



The energy transition: a growth driver for Rexel

REXEL

a world of energy

A global leader in the professional multichannel distribution of products and services for the energy world, Rexel places corporate responsibility at the very heart of its value creation strategy.

“The evolution toward a constantly more sustainable and therefore more resilient business model will be essential to all long-term value creation goals. Energy management by itself can account for 40% of the reduction in greenhouse gas emissions necessary to comply with the Paris Agreement. And considering Rexel’s prominent position at the heart of the electricity value chain, it is our responsibility to take action and to mobilize our stakeholders to build a sustainable future together. ”

Bertrand de Clermont Tonnerre,
Group Sustainable Development
Director & General Secretary of the
Rexel Foundation for a better future

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CORPORATE RESPONSIBILITY AT THE HEART OF REXEL'S STRATEGY

Rexel intends to reduce the direct emissions of its operations, but also to promote the best environmental standards throughout the industry. The aim is thus to have a positive impact on the 600 million tons of CO₂* emitted across the entire value chain each year.

A JOURNEY THAT BEGAN 15 YEARS AGO



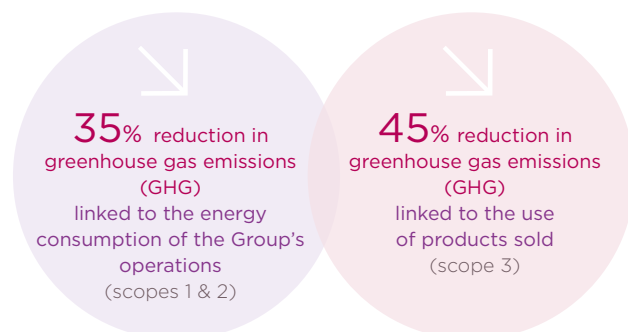
A COMMITMENT GROUNDED IN REXEL'S DNA

Environmental, social and governance challenges are grounded in Rexel's DNA.

Starting in 2010, the Group set two goals for itself:

- Reduce the CO₂ emissions of its internal operations by 30% in 10 years.
- Double the sales of its energy-efficient products and solutions over the same period.

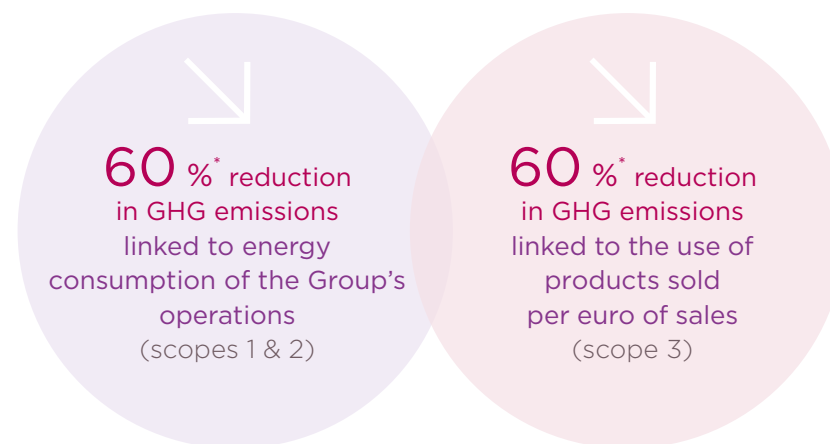
Having met these two goals in 2017, three years ahead of schedule, in 2018, Rexel set even more ambitious goals for 2030:



versus 2016.

Announced in 2018, these two goals were validated by the Science-Based Target initiative (SBTi). They are in line with the **Paris Agreement**, which aims to limit global warming to less than +2°C by the end of the century, and they place Rexel among the most ambitious companies in its sector.

In 2022, Rexel made a commitment to the SBTi to set new targets in line with the Net Zero Standard, the most ambitious climate change framework. During a Capital Markets Day on June 16, 2022, Rexel set even more ambitious targets:



by 2030, versus 2016.

“Rexel pursues and broadens its commitment. Today, we are the only distributor in our field to do so.”

Bertrand de Clermont Tonnerre,
Group Sustainable Development Director & General
Secretary of the Rexel Foundation for a better future

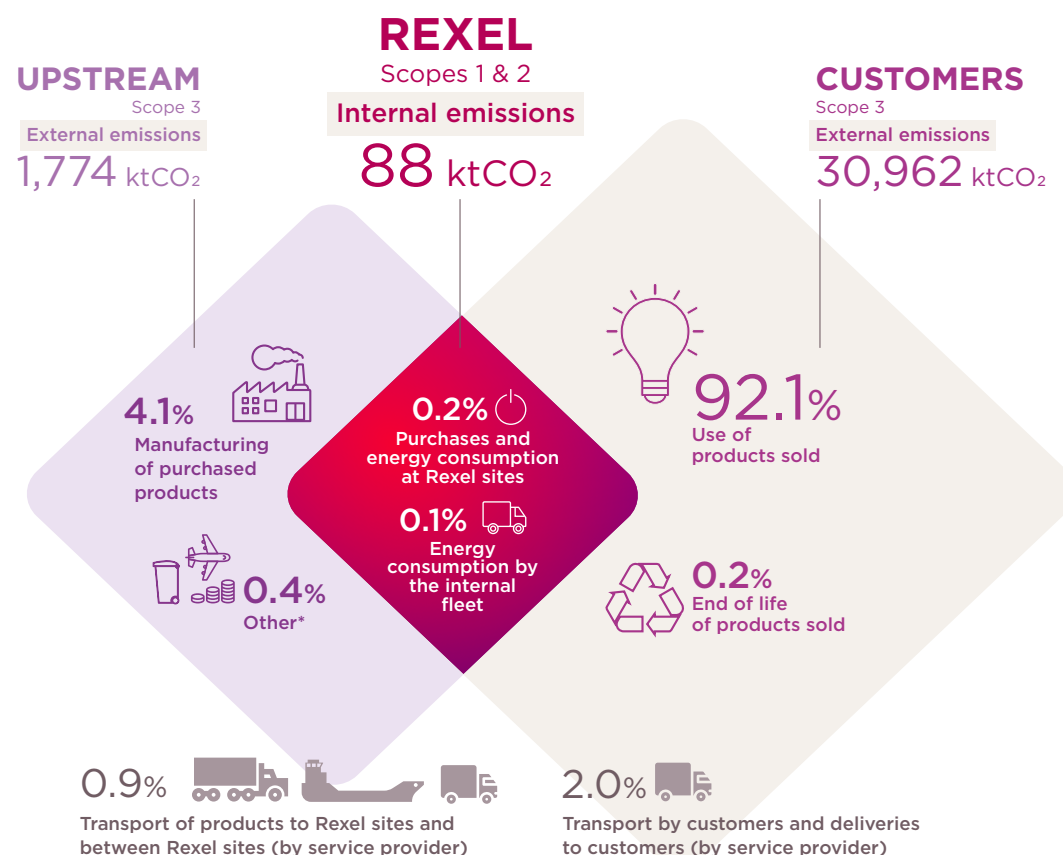
92.1% OF CO₂ EMISSIONS RELATED TO THE USE OF PRODUCTS SOLD

Every year, Rexel evaluates the greenhouse gas emissions of its entire value chain. This assessment reveals that 92.1% of the Group's CO₂ emissions are related to the use of products sold.

Rexel therefore has a key role to play, in partnership with the various actors in its ecosystem, in order to select the most responsible and eco-efficient products to offer its customers.

Its primary levers of action to contribute to a greener world are the following:

- **Mobilize** suppliers in order to move toward even more responsible products (scope 3)
- **Support** customers and raise their awareness in order to promote green, eco-efficient solutions (scope 3)
- **Train** employees in solutions that meet social and environmental challenges
- **Reduce** the CO₂ emissions related to internal operations (scopes 1 & 2)
- **Participate** in the public debate and develop knowledge about climate and environmental issues (scopes 1, 2 & 3)



Figures as of 31/12/2021

Prioritizing sustainable financing via sustainability-linked bonds

Consistent with its strategy, Rexel decided to link part of the financing conditions of its operations to **greenhouse gas reduction targets**. These targets are part of the Group's 2030 commitments:

↓
A **23%** reduction
in GHG emissions
related to the consumption
of products sold per
euro of sales.

↓
A **23.7%** reduction
in GHG emissions
related to the energy
consumption of the
Group's operations.

by 2023 as compared to 2016.

These targets are foundational for Rexel and confirm that the Group has set ambitious goals:

- Moving forward, financial issues are tied to these targets
- Rexel has joined its short term (2023) to its long term (2030) targets
- Independent CSR expert Vigeo Eiris has rated these two targets as **"Advanced,"** i.e. the highest level in terms of sustainable performance targets and indicators

The structure of this operation is simple, transparent and binding on third parties:

- The sustainable development targets and indicators are audited by PwC
- The full penalty is due as soon as one of the two targets is not met
- The observation date precedes the date of early repayment



SUPPORTING CUSTOMERS AND RAISING THEIR AWARENESS

Rexel raises its electrician customers' awareness of the issues related to the energy transition and offers them eco-efficient services and solutions to help them reduce their emissions as well as those of their end-users.

The Group provides them with information about the efficiency of the various solutions by developing tools that make it possible to calculate the CO₂ emissions of a work site, a building, a project, an order, etc.

CLIMATE CHANGE

Climate change is one of the major challenges of the century. Energy management by itself can account for 40% of the reduction in greenhouse gas emissions necessary to comply with the Paris Agreement.

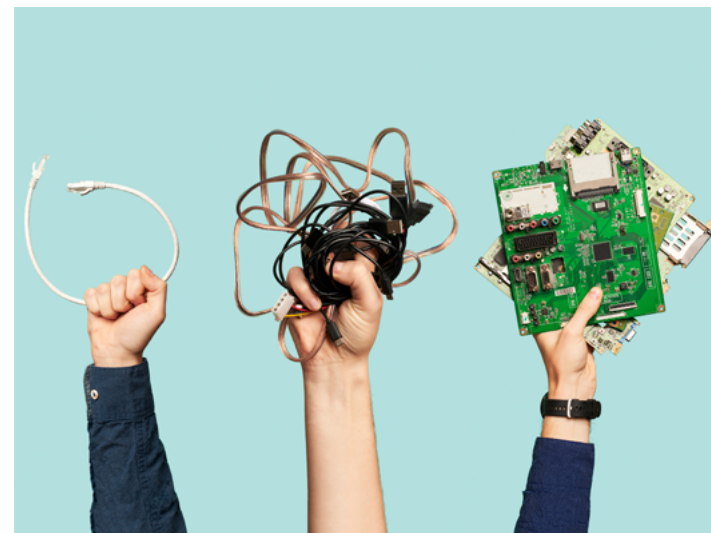
The Rexel Group is committed to:

- Offering solutions to accelerate the energy transition
- Selecting the most eco-efficient products
- Collaborating with its partners in order to involve the entire value chain in fighting climate change

CIRCULAR ECONOMY

Only 10% of the 50 million tons of electrical and electronics equipment discarded every year worldwide ever reaches a recycling facility, which is why Rexel has made waste reduction a priority and is committed to sustainable resource management.

- Recycling electrical equipment in branches or at customers' locations
- Recycling and reusing other equipment and materials
- Limiting excess packaging



SUPPORTING CUSTOMERS AND RAISING THEIR AWARENESS



DEVELOPING A PRODUCT AND SERVICES OFFERING TO ENCOURAGE THE ENERGY TRANSITION

- Rexel launched its **Primexel initiative to better promote energy retrofitting** and to provide financial support via energy savings certificates to installers who carry out energy performance improvement work on buildings.
- The Group has also developed a product offering for **new mobilities**. Rexel strengthened its position in the electrical mobility market through the acquisition of Freshmile Services, a French company specializing in the installation and remote management of electric vehicle charging stations, providing access to 100,000 stations across Europe.
- Rexel is also involved in the creation of products to **support the development of renewable energies**, especially wind and solar.
- Rexel provides its customers with the Carbon Tracker, a tool that enables them to **calculate the environmental impact of products provided for a work site or building** over the course of their life cycle.
- Rexel also offers **specific training programs**, such as how to create electric vehicle charging infrastructures.



A CIRCULAR ECONOMY APPROACH TO LIMIT THE IMPACT ON NATURAL RESOURCES

- As part of its **circular economy** approach, the majority of Rexel's products are **recyclable**. The Group uses sustainable logistics and works with its partners and suppliers to optimize unsold inventory and promote repair as well as second-hand use.
- **The Group sources eco-friendly products from innovative suppliers**, such as lights from the *Planète* line, and has developed an eco-calculator that can estimate a product's carbon footprint. Rexel has committed to choosing **products whose full life cycle is sustainable**, with **minimal packaging** (recycled corrugated cardboard) changed from brown to white in order to avoid the chlorine whitening process and **limit the carbon footprint** of its production.
- Finally, Rexel ensures the **responsible use of materials**. This involves limiting consumption, committing to replace plastic parts with paper and to using recycled plastic. Several partners, whether suppliers or customers, support Rexel in this endeavor.

PEP, a standardized management tool

The Product Environmental Profile (PEP) is an environmental standard created by suppliers for their electric, electronic and HVAC (heating, ventilation and air-conditioning) products. The PEP provides reliable information on the environmental impact of products thanks to quantified, multi-criteria data.

TYPES OF DATA ANALYZED

- Impact on climate change
- Total energy consumption
- Impact on the depletion of natural resources
- Freshwater use

Using these raw data, Rexel's teams establish the environmental impact of each product. This information allows Rexel to estimate the environmental impact of the material supplied for a work site or a building, from its construction to its end of life, including the distribution, installation and use of products.

Rexel encourages its suppliers to create PEPs in order to have the information necessary to:

- Inform customers and direct them to the most environmentally efficient products
- Incite manufacturers to initiate eco-friendly design processes

“Our teams strive day in and day out to develop even more innovative digital solutions for our customers, for our suppliers, and for all of our stakeholders in order to limit the environmental impact of our operations and of the products that we sell.”

Nathalie Wright,
Chief Digital and
Sustainability Officer

MOBILIZING SUPPLIERS AND PARTNERS

Rexel wants to work with partners, and suppliers in particular, that share the same values in terms of ethics and social and environmental commitments across the entire value chain.

350 suppliers, representing 80% of the Group's purchase volume, thus received an evaluation questionnaire to identify their level of engagement in this approach.

A specific form of monitoring is in place with less satisfactory suppliers in order to ensure that they are taking improvement measures.

In 2020, Rexel launched its **Sustainable Supplier Charter**, to be signed by all of its suppliers. The Group works in close collaboration with them to reduce the environmental impact of the use of products sold (92.1% of emissions) by collecting **environmental information about the products, i.e. the PEP (Product Environmental Profile)**. Rexel thus provides a sustainable product offering that gives its customers **access to reliable information on the subject, thereby enabling them to choose the best technical and sustainable solution**.



“The Rexel Group and its 26,000 employees are committed every day to combining performance, compliance and social responsibility. This approach creates value for all and requires the ongoing commitment of the Group’s employees and its business partners. Its purpose is to strengthen the relationships of trust established between Rexel and its partners, in particular its suppliers and customers.”

Guillaume Dubrue,
Group Purchasing and
Supplier Relationship Director

CONCRETE SOLUTIONS TO REDUCE THE IMPACT OF THE GROUP'S OPERATIONS

These solutions apply to every field of action: sales methods and locations, transports and site management in terms of energy supply and consumption.

The **Environmental Charter** is available in 23 languages in all of the Group's subsidiaries and was displayed in 93% of its sites as of the end of 2021. To measure its overall performance, Rexel has implemented a **centralized environmental reporting process** that enables close monitoring of the environmental impact of all of its operations and the management of environmental improvement plans.

69 environmental correspondents

This approach relies heavily on 69 environmental correspondents divided between the subsidiaries. They are tasked with implementing the Group's policies and with managing its environmental reporting. The definition and supervision of the Group's strategy are handled by the Sustainable Development department under the direction of Rexel's Executive Committee. The Sustainable Development department offers and coordinates awareness-raising and training programs (with the Rexel Academy or via dedicated seminars).

The implementation of this approach takes place according to three levels of additional requirements:

- The application of the **Environmental Charter**
- The application of the **Environmental Management System (EMS)**
- The **environmental certification** process of its sites



CONCRETE SOLUTIONS TO REDUCE THE IMPACT OF THE GROUP'S OPERATIONS

A few examples:



LOGISTICS

- Deliveries in the Paris region via **eco-friendly delivery rounds** including the increasing mobilization of natural gas vehicles for deliveries within Paris, where a bicycle/tricycle delivery system has also been implemented.
- Carbon footprint limitation, especially by **providing lockers where customers can retrieve their orders in car parks in partnership with Indigo**. Launched in eight car parks in Île-de-France, this experiment enables customers to order supplies via webshop, application or telephone, and to choose the nearest pick-up location to their work site. The order can be delivered the next day and can be retrieved in a Rexel Box accessible 24/7.
- Rexel is also developing a **tool to calculate** the environmental impact of its deliveries.



INTERNAL OPERATIONS AND SITE MANAGEMENT

- **2,000 square meters of solar panels at Cestas** (Gironde) produce 20% of the electrical consumption of this logistics center, which has a storage space of 18,000 square meters and holds 25,000 products. The building is **BREEAM** (Building Research Establishment Environmental Assessment Method) certified and demonstrates Rexel's dedication in terms of managing the environmental impact of its sites.
- 10 of Rexel's subsidiaries are already **ISO 14001 certified** and 42% apply the Environmental Management System.
- The total quantity of waste recycled by Rexel, all materials included, was **20,472 tons in 2021**, i.e. 62.9% of the total waste generated (cf. **URD 2021** , p. 235)
- Certain subsidiaries, representing 15% of Rexel's sites and 7% of the Group's on-site energy consumption, have committed to the implementation of energy management systems that meet the **ISO 50001 standard**.

Rexel supports the United Nations Global Compact



Since 2011, Rexel has supported the United Nations Global Compact by committing to respect and promote the **10 universal principles for preserving the environment, respecting human rights and work standards and fighting corruption.**

This signature echoes such long-standing initiatives as the Ethics Guide, a comprehensive and collective continual improvement process that invites all employees to think and act responsibly every day, the inclusion of social responsibility clauses in purchase contracts, social responsibility policies, the implementation of a Community Involvement Charter and the creation of an Environmental Charter.

Based on the materiality analysis conducted with its stakeholders in 2019, Rexel identified the most significant sustainable development goals (SDG) for its operations and defined and implemented action plans to reach them.

SDG 7: Guarantee universal access to reliable, sustainable, modern energy services at an affordable price

- Propose renewable energy and energy-efficient solutions
- Fight fuel poverty via the Rexel Foundation for a better energy future
- Control the energy consumption of its buildings and transport

SDG 11: Ensure that cities and human establishments are open to all, safe, resilient and sustainable

- Propose renewable energy and energy-efficient solutions
- Protect the personal data of stakeholders
- Provide safe solutions for installers and end users

SDG 12: Establish sustainable modes of production and consumption

- Purchase responsibly
- Direct customers toward sustainable practices
- Build trust-based relationships with its customers

SDG 13: Take urgent action to fight climate change and its repercussions

- Propose renewable energy and energy-efficient solutions
- Reduce the greenhouse gas emissions of its operations
- Direct customers toward low-carbon solutions

SDG 17: Develop partnerships to reach sustainable development targets

- For each SDG to be reached, identify and include the stakeholders concerned

COLLABORATIONS AND COMMITMENTS

In order to encourage the **research and development of more eco-friendly innovations**, Rexel announced its participation in the **French Business Climate Pledge** in 2019, alongside 100 French companies. The goal is to promote low-carbon industrial investments in order to reduce greenhouse gas emissions. To this end, the members of the pact will allocate €73bn between 2020 and 2023.



The Rexel Foundation for a better energy future

Alongside 75 partners and through 70 initiatives, the Rexel Foundation **is fighting fuel poverty** in the Group's countries of operation, in particular by supporting three kinds of programs: community projects, social innovation projects and academic studies and research.

Improving the living conditions and access to energy efficiency for the most disadvantaged communities

- Through **construction or renovation**, e.g. by supporting the actions of Les Compagnons Bâisseurs (Builder Companions) for the improvement of low-income households in northern France
- Through **vocational training**, with the association LP4Y supported by the Foundation to help young people aged 15 to 24, victims of social exclusion living below the poverty line, to develop an economic activity to facilitate their social and professional integration
- Through **renewable energies**, thanks to the sustainable development of Native American communities , via easier access to solar energy and vocational training



THE REXEL FOUNDATION, COMMITTED TO ENERGY PROGRESS

Facilitating the inclusion of households in fuel poverty in Roubaix

- Initiated by the [Rexel Foundation in Roubaix](#), the “Collectif des Possibles” (Possibilities Collective) demonstrates the Foundation’s hands-on commitment to fighting fuel poverty. It provides individual support for people throughout the renovation of their home: assistance with administrative processes, choice of craftspeople, project management, etc., all the way to completion. To accomplish this, the “Collectif des Possibles” relies on a wide community of players: inhabitants, local authorities, associations, foundations, private businesses, craftspeople, Rexel employees, social entrepreneurs, startups, students and local volunteers.
- Collaborative workshops bring together residents, local stakeholders and experts, enabling collective thinking on solutions to support vulnerable people and help them out of fuel poverty. The initiative is explained in an informative booklet and its methodology has been documented. These resources are available on the Rexel Foundation website in open source format in order to strengthen the project’s social impact and transpose it elsewhere. The Roubaix experiment is intended to be deployed in other locations that have expressed an interest in the initiative.



“Convinced that there cannot be an energy transition without solidarity, in 2013 the Rexel Foundation made fighting fuel poverty one of its priorities: effective solutions require close collaboration with target communities.”

Bertrand de Clermont Tonnerre,
Group Sustainable Development
Director & General Secretary of
the Rexel Foundation for a better
future

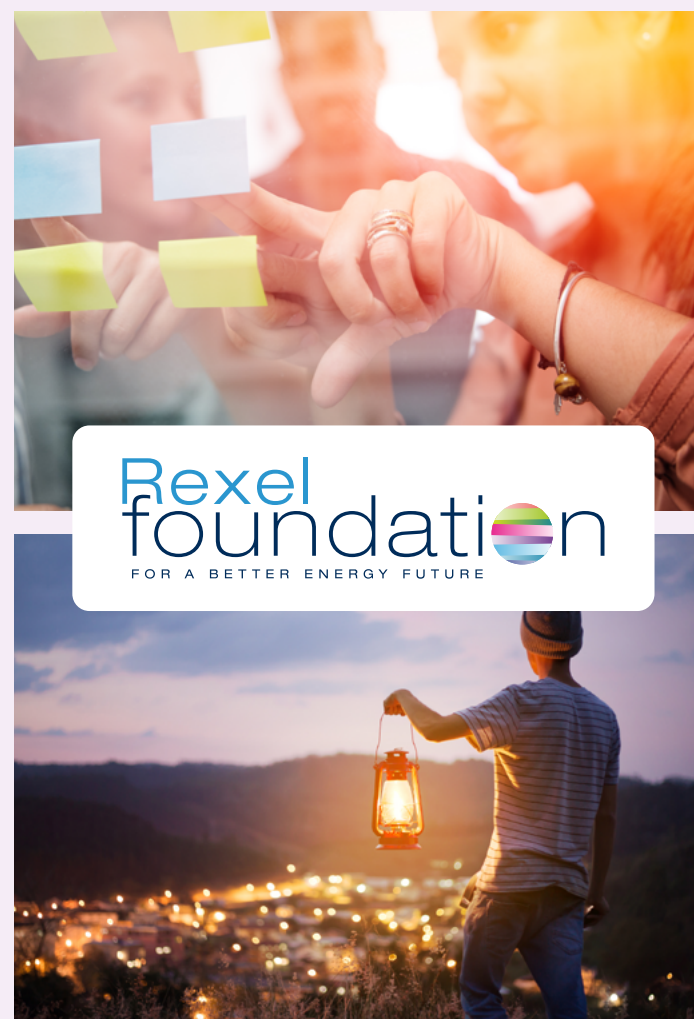
THE REXEL FOUNDATION, COMMITTED TO ENERGY PROGRESS

Developing new economic models with high social impact

- Through **awareness-raising**, by supporting the actions of [VoisinMalin](#), which supports the inhabitants of working-class neighborhoods in managing their water and energy consumption and informs them about the energy-efficient solutions available to them.
- Through **renovation**, in collaboration with [GERES](#), which brings together craftspeople and low-income households to facilitate energy refurbishment work in homes affected by fuel poverty.
- Through **facilitating access to home ownership for people living in fuel poverty** in collaboration with Next Step, which offers mobile homes and low-cost, low-consumption housing for Americans experiencing difficulties with becoming home owners. This is the same notion as the project [“Un toit vers l’emploi”](#) (A Roof and a Job), initiated by the association Entrepreneurs du Monde, which offers a means of social and professional reintegration for homeless people by giving them access to “Tiny Houses.”

Developing knowledge and raising awareness of energy efficiency

- Through **research**, like the Foundation did by funding the [HOPE Chair](#), based in Grenoble, whose mission is to measure fuel poverty and its impact and to support technical and social innovation in order to generate new solutions and services for disadvantaged people.
- Through the provision of **tools, guides and methodologies**, for example by providing financial support for (IM)PROVE in developing a [guide for social entrepreneurs to measure the impact of social innovation projects](#) or a cost-benefit analysis guide.
- Through the implementation of **experimental models using renewable energies**, such as the [Rocky Mountain Institute’s project](#) for the creation and experimentation of two pilot solar projects in the state of New York (USA).



REXEL, A KEY PLAYER AT THE HEART OF THE ELECTRICAL INDUSTRY

At the heart of the electrical industry, Rexel plays a key role in the energy transition.

Power consumption worldwide is constantly increasing, due in large part to:

- The demand for comfort coming from an ever-growing segment of the population
- Accelerating urbanization
- The development of new uses, applications, and solutions
- Encouragement from public authorities to turn to green energies



REXEL, A KEY PLAYER AT THE HEART OF THE ELECTRICAL INDUSTRY



ELECTRIC VEHICLES

Rexel has strengthened its position in the electric mobility market thanks in particular to the acquisition of Freshmile, a French leader in the sector, which provides access to more than 100,000 charging stations across Europe in addition to associated services such as finding stations via geo-location, reserving them and paying online. The share of personal electric vehicles should grow from 8% in 2019 to 52% in 2030 according to a study by the Boston Consulting Group.



INDUSTRY 4.0

Rexel is preparing for the fourth industrial revolution thanks to its teams of expert technicians in industrial processes. The Group develops innovations in mobile cobotics and network security, and implements smart sensors on production lines in addition to monitoring industrial processes via Edge Computing. The Group intends to ensure safe and efficient digitization for manufacturers, while enabling remote, real-time maintenance and energy consumption management.



ARTIFICIAL INTELLIGENCE AND DATA

Rexel is committed to supporting the latest innovations in artificial intelligence and data analysis: a benchmark in the use of data thanks in particular to its central role in the energy value chain, which gives it access to abundant amounts of data, Rexel is also a founding member of "Hi! Paris," a center for research excellence in the fields of AI and data analysis, which brings together HEC Paris and Institut Polytechnique de Paris.



BUILDING CONTROL

The IoT market, which represented \$251bn worldwide in 2019, will represent \$1,854bn in 2028 (source: Internet of Things, September 2021, Fortune Business Insights). Rexel offers smart solutions and services for the commercial construction market supporting the swift development of BIM (Building Information Modeling) technologies. In the residential market, the Group also launched the solution "Energeasy Connect," which enables the end user to better manage and control the energy consumption of their home by monitoring 18 different home uses.

A RECOGNIZED SUSTAINABLE PERFORMANCE

- Rexel is at the top of its sector in the Le Point
- Statista ranking of the most responsible
companies in France
- Rexel is recognized as a “Diversity Leader
2020” by the Financial Times
- Sustainable development in action

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**SCIENCE
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TARGETS**
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

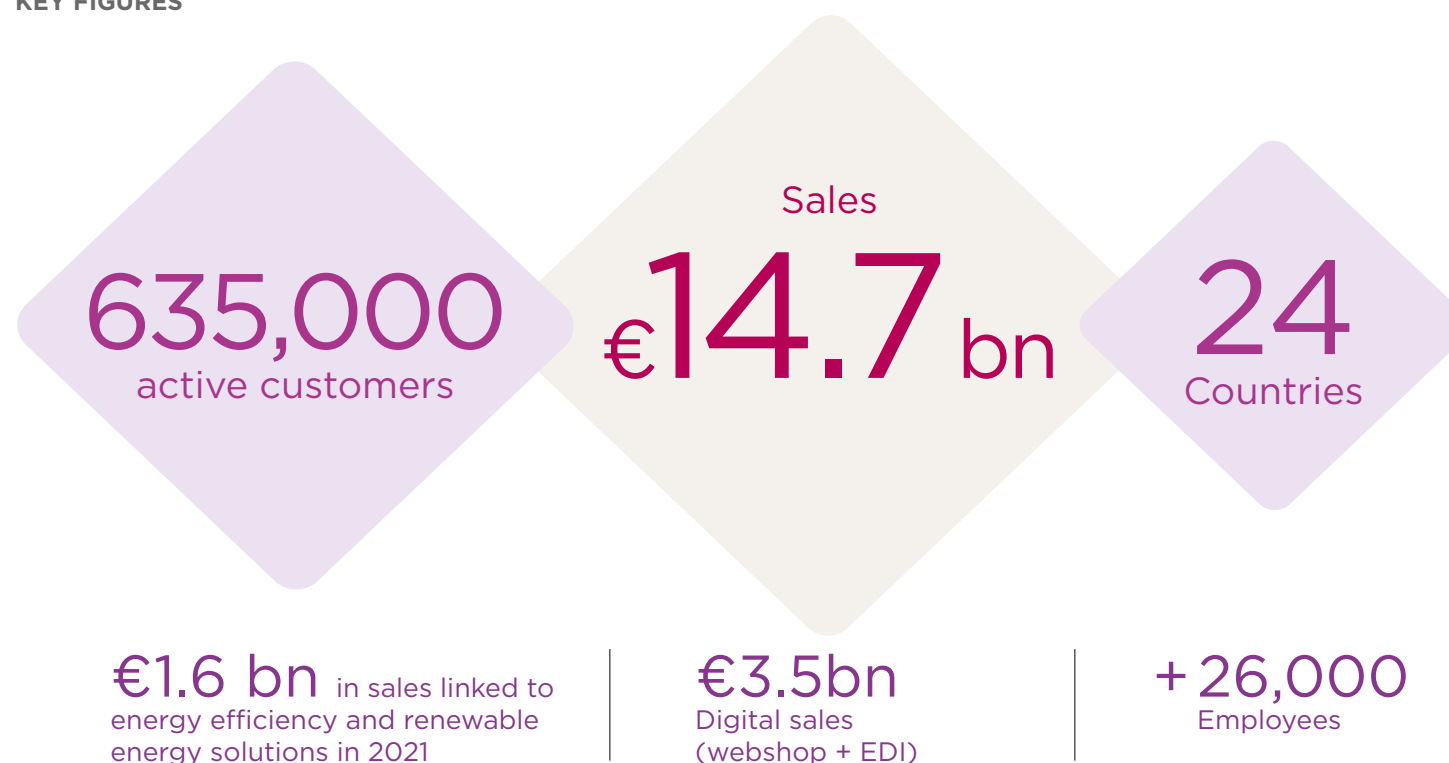
Sustainability Yearbook
Member 2022
S&P Global

FT
FINANCIAL
TIMES
**LEADER IN
DIVERSITY**
statista **2020**

STOXX
Member 2021/2022
**ESG Leaders
Indices**

Rexel ***supports its residential, commercial and industrial customers*** by providing ***a tailored and scalable range of products and services in energy management*** for construction, renovation, production and maintenance.

KEY FIGURES



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