



## COMPENSATION OF CORPORATE OFFICERS OF EXCLUSIVE NETWORKS SA

On 28 February 2024 and 29 April 2024, the Board of Directors of Exclusive Networks SA decided respectively, on the 2024 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 2023 (ex-post vote).

The 2024 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 (this panel is unchanged from the previous year) were selected on the basis of EBIT, market capitalization, headcount and revenues. In relation to this panel, Exclusive Networks SA 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. Remuneration of Mr. Jesper Trolle, Chief Executive Officer.

#### 1.1. Remuneration 2023 of Mr. Jesper Trolle, Chief Executive Officer of Exclusive Networks SA

Based on the achievement of financial and non-financial targets set/approved by the Board of Directors on 28 February 2024 regarding the variable compensation and the results approved by the Board of Directors, the 2023 variable part of Mr. Jesper Trolle's remuneration amounts to EUR 606 591, i.e. 110.3% of his annual target variable remuneration, corresponding to an achievement rate of 103, 3% and a payout of 113,1% for the Adjusted EBIT target and an achievement rate of 103, 2% and a payout of 112,7% for the net margin target, and an achievement rate of 100% for the objectives associated with the non-financial criteria corresponding to a payout of 100%.

The fixed part of his compensation amounted to EUR 550,000 for 2023, unchanged from the previous year.

The total gross amount of annual fixed and variable compensation due to Mr. Jesper Trolle for the financial year 2023 is therefore EUR 1,156,591.

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 2023 compensation is conditional upon the approval of this remuneration component by the Annual General Meeting of the shareholders to be held on 6 June 2024.

Mr. Jesper Trolle also benefited from the allocation of 41,451 shares of the Company within the framework of a free allocation plan, implemented by the Board of Directors on 17 April 2023. The definitive acquisition of the shares allocated is subject to a condition of presence throughout the acquisition period, as well as to performance conditions based on financial criteria defined with regard to two absolute criteria linked to Adjusted EBIT and Adjusted operating Free Cash Flow. The level of performance achievement is assessed at the end of two consecutive financial years (at the end of 2024) for 50% of the shares allocated, and at the end of three consecutive financial years for 50% of the shares allocated (at the end of 2025). The number of shares definitively acquired will therefore depend on the number of objectives achieved and the level of satisfaction of the objective.



## **1.2. Compensation policy for Mr. Jesper Trolle, Chief Executive Officer of Exclusive Networks SA for the financial year 2024.**

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

The fixed remuneration of the Chief Executive Officer was set at EUR 550,000, unchanged since 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 118% of the fixed remuneration (i.e. EUR 650,000). This variable portion may reach a maximum of 172% of the target amount (i.e., EUR 1 118 000) 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 2023. The non-financial criteria used to determine the variable part of the 2024 compensation have been updated with regard to the Group's strategy; as well as the performance condition focused on sustainability development in view of the entry into force of the Corporate Sustainability Reporting Directive.

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 2023), each counting for 50%: i.e. 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: 10%**

- Preparation of the CSRD strategy.

**Strategic and development indicators: 10%**

- Optimization 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 SA
- 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 2024 will be subject to the approval of the Annual General Meeting to be held in 2025.

- **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 2023 plan, i.e. Adjusted EBIT accounting for 50% and Adjusted Free Cash Flow (FCF) accounting for 50%.



In accordance with this policy, the Board of Directors decided on April 29, 2024 to grant 43 681 performance shares to Mr. Jesper Trolle at target. These shares will vest at the end of a three-year vesting period subject to the satisfaction of performance conditions measured at the end of three consecutive fiscal years (at the end of 2026).

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, in whole or in part, 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 AFEF-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 linked to:

- A serious misconduct or gross negligence committed by the Chief Executive Officer within the Group as these terms are defined and interpreted by French jurisprudence,
- a change of duties within the Group.
- Resulting from retirement.
- Resulting from the Chief Executive Officer's own initiative to take up a new position outside the Group.

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 benefits in kind of 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.

## **2. Remuneration policy for Mrs. Barbara Thoralfsson, Chairperson of the Board of Directors.**

### **2.1 2023 Remuneration.**

Mrs. Barbara Thoralfsson received a fixed remuneration of EUR 240,000 in respect of her duties as Chairwoman of the Company's Board of Directors, and directors' fees of EUR 81,000 in respect of her duties as Director and member of two Board committees (the Audit Committee and the Appointments and Remuneration Committee).

### **2.2 Remuneration policy for Mrs. Barbara Thoralfsson, Chairman of the Board of Directors, in respect of the 2024 financial year.**

The annual fixed remuneration for the year 2024 for Mrs. Barbara Thoralfsson, Chairperson of the Board of Directors, is fixed to an amount of EUR 240,000, unchanged from 2023.

The Chairperson of the Board of Directors will also receive compensation for her functions as a Director of the Company and member 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.