

Remuneration of executive corporate officers

At its meeting on February 26, 2020, on the recommendation of the Appointments and Compensation Committee, the Board of Directors of Fnac Darty considered and approved the following remuneration for Mr. Enrique Martinez, Chief Executive Officer.

Variable remuneration of Mr. Enrique Martinez for 2019

For 2019, the annual variable remuneration of the Chief Executive Officer may range from 0% if no target is met, to 100% of the annual fixed remuneration in the event that the objectives are met. This variable remuneration may reach a maximum of 150% of the annual fixed remuneration if the objectives are exceeded.

Business and financial criteria are paramount when structuring annual variable remuneration. It is broken down as follows: 70% on business and financial targets, 10% on objectives relating to social and environmental responsibility (incorporated in accordance with the recommendations of the AFEP-MEDEF Code) and 20% on qualitative goals.

The 2019 business and financial targets set for the variable portion are as follows:

- Group current operating income (COI);
- Group free cash flow (FCF);
- Group revenues;
- evolution of the Group's market share;

The objectives relating to the company's 2019 social and environmental responsibility set for the variable portion are as follows:

- the Group's non-financial rating;
- employee engagement;

The level of attainment of the above criteria has been precisely established for each one. Each business and financial target and social and environmental responsibility objective is subject to:

- a trigger point below which no remuneration is payable for the objective concerned, and
- a level of achievement beyond which remuneration is capped at 150% for the objective concerned.

The 2019 qualitative goals set for the variable portion are as follows:

- Quality of management, Social climate, Quality of financial communication, Quality of shareholder reporting, Relations with directors;
- Speed and quality of deployment of Confidence+;
- Speed of execution and quality of deployment of Client+.

The Board of Directors measured each of the business, financial, and social and environmental responsibility criteria based on performance throughout 2019. The qualitative criteria were assessed at the same meeting on the basis of the Appointments and Compensation Committee's evaluation.

The total achievement rate of the 2019 variable portion was 60.83% of the maximum, and the gross amount due for 2019 is €684,299.

Pursuant to the provisions of Article L. 225-100 III of the French Commercial Code, the payment of this annual variable remuneration is subject to the approval of the remuneration and benefits of any kind paid or awarded to Mr. Enrique Martinez for 2019 by the General Meeting on May 28, 2020.

Fixed and variable remuneration of Mr. Enrique Martinez for 2020

The Board of Directors, on February 26, 2020, on the recommendation of the Appointments and Compensation Committee, pursuant to its decision of February 20, 2019, decided to maintain the fixed remuneration of its Chief Executive Officer at €750,000 for 2020 with a potential variable amount also unchanged at 100% of the fixed remuneration with objectives achieved and a maximum of 150% of the fixed remuneration to compensate outperformance.

The Group's business and financial criteria remain paramount when structuring the variable remuneration for 2020. It is broken down as follows: 70% on business and financial targets, 10% on objectives relating to social and environmental responsibility and 20% on qualitative goals.

All these targets, objectives and goals are predetermined according to a specific methodology.