



COMPENSATION OF CORPORATE OFFICERS OF EXCLUSIVE NETWORKS SA

On 27 February 2023 and 27 March 2023, the Board of Directors of Exclusive Networks SA decided respectively, on the 2023 compensation policies of the Corporate Officers, namely Mr. Jesper Trolle and Mrs. Barbara Thoralfsson, for their respective functions as Chief Executive Officer and Chairperson of the Board of Directors (ex-ante vote), and the variable compensation of Mr. Jesper Trolle in respect of his mandate as Chief Executive Officer for the financial year 2022 (ex-post vote).

The 2023 compensation policy was established based on a panel of circa 15 European/international IT companies to capture Exclusive Networks' unique positioning in the market. The companies on the panel were selected on the basis of EBIT, market capitalization, headcount and revenues. In relation to this panel, Exclusive Networks compared itself to the median. These companies are all incorporated in Europe (Germany, France, Italy, Sweden, Switzerland, Norway, Great Britain) with the exception of one incorporated in the United States.

1. Variable remuneration 2022 of Mr. Jesper Trolle, Chief Executive Officer of Exclusive Networks SA

Based on the financial and non-financial targets set by the Board of Directors on 20 January 2022 regarding the variable compensation and the results approved by the Board of Directors on 27 March 2023, the variable part of Mr. Jesper Trolle's remuneration amounts to EUR 592,087, corresponding to a rate of achievement of the financial objectives of 114.03% for Adjusted EBITA, 112.58% for the net margin, and a rate of achievement of 100% for the objectives associated with the non-financial criteria.

The fixed part of his compensation amounted to EUR 550,000 for 2022.

The total gross amount of fixed and variable compensation due to Mr. Jesper Trolle for the financial year 2022 is therefore EUR 1,142,087.

In accordance with Article L.22-10-34 II of the French Commercial Code, the payment of the variable part of the Chief Executive Officer's 2022 compensation is conditional upon the approval of this remuneration component by the Annual General Meeting to be held on 8 June 2023.

Mr. Jesper Trolle also benefited from the allocation of 42,049 shares within the framework of a free allocation plan, the definitive acquisition subject to a two-year vesting period and to the satisfaction of performance conditions based on financial indicators.

2. Compensation policy for Mr. Jesper Trolle, Chief Executive Officer of Exclusive Networks SA for the financial year 2023

- **Fixed part of the CEO's remuneration**

The fixed remuneration of the Chief Executive Officer was set at EUR 550,000, unchanged from 2022. This fixed remuneration is paid in 12 monthly instalments.

- **Annual variable part of the Chief Executive Officer's remuneration**

The target annual variable part was raised to 100% of the fixed remuneration (i.e. EUR 550,000). This variable portion may reach a maximum of 172% of the target amount (i.e., EUR 946,000) depending on the level of achievement of the performance conditions based on both financial criteria accounting for 80% and non-financial criteria accounting for 20% at target.



The weighting between financial and non-financial criteria, as well as the nature and respective weighting of the two financial indicators are unchanged compared to 2022. The non-financial criteria used to determine the variable part of the 2023 compensation have been updated with regard to the Group's strategy; the performance condition focused on sustainability has been strengthened and an indicator linked to the stock market performance of Exclusive Networks SA shares has been introduced.

The assessment of the variable part based on financial criteria will depend on the achievement of the following two objectives, deemed relevant to assess the operational and financial performance of the Exclusive Networks Group and its strategy (as in 2022), each counting for 50%: the Adjusted EBIT and the Group's Net Margin.

The assessment of the variable part of the compensation based on non-financial criteria will depend on the achievement of the following targets based on sustainable development indicators accounting for 10% and strategic criteria accounting for 10%:

Sustainable development indicators:

- Construction of the baseline of the Group's carbon footprint (5%)
- Employee commitment (5%).

Strategic and development indicators:

- Optimisation of the vendor portfolio management
- M&A: robustness of the M&A pipeline and execution of M&A strategy in line with guidance
- Evolution of the share price for Exclusive Networks
- Development of cloud solutions strategy: assessment and preparation of the 3-year strategic plan

The level of achievement of the non-financial indicators is assessed overall.

In accordance with the law, the payment of the variable remuneration to the Chief Executive Officer in respect of the financial year 2023 will be subject to the approval of the Annual General Meeting to be held in 2024.

- **Long-term compensation**

The Chief Executive Officer may be granted long-term compensation in the form of an allocation of shares in the Company, the final vesting of which is subject to the satisfaction of performance conditions based solely on the Group's financial performance. The weighting of the financial indicators and their nature are unchanged from those used in the previous 2022 plan, i.e. Adjusted EBIT accounting for 50% and Adjusted Free Cash Flow (FCF) accounting for 50%.

In accordance with this 2023 compensation policy, the Board of Directors decided on April 17, 2023 to grant 41,451 performance shares to Mr. Jesper Trolle, at target. 50% of the shares thus granted will vest at the end of a two-year vesting period subject to the achievement of performance conditions measured at the end of two consecutive fiscal years (at the end of 2024), and 50% will vest at the end of a three-year period subject to the achievement of performance conditions measured at the end of three consecutive fiscal years (at the end of 2025).

The Board of Directors has maintained for the Chief Executive Officer the obligation to retain definitively acquired performance shares in registered form until the termination of his functions.



In the event of termination of his duties as a corporate officer, the Chief Executive Officer will lose his right to receive the performance shares granted to him since his appointment as Chief Executive Officer and that were not vested by the date of termination of his duties as a corporate officer, except in the event of death, disability or retirement, in which case the long-term remuneration rights will be maintained as provided for in the relevant performance share plans. The Board of Directors will nevertheless have the option, on the proposal of the Nomination and Compensation Committee, to decide to waive the presence condition and to maintain entitlement to any performance shares that will have been granted to him since his appointment as Chief Executive Officer and were not vested by the date of termination of his duties as a corporate officer (with the exception of cases of departure for serious misconduct or intentional misconduct). Such a decision by the Board of Directors must be motivated, in accordance with the AFEP-MEDEF Code. In this case, the acquisition of the performance shares would remain subject to the satisfaction of the performance condition(s) set out in the regulations of the relevant plans.

- **Termination allowance (unchanged since appointment)**

Mr. Jesper Trolle may be entitled to a severance payment, which may only be paid in the event that the termination of his functions as Chief Executive Officer results from a forced departure, regardless of the form of such departure.

The payment of this indemnity is excluded in the event of termination of functions (i) linked to serious misconduct or gross negligence committed by the Chief Executive Officer within the Group as these terms are defined and interpreted by French jurisprudence, (ii) on his own initiative to perform new duties outside the Group, (iii) linked to a change of duties within the Group or (iv) resulting from retirement.

Mr. Jesper Trolle will receive an indemnity equal to 12 months of his fixed and variable compensation, the payment of which will be subject to the satisfaction of performance conditions linked to the achievement of the objectives set for his annual variable compensation. This indemnity will be calculated on the fixed and variable compensation paid during the last twelve (12) months preceding the termination of his functions.

- **Benefits in kind (unchanged since appointment)**

Mr. Jesper Trolle will continue to receive the same benefits in kind as in 2022, namely a company car and reimbursement of his children's school tuition fees.

- **Exceptional compensation**

The Chief Executive Officer may be eligible for exceptional compensation if warranted by extraordinary circumstances or events in terms of their importance to the Group, the commitment they require and the difficulties they pose, such as for example the success of a major structuring acquisition for the Group.

- **Provident fund and health costs (unchanged since appointment)**

Mr. Jesper Trolle will continue to benefit fully from the Group's health insurance contracts during his term of office.



3. Remuneration policy for Mrs. Barbara Thoralfsson, Chairperson of the Board of Directors, for the year 2023

The annual fixed remuneration for the year 2023 for Barbara Thoralfsson, Chairperson of the Board of Directors, amounts to EUR 240,000, unchanged from 2022.

The Chairperson of the Board of Directors will also receive compensation for her functions as a Director of the Company and for her functions on the Committees of the Board of Directors in accordance with the compensation policy for Directors.

The Chairperson of the Board of Directors is entitled to reimbursement of expenses related to her position, including travel expenses.

The Chairperson of the Board of Directors does not receive any other remuneration or benefits in kind.