

## **Board of Directors, October 21, 2020**

### **Long-term incentive schemes**

Given the exceptional circumstances related to the COVID-19 health crisis and in accordance with applicable legal rules and the AFEP-MEDEF Code, at its meeting on October 21, 2020, on the recommendation of the Appointments and Compensation Committee, the Board of Directors of Fnac Darty decided to modify the metric for the internal performance condition of one of the current long-term incentive schemes for all beneficiaries, including the executive corporate officer.

The Board of Directors decided to make the specific changes below pertaining exclusively to the performance share plan awarded in 2019. This decision was made in an effort to prevent the impact of the health crisis on the year 2020 from disproportionately affecting the ongoing long-term incentive plans as a whole, which would not only undermine the objectives of motivating key managers and aligning their long-term interests with those of shareholders, but would also overlook the very high level of commitment shown by Fnac Darty's teams — the source of the Group's resilience thus far.

The definitive acquisition of these performance shares was primarily contingent on the fulfillment of a level of average free cash flow, assessed for the whole acquisition period in 2022, taking into account the cash flow generated by the Group during the years 2019, 2020 and 2021. To limit the effects of this unprecedented health crisis, the year 2020 will be offset when measuring the entire period's cash-flow performance. Hence the number of shares initially granted under this condition will be reduced by one-third to reflect this change relating to the year 2020. However, the average free cash flow objective to be achieved remains unchanged. In 2022, all performance conditions will therefore be measured as originally planned, and the reduction applied will not allow for more than two-thirds of the shares initially granted on this criterion to be vested.

There are no changes to the other performance conditions of this plan, i.e. the fulfillment of the company's Total Shareholder Return objective compared to SBF 120 and the fulfillment of the company's social and environmental responsibility objective.

It should also be noted that there are no changes to the other ongoing long-term incentive plans, allocated in 2018 and 2020.