligible for a 40% allowance under Article 158-3-2° of the French General Tax Code. In any event, shareholders are advised to consult their usual tax advisor to review their specific situation.

For the last three financial years, the amounts distributed to shareholders were as follows:

	2022	2021	2020
Amount distributed per share	€1.20	€0.75	€0.46
Number of eligible shares	302,857,858	306,749,312	303,276,624
Total distribution	€363,429,429.6	€230,061,984	€139,507,247.04

Fourth resolution

(Approval of agreements governed by articles L.225-38 et seq. of the French Commercial Code)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general meetings,

Having reviewed the Board of Directors' report and the Statutory Auditors' special report on agreements

governed by articles L.225-38 et seq. of the French Commercial Code,

Acknowledges that no new agreements were entered into during the financial year ended December 31, 2023 and acknowledges that no agreements entered into in previous financial years continued into the last financial year.

Fifth resolution

(Approval of the compensation policy applicable to the Chairman of the Board of Directors for financial year 2024, as provided for in article L.22-10-8 of the French Commercial Code)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general meetings,

Having reviewed Chapter 3 of the Company's universal registration document for the financial year ended December 31, 2023, 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 financial year 2024",

Approved the compensation policy applicable to the Chairman of the Board of Directors in respect of his office for financial year 2024, as detailed in the said document.

Sixth resolution

(Approval of the compensation policy applicable to directors for the 2024 financial year, as provided for in article L.22-10-8 of the French Commercial Code)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general meetings,

Having reviewed Chapter 3 of the Company's universal registration document for the financial

year ended December 31, 2023, which constitutes the corporate governance report, 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 2024 financial year",

Approved the compensation policy applicable to directors in respect of their office for financial year 2024, as detailed in the said document.

Seventh resolution

(Approval of the compensation policy applicable to the Chief Executive Officer for the 2024 financial year, as provided for in article L.22-10-8 of the French Commercial Code)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general meetings,

Having reviewed Chapter 3 of the Company's universal registration document for the financial year ended December 31, 2023, which constitutes the

corporate governance report, 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 financial year 2024",

Approved the compensation policy applicable to the Chief Executive Officer in respect of his term of office for financial year 2024, as detailed in the said document.

Eighth resolution

(Approval of the information required under article L.22-10-9, I of the French Commercial Code for the financial year ended December 31, 2023)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general meetings,

Having reviewed Chapter 3 of the Company's universal registration document for the financial year ended December 31, 2023, which constitutes the corporate governance report, 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 2023 financial year (Articles L.22-10-9, I and L.22-10-34, II of the French Commercial Code)",

Approved, in accordance with article L.22-10-34, I of the French Commercial Code, the information specified in article L.22-10-9, I of the French Commercial Code for the financial year ended December 31, 2023.

Ninth resolution

(Approval of the fixed, variable and exceptional items of the total compensation and benefits of any kind paid or granted in respect of the 2023 financial year to Mr Ian Meakins, Chairman of the Board of Directors until August 31, 2023)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general meetings,

Having reviewed Chapter 3 of the Company's universal registration document for the financial year ended December 31, 2023, which constitutes the corporate governance report, in accordance with Article L.225-37 of the French Commercial Code, and in particular paragraph 3.2.2 "Compensation of

corporate officers for financial year 2023 (Articles L.22-10-9, I and L.22-10-34, II of the French Commercial Code)",

Approved, in accordance with Article L.22-10-34, II of the French Commercial Code, the fixed, variable and exceptional items of the total compensation and benefits of any kind paid or granted in respect of the financial year ended December 31, 2023 to Mr. Ian Meakins, Chairman of the Board of Directors until August 31, 2023, as presented in the Company's universal registration document for the financial year ended December 31, 2023, paragraph 3.2.2.3 "Compensation and other benefits paid or granted to Ian Meakins, Chairman of the Board of Directors".

Tenth resolution

(Approval of the fixed, variable and exceptional items of the total compensation and benefits of any kind paid or allocated in respect of the 2023 financial year to Mrs Agnès Touraine, Chairwoman of the Board of Directors with effect from September 1, 2023)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general meetings,

Having reviewed Chapter 3 of the Company's universal registration document for the financial year ended December 31, 2023, which constitutes the corporate governance report, in accordance with Article L.225-37 of the French Commercial Code, and in particular paragraph 3.2.2 "Compensation of

corporate officers for financial year 2023 (Articles L.22-10-9, I and L.22-10-34, II of the French Commercial Code)",

Approved, in accordance with 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 or granted in respect of the financial year ended December 31, 2023 to Mrs. Agnès Touraine, Chairman of the Board of Directors with effect from September 1, 2023, as presented in the Company's universal registration document for the financial year ended December 31, 2023, paragraph 3.2.2.2 "Compensation and other benefits paid or granted to Agnès Touraine, Chairman of the Board of Directors".

Eleventh resolution

(Approval of the fixed, variable and exceptional items of the total compensation and benefits of any kind paid or granted in respect of the 2023 financial year to Guillaume Texier, Chief Executive Officer)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general meetings,

Having reviewed Chapter 3 of the Company's universal registration document for the financial year ended December 31, 2023, which constitutes the corporate governance report, in accordance with Article L.225-37 of the French Commercial Code, and in particular paragraph 3.2.2 "Compensation of

corporate officers for financial year 2023 (Articles L.22-10-9, I and L.22-10-34, II of the French Commercial Code)",

Approved, in accordance with 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 or granted in respect of the financial year ended December 31, 2023 to Guillaume Texier, Chief Executive Officer, as presented in the Company's universal registration document for the financial year ended December 31, 2023, paragraph 3.2.2.4 "Compensation and other benefits paid or granted to Guillaume Texier, Chief Executive Officer".

Twelfth resolution

(Appointment of Éric Labaye as director)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general meetings,

Having reviewed the report of the Board of Directors,

In accordance with Article L.225-18 of the French Commercial Code:

1. Acknowledges the end of the term of office as Director of François Henrot at the close of this General Meeting; and
2. Resolves to appoint Éric Labaye as a Director for a term of four years, expiring at the close of the

Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2027, to be held in 2028.

Resolves, in accordance with Article L. 225-18 of the French Commercial Code, to appoint Éric Labaye as director for a term of four years expiring at the close of the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2027, to be held in 2028.

Éric Labaye has indicated that he accepts the mandate in advance and is not subject to any measure or holds any office likely to prevent him from exercising it.

Thirteenth resolution

(Appointment of Catherine Vandendorre as director)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general meetings,

Having reviewed the report of the Board of Directors,

Resolves, in accordance with Article L.225-18 of the French Commercial Code, to appoint Catherine

Vandendorre as Director for a term of four years expiring at the close of the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2027, to be held in 2028.

Catherine Vandendorre has indicated that she accepts the mandate in advance and is not subject to any measure or holds any office likely to prevent him from exercising it.

Fourteenth resolution

(Renewal of Brigitte Cantaloube's term of office as director)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general 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 end of Brigitte Cantaloube's term of office as Director at the close of this Shareholders' Meeting; and

2. Resolved to reappoint Brigitte Cantaloube as director for a four-year term, expiring at the close of the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2027, to be held in 2028.

Brigitte Cantaloube has indicated that she accepted the renewal of her term of office and that she held no office and was not subject to any measure likely to prevent her from exercising it.

Fifteenth resolution

(Renewal of the appointment of PricewaterhouseCoopers Audit as Statutory Auditor)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general meetings,

Having reviewed the report of the Board of Directors,

Having acknowledged that the appointment of PricewaterhouseCoopers Audit as Statutory

Auditors will expire at the close of this Shareholders' Meeting, resolves to renew the appointment of PricewaterhouseCoopers Audit as Statutory Auditors for a term of six financial years, which will expire at the close of the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2029, to be held in 2030.

PricewaterhouseCoopers Audit has declared its acceptance of this appointment.

Sixteenth resolution

(Appointment of PricewaterhouseCoopers Audit as auditor in charge of the certification of sustainability information)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general meetings,

Having reviewed the report of the Board of Directors,

Having noted that PricewaterhouseCoopers Audit's term of office as Statutory Auditor would expire

at the close of this Shareholders' Meeting, and subject to its renewal in accordance with the fifteenth resolution, resolves to appoint PricewaterhouseCoopers Audit as auditor responsible for certifying sustainability information for the duration of its appointment as Statutory Auditor, *i.e.* for a period of six financial years, expiring at the close of the Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2029, to be held in 2030.

Seventeenth resolution

(Appointment of KPMG SA as auditor in charge of the certification of sustainability information)

The Shareholders' Meeting, deliberating in accordance with the quorum and majority requirements for ordinary shareholders' meetings,

Having considered the report of the Board of Directors,

Having acknowledged that the term of office of KPMG SA as Statutory Auditor will expire at the end of

the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2027, resolves to appoint KPMG SA as auditor in charge of certifying sustainability information for the remainder of its term of office as Statutory Auditor, for a period of four financial years, which will expire at the end of the Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2027, to be held in 2028.

Eighteenth resolution

(Authorization for the Board of Directors to trade in the Company's shares)

The Shareholders' Meeting, resolving in accordance with the quorum and majority requirements for ordinary general meetings,

Having reviewed the report of the Board of Directors,

Resolves to authorize the Board of Directors, with the option to sub-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 *Autorité des*

Marchés Financiers (the “AMF”) and the provisions of European regulations applicable to market abuse, to acquire or arrange for the acquisition of shares in the Company with a view to, in descending order of priority:

- providing liquidity and stimulate the market in the Company’s shares through an independent investment services provider, under a liquidity contract, in accordance with the market practice accepted by the AMF;
- honoring obligations relating to share subscription option grants, bonus share issues or other grants, allocations or sales of shares to employees or officers of the Company or an associated company, and carrying out any hedging transactions relating to such transactions, under the conditions stipulated by the market authorities and at such times as the Board of Directors or the person acting on behalf of the Board of Directors shall act;
- covering the Company’s commitments in respect of rights, with cash settlement based on a positive change in the Company’s share price, granted to employees and corporate officers of the Company or an associated company;
- retaining and subsequently remitting shares in the Company for exchange or payment in connection with external growth transactions, in accordance with applicable regulations;
- delivering shares in the Company on the exercise of rights attached to securities conferring access by any means, immediately or in the future, to shares in the Company;
- cancelling some or all of the shares purchased, in accordance with the law, subject to authorization by the Shareholders’ Meeting; and
- implementing any other practice that is or may become permitted or recognized by law or by the AMF, or any other objective that complies with current regulations.

The purchase, sale or transfer of shares may be carried out or paid for by any means, on the market or over-the-counter, including by means of block

trades or public offerings, option mechanisms, derivatives, the purchase of options or securities in compliance with applicable regulatory conditions. The portion of the program carried out in the form of a block of shares may amount to the entire share repurchase plan.

This authorization may be used under the following conditions:

- the maximum number of shares that the Company may purchase under this resolution may not exceed 10% of the shares comprising the share capital at the date of purchase of the Company’s shares;
- the number of shares acquired by the Company with a view to their retention and subsequent remittance in payment or exchange in connection with a merger, demerger or contribution may not exceed 5% of the share capital;
- the maximum total amount earmarked for the repurchase of the Company’s shares may not exceed 250 million euros;
- the maximum purchase price per Company share is determined at 35 euros, it being specified that in the event of a share capital transaction, notably the capitalization of reserves and the allocation of free shares, splitting of grouping of shares, this maximum purchase price will be adjusted accordingly by a multiplier factor equal to the ratio between the number of shares making up the share capital before the transaction in question and the number of shares after said transaction;
- the shares held by the Company may not at any time represent more than 10% of its share capital; and
- shares repurchased and held by the Company will be deprived of voting rights and will not be entitled to dividend payments.

Unless authorized in advance by the Shareholders’ Meeting, the Board of Directors may not continue to implement its share repurchase plan from the time a third party makes a public offer for the Company’s shares until the end of the offer period.

Full powers are granted to the Board of Directors, with the option to delegate such powers to any person in accordance with legal and regulatory provisions, to carry out this share repurchase plan, and in particular to place any stock market orders, enter into any agreements for the keeping of share purchase and sale registers, make all declarations to the AMF and all other bodies, draw up all documents, in particular information documents, allocate and, where applicable, reallocate, under the conditions provided for by the Law, the shares acquired for the various purposes, carry out all formalities and, in general, do all that is necessary.

This authorization is granted for a period of 18 months from the date of this Shareholders' Meeting.

This authorization cancels out the unused portion of any previous authorization for the same purpose, and replaces the authorization granted in the fourteenth resolution of the Annual Shareholders' Meeting of April 20, 2023.

The Board of Directors will inform the Shareholders' Meeting each year of transactions carried out under this resolution, in accordance with Article L.225-211 of the French Commercial Code.

II. Resolutions submitted to the Extraordinary Shareholders' Meeting

Nineteenth resolution

(Authorization to be granted to the Board of Directors to decrease share capital by cancelling shares)

The Shareholders' Meeting, resolving under the conditions of quorum and majority required for Extraordinary General Meetings,

Having reviewed the Board of Directors' report and the Statutory Auditors' special report,

Authorized the Board of Directors to decrease the Company's share capital, on one or more occurrences, in the proportions and at the times it sees fit, by canceling all or some of the Company's shares acquired under any share repurchase plans authorized by the Shareholders' Meeting, up to a limit of 10% of the Company's share capital existing at the date of cancellation per 24-month period, in accordance with the provisions of Articles L.22-10-62 *et seq.* of the French Commercial Code.

This authorization is granted for a period of 18 months from the date of this Shareholders' Meeting.

Full powers are granted to the Board of Directors, with the option of delegation, to:

- decrease the share capital by cancelling shares;
- determine the final amount of the share capital reduction;
- determine the terms and conditions and acknowledge its completion;
- offset the difference between the book value of the cancelled shares and their par value against any available reserves and additional paid-in capital; and
- generally, take all necessary steps to implement this authorization, amend the by-laws accordingly and complete all required formalities.

This authorization cancels out the unused portion of any previous authorization for the same purpose, and replaces the authorization granted in the fifteenth resolution of the Extraordinary Shareholders' Meeting of April 20, 2023.

Twentieth resolution

(Authorization to be granted to the Board of Directors to increase the share capital by issuing ordinary shares or securities that are equity securities conferring access to other equity securities of the Company or giving entitlement to the allotment of debt securities, or securities conferring access to equity securities to be issued, with cancellation of preferential subscription rights in favor of members of a savings plan)

The Shareholders' Meeting, resolving under the conditions of quorum and majority required for Extraordinary General Meetings,

Having reviewed the Board of Directors' report and the Statutory Auditors' special report, and ruling in accordance with the provisions of Articles L.225-129-2, L.225-129-6 and L.225-138-1 of the French Commercial Code and Articles L.22-10-49 *et seq.* of the French Labor Code:

1. Authorized the Board of Directors, with powers to subdelegate such authorization to any duly empowered person in accordance with the law and regulations, to decide to increase the share capital, on one or more occurrences, at its sole discretion, at the times and on the terms it shall determine, by issuing (i) ordinary shares, and/or (ii) securities which are equity securities conferring access, immediately or in the future, to other equity securities of the Company or entitling their holders, immediately or in the future, to the allotment of debt securities, and/or (iii) securities conferring access to share capital to be issued by the Company reserved for members of one or more Employee Savings Plans or Group Savings Plans set up jointly by the Company and companies in France or outside France that are affiliated to it under the terms of Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labor Code;
2. Resolved to cancel shareholders' preferential subscription rights to shares to be issued pursuant to this authorization in favor of the beneficiaries defined in the first paragraph above;
3. Acknowledged that this authorization automatically entails the waiver by shareholders of their preferential right to subscribe for the shares capital of the Company to which the

securities issued pursuant to this authorization entitle their holders;

4. Resolved that the issue price(s) of the new shares or securities conferring access to the share capital will be determined in accordance with Articles L.3332-19 *et seq.* of the French Labor Code, and sets the maximum discount at 30% of the average opening price quoted over the twenty trading days preceding the date of the Board of Directors' decision setting the opening date for subscriptions. However, the Shareholders' Meeting expressly authorized the Board of Directors to reduce or waive the discount, in particular to take into account the regulations applicable in the countries where the offer will be implemented;
5. Resolved that the maximum nominal amount of the capital increase(s) that may be carried out pursuant to this authorization may not exceed 2% of the Company's share capital, assessed as at the date of the decision by the Board of Directors to use this authorization, it being specified that:
 - the maximum nominal amount of the share capital increase(s) that may be carried out under this resolution, as well as under the twenty-second resolution of the Extraordinary Shareholders' Meeting of April 20, 2023 or any resolution that may replace it (notably the twenty-first resolution of this Shareholders' Meeting if adopted), may not exceed a limit of 2% of the Company's share capital;
 - the maximum nominal amount of the share capital increase(s) that may be carried out under this authorization will be deducted from the overall limit determined in the sixteenth resolution of the Shareholders' Meeting of April 20, 2023 or any resolution that may replace it; and
 - these amounts do not take into account the nominal amount of additional shares to be issued, in accordance with applicable legal and regulatory provisions and, where applicable, any contractual stipulations providing for other adjustments, in order to preserve the rights of holders of securities or other rights conferring access to the Company's share capital;

6. Resolved, pursuant to the provisions of Article L.3332-21 of the French Labor Code, that the Board of Directors may provide for the allocation to the beneficiaries defined in the first paragraph above, free of charge, of shares to be issued or existing or of other securities conferring access to the Company's share capital to be issued or existing, in respect of (i) the matching contribution that may be paid in application of the regulations governing company or group savings plans, and/or (ii), where applicable, the discount;
 7. Resolved that, in the event that the beneficiaries defined in the first paragraph above do not subscribe for the capital increase in full within the allotted timeframe, the capital increase will only be carried out to the extent of the shares subscribed, and that the unsubscribed shares may be offered to the said beneficiaries again as part of a subsequent capital increase;
 8. Granted full powers to the Board of Directors, with the option to delegate or sub-delegate such powers, in accordance with the law and regulations, to implement this authorization and, in particular, to:
 - determine the criteria to be met by the companies whose employees may benefit from the issues carried out pursuant to this authorization, and determine the list of such companies;
 - determine the terms and conditions of the transactions, the characteristics of the shares
- and, where applicable, of the other securities, determine the subscription price calculated in accordance with the method defined in this resolution, determine the opening and closing dates for subscriptions and the dividend entitlement dates, and determine the dates and procedures for paying up the subscribed shares;
- take all necessary steps with a view to the listing of the new shares on the stock exchange, wherever it may decide to do so; and
 - deduct from the "Additional paid-in capital" account the amount of expenses relating to these capital increases and deduct, if deemed appropriate, the amounts required to increase the legal reserve to one-tenth of the new share capital after each issue, amend the by-laws accordingly and, generally, carry out, directly or through an authorized representative, all transactions and formalities relating to the share capital increases carried out pursuant to this authorization;
9. Resolved that the authorization granted to the Board of Directors under this resolution shall be valid for a period of 26 months from the date of this Shareholders' Meeting;
 10. Resolved that this authorization shall supersede the unused portion of any earlier authorization for the same purpose.

Twenty-first resolution

(Delegation of authority to the Board of Directors to issue ordinary shares or share equivalents conferring access to other equity securities or entitling their holders to the allotment of debt securities, or securities conferring access to equity securities to be issued, with cancellation of the shareholders' preferential subscription rights for certain categories of beneficiaries, to allow employee shareholding transactions)

The Shareholders' Meeting, resolving under the conditions of quorum and majority required for Extraordinary General Meetings,

Having reviewed the report of the Board of Directors and the Statutory Auditors' special report, in accordance with the provisions of Articles L.225-129-2 *et seq.* of the French Commercial Code, Article L.225-138 of the French Commercial Code

and Articles L.22-10-49 *et seq.* of the French Commercial Code:

1. Delegated to the Board of Directors, with powers to subdelegate it to any duly empowered person in accordance with the law and regulations, the authority to decide to increase the share capital, on one or more occurrences, in the proportions and at the times it sees fit, by issuing (i) ordinary shares, and/or (ii) securities which are equity securities conferring access, immediately or in the future, to other equity securities of the Company or giving the right, immediately or in the future, to the allocation of debt securities, and/or (iii) securities conferring access to equity securities to be issued by the Company, such issue being reserved for persons meeting the characteristics of the categories defined in paragraph 3 below;

2. Resolved that the nominal amount of capital increases that may be carried out pursuant to this resolution may not exceed 1% of the share capital as assessed on the date of the decision by the Board of Directors to use this authorization, it being specified that:

- the maximum nominal amount of the share capital increase(s) that may be carried out under this authorization, as well as under the twenty-first resolution of the Extraordinary Shareholders' Meeting of April 20, 2023 or any resolution that may replace it (notably the twentieth resolution of this Shareholders' Meeting if adopted), may not exceed a limit of 2% of the Company's share capital;
- the maximum nominal amount of the share capital increase(s) that may be carried out under this authorization will be deducted from the overall limit determined in the sixteenth resolution of the Shareholders' Meeting of April 20, 2023 or any resolution that may replace it; and
- these amounts do not take into account the nominal amount of additional shares to be issued, in accordance with applicable legal and regulatory provisions and, where applicable, any contractual stipulations providing for other adjustments, to preserve the rights of holders of securities or other rights conferring access to the Company's share capital;

3. Resolved to cancel shareholders' preferential subscription rights to the securities that may be issued pursuant to this authorization and to reserve the right to subscribe for such securities for categories of beneficiaries meeting the following criteria

- a) employees and officers of non-French companies related to the Company under the terms of Article L.225-180 of the French Commercial Code; and/or
- b) UCITS or other entities, with or without legal personality, for employee shareholding invested in the Company's securities, whose unitholders or shareholders will be the persons referred to in (a) of this paragraph; and/or
- c) any banking institution or subsidiary of such an institution acting at the request of the Company for the purposes of setting up a shareholding or savings plan for the benefit of the persons referred to in (a) of this paragraph insofar as recourse to the subscription of the person authorized in accordance with this resolution would be necessary or desirable to

allow the employees or corporate officers referred to above to benefit from employee shareholding or savings formulas equivalent or similar in terms of economic advantage to those from which the other employees of the Rexel Group would benefit; and/or

- d) one or more financial institutions mandated within the framework of a Share Incentive Plan (SIP) established for the benefit of employees and corporate officers of Rexel Group companies related to the Company under the terms of article L.225-180 of the French Commercial Code and headquartered in the United Kingdom;

4. Acknowledged that this authorization automatically entails the waiver by shareholders of their preferential right to subscribe for the shares capital of the Company to which the securities issued pursuant to this authorization entitle their holders;

5. Resolved that the issue price of the new shares would be determined as follows, as the case may be:

- a) in the case of the issues referred to in paragraph 3 (a) to (c) above, the subscription price(s) will be determined on the basis of an average of the prices quoted for the Company's shares on the regulated market of Euronext Paris over a period of up to twenty trading sessions prior to the date of the decision setting the opening date for subscriptions. The discount will be determined at a maximum of 30% of the average retained. However, the Shareholders' Meeting expressly authorizes the Board of Directors to reduce or waive the discount, in particular to take into account market practices and regulations applicable in the countries where the offer will be made; and
- b) alternatively, in the case of an issue under a Share Incentive Plan (SIP) governed by English law as referred to in paragraph 3 (d) above, or a plan governed by US law based on Rule 423 of the Internal Revenue Code, the subscription price will be equal to (i) the share price on the regulated market of Euronext in Paris at the start of the reference period of this plan, This period may not exceed 12 months, or (ii) the price recorded after the close of this period within a period determined in application of the applicable regulations, or (iii) the lower of the two prices. This price will be determined at no discount

to the price under a SIP plan, and at a maximum discount of 15% under a "423" plan;

6. Resolved that the Board of Directors will have full powers, with the option to delegate or subdelegate such powers, in accordance with the law and regulations, and subject to the limits and conditions set out above, in particular to:

- determine the list of beneficiaries of the waiver of preferential subscription rights within the categories defined above, as well as the number of shares to be subscribed by each beneficiary;
- determine the amounts of the issues to be carried out under this authorization, and in particular to determine the issue prices, dates, deadlines, terms and conditions of subscription, payment, delivery and dividend entitlement of the securities, the rules governing reductions in the event of oversubscription, and the other terms and conditions of the issues, within the legal and regulatory limits in force;

- determine the lock-up period for the shares or securities issued and the exceptions to the lock-up period;

- record the completion of the share capital increase up to the amount of shares subscribed (after any reduction in the event of oversubscription); and

- where applicable, deduct the costs of the capital increase from the amount of premiums relating thereto, and deduct from this amount the amounts required to increase the legal reserve to one-tenth of the new share capital resulting from the capital increase;

7. Resolved that the delegation of powers thus granted to the Board of Directors shall be valid for a period of 18 months from the date of this Shareholders' Meeting;

8. Resolved that this authorization cancels and replaces the unused portion of any earlier authorization for the same purpose.

Twenty-second resolution

(Authorization to be granted to the Board of Directors to allot free shares to employees and officers of the Company and its subsidiaries)

The Shareholders' Meeting, resolving under the conditions of quorum and majority required for Extraordinary General Meetings,

Having reviewed the Board of Directors' report and the Statutory Auditors' special report, and resolving in accordance with the provisions of Articles L.225-129 *et seq.*, L.225-197-1 *et seq.* and L.22-10-59 of the French Commercial Code:

1. Authorized the Board of Directors, with powers to subdelegate such authorization to any duly empowered person in accordance with the law and regulations, to make free share allotments, on one or more occurrences, of existing shares and/or shares to be issued by the Company to employees and/or corporate officers of the Company and/or companies or groupings that are directly or indirectly related to it, as defined in Article L.225-197-2 of the French Commercial Code, or to certain categories of such employees and/or corporate officers;
2. Resolved that the Board of Directors shall determine the identity of the beneficiaries of the

allocations and the number of shares allocated to each of them, the conditions of allocation and the criteria for allocating the shares.

The Board of Directors shall make the allocation of all shares subject to a condition of presence and to performance conditions for corporate officers, members of the Executive Committee and members of country management bodies. For other beneficiaries, all or some of the shares allocated may be subject to a presence-only condition, it being specified that the total number of free shares allocated subject to a presence-only condition may not exceed 20% of the number of shares that may be allocated under this resolution.

Performance conditions will be assessed over a minimum period of three years and will include average percentage change in EBITA, average ratio of free cash flow before interest and taxes/EBITDAaL, deployment of the ESG roadmap as assessed by a Rexel internal CSR index comprising four sub-criteria, and Rexel share performance compared with the SBF 120 GR index.

3. Resolved that the number of shares that may be allotted free of charge under this authorization may not exceed 1.4% of the Company's share capital over a period of 26 months, measured as at the date of the Board of Directors' decision to make the allotment, it being specified that:

- this limit is determined without taking into account any legislative, regulatory or contractual adjustments required to safeguard the rights of beneficiaries; and
- the total number of free shares allocated may not exceed 10% of the share capital at the date of the Board of Directors' decision to allocate them, it being specified that, in accordance with Article L.225-197-1 of the French Commercial Code, this percentage does not include shares which have not been definitively allocated at the end of the vesting period set out in paragraph 4 below, or shares which are no longer subject to the retention obligation determined by the Board of Directors.

This limit of 1.4% of the Company's share capital shall include, where applicable, shares to be allocated to the Company's corporate officers, it being specified that such allocations may not exceed 10% of the allocations made pursuant to this authorization;

4. Resolved that the allotment of shares to their beneficiaries would become definitive at the end of a minimum vesting period of three years;
5. Resolved that the final allocation of shares may take place before the end of the vesting period in the event of the beneficiaries' disability corresponding to the classification in the 2nd or 3rd category provided for in Article L.341-4 of the French Social Security Code (or equivalent outside France) and that the shares will be freely transferable immediately;
6. Authorized the Board of Directors to adjust the number of shares allotted, if necessary, during the vesting period, in the light of any transactions affecting the Company's share capital, so as to preserve the rights of beneficiaries;
7. Authorized the Board of Directors, in the event of the allotment of shares to be issued, to carry out one or more share capital increases through the

capitalization of reserves, profits or additional paid-in capital in favor of the beneficiaries of said shares, and duly note that this authorization automatically entails the waiver by shareholders of their preferential right to subscribe for said shares and to the portion of reserves, profits and additional paid-in capital thus capitalized, a transaction for which the Board of Directors has been delegated authority in accordance with Article L.225-129-2 of the French Commercial Code;

8. Granted full powers to the Board of Directors, with the option to sub-delegate such powers in accordance with the applicable laws and regulations, to implement the present authorization, and in particular to:

- determine whether the shares granted are shares to be issued or existing shares;
- determine the identity of beneficiaries and the number of shares allocated to each of them;
- determine the dates on which the shares will be allotted, in accordance with the law;
- set out the other terms and conditions of the share grants, in particular the vesting and holding periods, in a set of regulations governing the free share plan;
- decide on the conditions under which the number of shares allotted will be adjusted, in accordance with applicable laws and regulations and, where applicable, contractual stipulations; and
- more generally, enter into all agreements, draw up all documents, record the share capital increases resulting from definitive allotments, amend the by-laws accordingly, carry out all formalities and make all declarations to all bodies;

9. Resolved that this authorization is granted for a period of 26 months from the date of this Shareholders' Meeting;

10. Resolved that this authorization cancels out the unused portion of any previous authorization for the same purpose, and replaces the authorization granted in the twenty-second resolution of the Extraordinary Shareholders' Meeting of April 21, 2022.

Twenty-third resolution

(Authorization to be granted to the Board of Directors to allocate free shares to employees and officers of the Company and its subsidiaries who subscribe for a Rexel Group employee shareholding plan)

The Shareholders' Meeting, resolving under the conditions of quorum and majority required for Extraordinary General Meetings,

Having considered the report of the Board of Directors and the Statutory Auditors' special report, and ruling in accordance with the provisions of Articles L.225-129 *et seq.* and L.225-197-1 *et seq.* and L.22-10-59 and L.22-10-60 of the French Commercial Code:

1. Authorized the Board of Directors, with powers to subdelegate such authorization to any duly empowered person in accordance with the law and regulations, to grant free of charge existing shares and/or shares to be issued by the Company, on one or more occurrences, to employees and/or officers of the Company and/or companies or groupings that are directly or indirectly related to it, in accordance with the provisions of Article L.225-197-2 of the French Commercial Code, who subscribe to an employee shareholding plan of the Rexel Group that would be set up in particular as part of a capital increase reserved for them, carried out in accordance with the provisions of Article L.225-197-2 of the French Commercial Code, who subscribe to a Rexel Group employee shareholding plan that would be set up in particular as part of a share capital increase reserved for them, carried out pursuant to the twenty-first resolution of the Extraordinary Shareholders' Meeting of April 20, 2023 or any resolution that may replace it (in particular the twentieth resolution of this Shareholders' Meeting if it is adopted) or as part of a sale of existing shares reserved for members of a Rexel Group shareholding plan;
2. Resolved that the Board of Directors would determine the identity of the beneficiaries of the allocations and the number of shares allocated to each of them, the conditions of allocation and, where applicable, the criteria for the allocation of the shares. The Board of Directors shall make the allotment of shares subject to a condition of presence;
3. Resolved that the number of shares that may be allotted free of charge under this authorization may not exceed 0.3% of the Company's share

capital as assessed on the date of the Board of Directors' decision to make the allotment, it being specified that:

- this limit is determined without taking into account any legislative, regulatory or contractual adjustments required to safeguard the rights of beneficiaries; and
 - the total number of free shares allocated may not exceed 10% of the share capital at the date of the Board of Directors' decision to allocate them, it being specified that, in accordance with Article L.225-197-1 of the French Commercial Code, this percentage does not include shares which have not been definitively allocated at the end of the acquisition period provided for in paragraph 4 below, or shares which are no longer subject to the retention obligation determined by the Board of Directors, where applicable;
4. Resolved that the allotment of shares to their beneficiaries will become final at the end of a minimum vesting period of three years, with no lock-up period;
 5. Resolved that the final allotment of shares may take place before the end of the vesting period in the event of the beneficiaries' disability corresponding to the classification in the 2nd or 3rd category provided for in Article L.341-4 of the French Social Security Code (or equivalent outside France) and that the shares will be freely transferable immediately;
 6. Authorized the Board of Directors to adjust the number of free shares allotted during the vesting period, if necessary, to reflect any transactions affecting the Company's share capital, so as to preserve the rights of beneficiaries;
 7. In the event of a bonus issue of shares, authorized the Board of Directors to carry out one or more share capital increases by capitalizing reserves, profits or additional paid-in capital in favor of the beneficiaries of said shares, and records that this authorization automatically entails the waiver by shareholders of their preferential subscription rights to subscribe for said shares and to the portion of reserves, profits and additional paid-in capital thus capitalized, for which the Board of Directors has been granted a delegation of authority in accordance with article L.225-129-2 of the French Commercial Code;

8. Granted full powers to the Board of Directors, with the option to sub-delegate such powers in accordance with the applicable laws and regulations, to implement this authorization, in particular in order to:
 - determine whether the free shares granted are shares to be issued or existing shares;
 - determine the identity of beneficiaries and the number of shares allocated to each of them;
 - determine the dates on which free shares will be allotted, in accordance with the conditions and limits stipulated by law;
 - determine the condition of presence and the other terms and conditions of share allocation, in particular the vesting period, in a set of rules for the free share allocation plan;
 - decide the conditions under which the number of free shares allocated will be adjusted, in accordance with the applicable legal and regulatory provisions; and
- more generally, enter into all agreements, draw up all documents, record the share capital increases resulting from definitive allotments, amend the by-laws accordingly, carry out all formalities and make all declarations to all bodies;
9. Resolved that this authorization be granted for a period of 26 months from the date of this Shareholders' Meeting;
10. Resolved that this authorization cancel out the unused portion of any previous authorization for the same purpose, and replaces the authorization granted in the twenty-third resolution of the Extraordinary Shareholders' Meeting of April 21, 2022.

Twenty-fourth resolution

(Powers for legal formalities)

The Shareholders' Meeting, voting on the quorum and majority conditions for Extraordinary Meetings,

granted full powers to bearers of originals, copies or extracts of these minutes to carry out any and all publication, filing and other formalities.

7

Person Responsible for the Universal Registration Document / Statutory Auditors



7 Person Responsible for the Universal Registration Document / Statutory Auditors



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7.1 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 11, 2024

7.1.3 Person responsible for the financial communication

Ludovic Debailleux

Investor 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 SA was 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 as Statutory Auditor was renewed during the Rexel Shareholder's Meeting held on April 21, 2022. His mandate therefore expires 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 (*"Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre"*).

- PricewaterhouseCoopers Audit
Represented by 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 Audit. 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 (*"Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre"*).

The Board of Directors, on the recommendation of the Audit and Risk Committee, has decided to propose to the shareholders at the Shareholders' Meeting, to renew the mandate of PricewaterhouseCoopers Audit as statutory auditor for a period of six financial years, which will expire at the end of the Shareholders' Meeting which will be called to approve the financial statements for the year ending December 31, 2029.

7.2.2 Deputy Statutory Auditor

- Salustro Reydel
Tour Eqho
2, avenue Gambetta
92066 Paris-La Défense Cedex

Salustro Reydel was 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 as alternate Statutory Auditor was renewed during the Rexel

Shareholder's Meeting held on April 21, 2022. His mandate therefore expires 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 (*"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).

8

Correlation tables



8 Correlation tables



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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.

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18.3.2.	Other information in the registration document that has been audited by the auditors	4	193 to 293
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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	317 and 318
18.5.1.	Description of the policy on dividend distributions and any restrictions thereon	5.1.4	317 and 318
18.5.2.	Amount of dividend per share	5.1.4	317 and 318
18.6.	Legal proceedings and arbitration	5.2.1 (note 23)	322 to 385
18.6.1.	Significant proceedings	5.2.1 (note 23)	322 to 385
18.7.	Significant changes in the issuer's financial position	5.1.5	318
18.7.1.	Description	5.1.5	318
19.	ADDITIONAL INFORMATION	3.6, 3.7, 3.8, 3.9	156 to 192
19.1.	Share capital	3.8	182 to 191
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	182 to 185
19.1.2.	Information about shares not representative of share capital	3.8.2	186
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	186 to 190
19.1.4.	Information about the amount of convertible securities, exchangeable securities or securities with warrants	3.8.4	190
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.	

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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	190 and 191
19.2.	Memorandum of association and by-laws	3.6	156 to 167
19.2.1.	Register and corporate purpose	1.2.2, 3.6.1	17, 156
19.2.2.	Rights, preferences and restrictions attaching to each class of the existing shares	3.6.3	163
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	166
20.	MATERIAL AGREEMENTS	5.2.1 (note 19)	322 to 385
20.1.	Summary of each material agreement	5.2.1 (note 19)	322 to 385
20.2.	Information from a third party	n.a.	
21.	DOCUMENTS AVAILABLE	7.3	458
21.1.	Statement on documents that can be inspected	7.3	458

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	394 to 408
2.	Consolidated financial statements	5.2.1	322 to 385
3.	Management report (see paragraph 8.3)	1 to 6	5 to 452
4.	Declaration of persons responsible for the information contained in the registration document	7.1	456
5.	Report of the statutory auditors on the annual financial statements	5.3.2	409 to 413
6.	Report of the statutory auditors on the consolidated financial statements	5.2.2	386 to 391

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, 300 to 316, 318
2.	Recent events, trends and prospects	5.1.1 to 5.1.3, 5.2.1 (note 2), 5.3.1	300 to 317, 322 to 385, 394 to 408
3.	Research and development	1.3.4	33
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 19)	322 to 385
7.	Subsidiaries and holdings	1.4, 5.2.1, 5.3.1	34 to 36, 322 to 385, 394 to 408
8.	Dividend distributions over the past three financial years	6.1	418 to 437
9.	Payment periods	5.1.6	318
10.	Table of the company's results for the past five financial years	5.3.1	394 to 408
11.	Report on corporate governance	3	70 to 192
12.	Choice of organization of the Executive Management	3.1.3	112 and 113
13.	Limitations placed of the powers of the Chief Executive Officer	3.1.1.3	95 to 103
14.	Board of Directors composition, conditions governing the preparation and organization of the Board of Directors' work	3.1.1	72 to 105
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	115 to 133
17.	Remuneration of the corporate officers	3.2.2	133 to 147
18.	Relative proportion of fixed and variable compensation	3.2.1	115 to 133
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	144 and 145
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	115 to 147
22.	Description of how the total compensation complies with the approved compensation policy and how the performance criteria are applied	3.2.2	133 to 147

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	115 to 133
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	152
26.	Summary of transactions on Rexel securities carried out by corporate officers and their closely related parties in 2021	3.7.2.3	169 and 170
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	152
28.	Description of the diversity policy applied to the Board of Directors	3.1.1.2, 3.1.5	90 to 95, 113 and 115
29.	Description of the objectives, implementation arrangements and results achieved during the financial year	3.1.1.2 to 3.1.1.4	90 to 105
30.	Provisions of the Afep-Medef Code not applied and reasons for that choice	3.5	155
31.	Special rules for shareholder participation in the General Meeting	3.6.5	164 to 166
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	191 and 192
33.	Information concerning share capital (capital structure, statutory requirements and employees shareholding)	3.8	182 to 191
34.	Summary table of current delegations	3.8.1	182 to 185
35.	Statement of non-financial performance	4.1 to 4.9 (see paragraph 8.4 of this chapter)	196 to 280
36.	Vigilance plan	4.10	281 to 288

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	197 to 199
II.	Social, environmental and societal information		
1.	Social information	4.3	219 to 252
	a) Employment		
	Total headcount and breakdown of employees	4.3	219 to 252
	Hires and dismissals	4.3.1.1 and 4.3.1.2	221 to 223
	Compensation and changes	4.3.1.2	222 and 223
	b) Work organization		
	Organization of working hours	4.3.5	231 to 234
	Absenteeism	4.3.3	226 and 227
	c) Health and safety		
	Health and safety at work	4.3.5	231 to 234
	Accidents at work and occupational diseases	4.3.5	231 to 234
	d) Social relationships		
	Organization of the social dialogue	4.3.3	226 and 227
	Overview of collective agreements	4.3.3	226 and 227
	e) Training		
	Policies applied	4.3.2	224 and 225
	Total number of training hours	4.3.2	224 and 225
	f) Equal treatment		
	Measures taken in favor of gender equality	4.3.4.1	228 to 230
	Measures taken in favor of the employment and insertion of disabled persons	4.3.4.3	231
	Anti-discrimination policy	4.1.2.1, 4.2.2, 4.3.3, 4.3.4, 4.5.1	200, 218 and 219, 226 to 231, 252 to 255
2.	Environmental information	4.4	234 to 252
	a) General environmental policy		
	Organization of the company	4.4.1	234 to 238
	Employee training and information actions	4.4.1	234 to 238
	Means devoted to the prevention of environmental risks and pollution	4.4.1	234 to 238
	Amount of provisions and guarantees for environmental risks	4.4.1	234 to 238
	b) Pollution and waste management		
	Emission prevention, reduction and remediation measures	4.4.1, 4.4.4	234 to 238, 252
	Waste prevention, recycling and disposal measures	4.4.3	249 to 252
	Means of addressing noise pollution and other pollution generated by a given activity	4.4.4	252

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	249 to 252
	Actions against food waste	4.7.1	268
	ii) Sustainable use of resources		
	Water consumption and procurement	4.4.4, 4.6	252, 263 to 267
	Consumption of raw materials and measures taken to improve their efficient use	4.4.3	249 to 252
	Energy consumption and measures taken to improve energy efficiency and the use of renewable energies	4.4.3	249 to 252
	Land use	4.4.4	252
	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	238 to 249
	Measures undertaken to adapt to the consequences of climate change	4.4.2	238 to 249
	Objectives for reducing greenhouse gas emissions and means implemented	4.4.2	238 to 249
	e) Protection of biodiversity		
	Measures taken to preserve or develop biodiversity	4.4.4	252
3.	Societal information		
	a) Societal commitments to sustainable development		
	Company's business impact in relation to employment and local development	4.1.2	200 to 208
	Company's business impact on neighboring or local populations	4.1.2	200 to 208
	Relationship with stakeholders	4.1.2.2	200 to 204
	Partnership or philanthropic actions	4.1.2.2, 4.5.4	200 to 204, 260 to 262
	b) Sub-contracting and suppliers		
	Means of addressing social and environmental challenges in the purchasing policy	4.1.2, 4.5.1	200 to 208, 252 to 255
	Consideration given to the social and environmental responsibility of suppliers and sub-contractors	4.1.2, 4.5.1	200 to 208, 252 to 255
	c) Fair practices		
	Measures taken in favor of consumer health and safety	4.2.2, 4.5.2	218 and 219, 255 to 258
4.	Other information		
	1º) Anti-bribery actions	4.2.2	218 and 219
	2º) Information on human rights actions	4.2.2	218 and 219
	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	218 and 219, 252 to 255, 284 to 286
	Respect of the freedom of association and right to collective bargaining	4.1.2.1	200
	Elimination of discrimination in respect of employment and occupation	4.3.4	228 to 231
	Elimination of forced or compulsory labor	4.1.2.1, 4.5.1	200, 252 to 255
	Effective abolition of child labor	4.1.2.1, 4.5.1	200, 252 to 255
	b) Other actions in favor of human rights	4.1.2, 4.2.2, 4.5.1	200 to 208, 218 and 219, 252 to 255

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	218 and 219
	Clauses covering the corporate and environmental responsibility of suppliers included in agreements	4.1.1, 4.2, 4.5.1	197 to 199, 211 to 219, 252 to 255
Refuse to be accomplice of human rights abuses	Corporate social responsibility policies	4.1.1, 4.2 to 4.3.5	197 to 199, 211 to 234
	Charter of social commitment	4.1.2.2	200 to 204
	Rexel Foundation for energy efficiency	4.1.2.2, 4.5.4	200 to 204, 260 to 262
Uphold freedom of association and collective bargaining	Ethics guide	4.2.2	218 and 219
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	200 to 204, 252 to 255
	Corporate social responsibility policies	4.1.1, 4.3.1 to 4.3.4	197 to 199, 220 to 231
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	218 and 219
	Clauses covering the corporate and environmental responsibility of suppliers included in agreements	4.1.2.2, 4.5.1	200 to 204, 252 to 255
Undertake initiatives to promote greater environmental responsibility	Environmental charter	4.4.1	234 to 238
	Environmental policies	4.4.3	249 to 252
Encourage the development and diffusion of environmentally friendly technologies	Environmental charter	4.4.1	234 to 238
	Charter of social commitment	4.1.2.2	200 to 204
	Rexel Foundation for a better energy future	4.1.2.2, 4.5.4	200 to 204, 260 to 262
Work against all forms of corruption, including extortion and bribery	Ethics guide	4.2.2	218 and 219
	Anti-money laundering and anti-corruption policies	2.1.4, 4.2.2	58 to 61, 218 and 219

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