



sonepar

ASSISTING OUR CUSTOMERS
IN A WORLD OF CHANGE



2015 PANORAMA



SONEPAR IS THE WORLD'S NUMBER ONE B-TO-B DISTRIBUTOR OF ELECTRICAL PRODUCTS AND RELATED SOLUTIONS.

44
COUNTRIES

245
ENTITIES

43,000
ASSOCIATES

2,800
BRANCHES

1,000,000
ORDER LINES PER DAY

100 +
CENTRAL DISTRIBUTION
CENTERS

900,000
B-TO-B CUSTOMERS
SERVED WORLDWIDE



53%
INSTALLERS



29%
INDUSTRY



9%
SERVICES & UTILITIES



9%
OTHER



20.2

BILLION EUROS
OF SALES



INFRASTRUCTURE
& INDUSTRIAL
AUTOMATION



BUILDING
MANAGEMENT



CABLE
& WIRE



SAFETY
& TOOLS



HVAC & RENEWABLE
ENERGY



LIGHTING



SPECIALITIES
& OTHER





We are an independent, family-owned group with global reach. Our job is to make life easier for our customers.

We span a variety of specialties in the B-to-B distribution of next generation electrical products and solutions.

We are constantly expanding our product and service range so that we can meet our customers' needs.

We support our customers as they develop their business, we work to strengthen our partnerships with suppliers, we invest in the skills and passion of our associates and we make sure they get to share in our success.

What enables us to grow our business is outstanding service, strong customer engagement and a pioneering approach that weds local, hands-on experience to global strategy.

We operate on the basis of shared values, rules of governance and principles of action, because sound, sustainable growth is our goal.

We intend to be, more than ever, "*La Référence*" in our industry.

We are Sonepar.

SONEPAR IN 2015

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TALENT



SUSTAINABILITY



P.66





MARIE-CHRISTINE
COISNE-ROQUETTE
EXECUTIVE CHAIRMAN

FRANCK
BRUEL
CHIEF EXECUTIVE OFFICER

A YEAR OF **HIGH** GROWTH

The Executive Chairman and the CEO trade views on the company in 2015.

MARIE-CHRISTINE COISNE-ROQUETTE: In 2015, Sonepar's sales exceeded the €0-billion mark for the first time ever. That's quite an accomplishment, although a higher dollar did contribute €1 billion to that total. Our sales momentum, as demonstrated by our growing market share in most of the countries where we operate, has held up, thanks to the passion, talent and commitment of our people around the world.

A HIGH LEVEL OF INVESTMENT

I particularly want to thank them for that because we still have to contend with an uncertain—even troubled—economic climate in many countries and our autonomous growth slowed noticeably in the second half of 2015. As part of our long-term strategic commitment to operational excellence, we have continued to invest substantially in our people and facilities to ensure the sustainable, profitable growth of our business.

FRANCK BRUEL: We performed well in 2015, and even though our results in a few countries fell short of expectations, we were highly successful elsewhere. In Southern Europe, we continued to invest, to be proactive and to hold our ground in what was in many cases an unfavorable economic climate. In Northern Europe, our companies innovated to improve customer service. As a result, they gained much greater market share. In North America, we expanded our operations further despite a marked falloff in industrial business during the second half of the year. In Asia, we recorded profitable growth once again. At the same time, we paid close attention to the economic slowdown in China and its impact on the region's economies. And we have continued with our policy of selective acquisitions. Some of them will require further investment for a while, but we are confident that they will generate positive returns. Our primary aim is to increase our strength in our various markets, as both a full-service and a specialty provider.

MARIE-CHRISTINE COISNE-ROQUETTE: We can be proud of how well we did in terms of sales, but we haven't succeeded in transforming higher sales into higher profits. So that will be a focus of our efforts in 2016.

ACHIEVING OPERATIONAL EXCELLENCE

While other companies were withdrawing from specific markets due to the uncertain environment, we scheduled and carried out major investments. At over €200 million, these investments are in fact the largest in our history. The common purpose of all those investments is to boost our operational excellence—the surest way to deliver better customer service. By investing, not only do we help make our Group more sustainable in our legacy business; we also open up or broaden further paths to growth. We anticipate developments in our markets and business lines, particularly now that digital is heavily affecting industry and virtually all other economic activities.

FRANCK BRUEL: Sonepar is constantly evolving to best support the transformations occurring in markets and adapt to customers' changing expectations. For example, we have extended our range of products and services for industrial customers. We have assisted our customers as they expand abroad. To prepare for the long term, we have accelerated our investments and introduced further innovations to serve our business customers. New digital services are a key part of that. They include shared mobile solutions, a more efficient multi-channel offering and more elaborate product

information. In hiring a Chief Digital Officer in 2015 to manage the digital transformation under way, we highlighted our goal of capitalizing on our operational excellence to develop more online services for our customers.

MARIE-CHRISTINE COISNE-ROQUETTE: Right, and in 2016, we will maintain a high level of investment so that we can carry out that crucial transformation, focus resolutely on the future and achieve further sustainable growth. We owe any success we achieve in this area to the men and women who work for Sonepar around the world—at every level of the organization and across all our businesses. The passion and commitment of our people, their ability to innovate and their determination to give customers top-quality service are what enables us to keep making progress. In fact, an internal survey of all Sonepar managers conducted last year confirmed just how passionately committed they are to customer service. I see that as an essential ingredient in the confidence we all need to be able to complete the transformation required to ensure Sonepar's sustainable growth.



VIEW THE INTERVIEW VIDEO
panorama.sonepar.com



OPERATIONAL EXCELLENCE AND **FURTHER INVESTMENT**



FRANÇOIS
PONCET

CHIEF FINANCIAL OFFICER

SALES PERFORMANCE

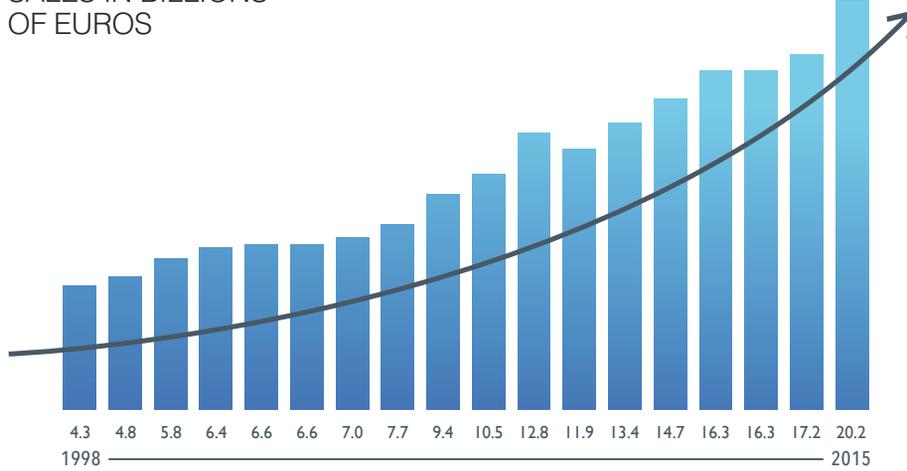
While business was down for our main competitors in 2015, Sonepar recorded sales of €0.2 billion. For the past ten years, we have had an average annual growth rate of over 10%.

I have identified three noteworthy points in this past year. First, our sales exceeded the €0-billion mark, reaching €0.2 billion. That's € billion more than in 2014. Our strong growth for the year can be analyzed as follows. The acquisitions we made in 2014 and 2015 accounted for 50% of the total, exchange rates for another 37% and autonomous growth for the remaining 13%, whereas our main competitors saw their sales decrease this past year. Admittedly, our autonomous growth was a bit lower in the second half of the year, due in part

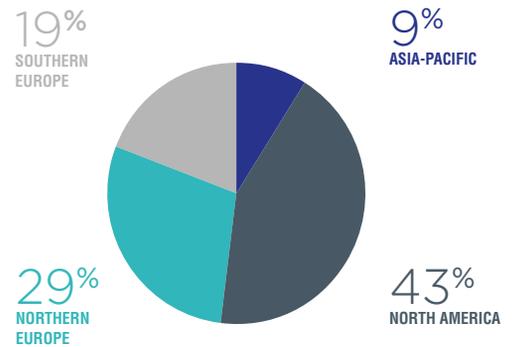
to the slowdown in the US economy that began in July. At the same time, copper prices held fairly steady in 2015 and therefore had very little impact on our business.

The second point that comes to mind is that the geographic balance in our sales shifted this past year as a result of our global strategy. 2015 was the first year in which we made over half of our sales outside of Europe. The key factors at work were our expansion in the United States—fueled by strong autonomous growth, acquisitions and an exchange rate that was

SALES IN BILLIONS OF EUROS



SALES BY REGION



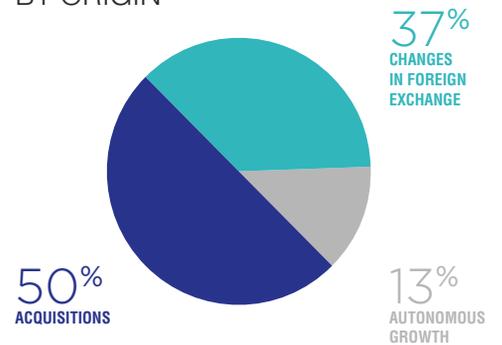
favorable to the euro—and in Asia-Pacific. In contrast, we had a harder time in Australia due to commodity prices, and in Brazil, a country affected by a slowing economy and political instability. Those developments led us to recognize goodwill depreciation in both countries. The third “hallmark” of the year was that we pressed ahead with our vigorous acquisition policy. In 2015, we carried out nineteen acquisitions in ten countries (including three new ones) across our four Regions. On a full-year basis, those additional entities represent sales of over € billion. And while these acquisitions were a major investment for us, Sonepar’s cash flow was still sufficient to finance the distribution of dividends and to support sales growth, while keeping the Group well below its security ratios. This past year, we took advantage of the

19
ACQUISITIONS
IN 2015

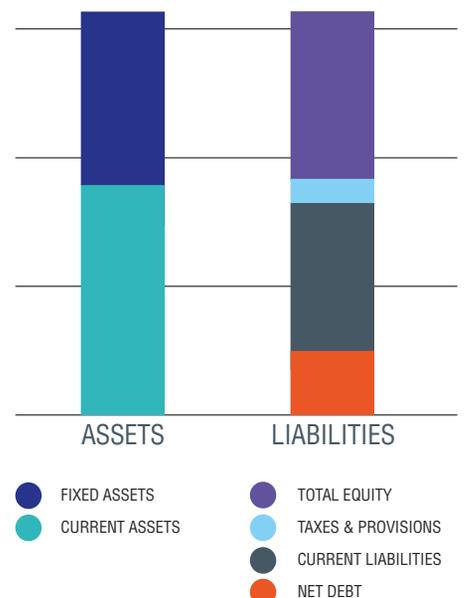
liquidity in the market and favorable interest rates to put our finances on a more sound footing. We now have confirmed lines of credit totaling € billion with an average term of five years.

In 2016, we will move forward with integration of the entities we acquired in the last two years. Sales figures will be harder to achieve due to global macroeconomic uncertainty and the indirect influence of changes in copper and oil prices. Sonepar will be focusing on operational excellence and e-commerce, and maintaining our ambitious investment policy. We have the resources we need to achieve that—without departing from our necessary financial prudence.

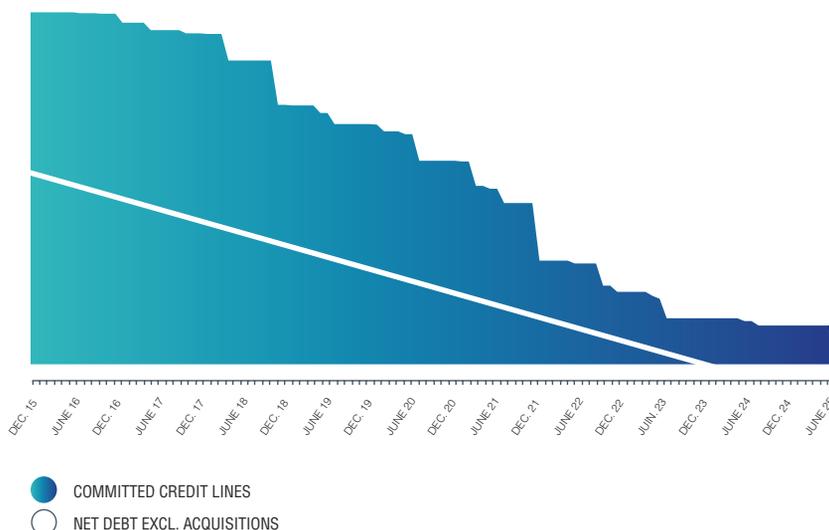
SALES GROWTH BY ORIGIN



SIMPLIFIED BALANCE SHEET



DEBT AND LINES OF CREDIT





The Sonepar Executive Committee is composed of ten executives who work together to set strategy and objectives for the Group.



STRATEGY AND OBJECTIVES

THE **SONEPAR EXECUTIVE COMMITTEE**

**FRANCK
BRUEL**

**CHIEF EXECUTIVE OFFICER
CHAIRMAN OF THE SEC
(SONEPAR EXECUTIVE COMMITTEE)**

The Sonepar Executive Committee is composed of ten executives who work together to set strategy and objectives for the Group, in accordance with Sonepar values and legal requirements. The Committee was enriched this year with two additional members (Florence Schlegel, the Group's General Counsel, and Jochen Moll, its Chief Digital Officer), plus two newcomers to replace retiring members (Sara Biraschi Rolland, the head of Human Resources, and Eugene Wu, the Asia-

Pacific Region President). Those changes, which give the SEC greater diversity and cultural difference, should also create a better balance between operational and support functions. The SEC will continue working to develop digital, promote talent and identify paths to both organic and acquisition growth for the Group. Many committees and cross-functional projects are headed by SEC members.



FRANÇOIS PONCET
Chief Financial Officer

"To consolidate business growth, we have worked with Finance Department staff at the various locations so that we can improve internal processes and risk control, and we have put our international finances on a secure foundation."

DAVE GABRIEL

North America Region President

“We’ve put in place an international team in charge of developing the tools and processes we need to effectively assess and increase our opportunities for growth. Those tools are now being used in our four Regions.”



JOCHEN MOLL

Chief Digital Officer

“E-commerce is all about putting the customer and the customer’s pathway first. I’ve had the opportunity to witness many examples of the Group’s outstanding achievements. As we continue with digital transformation, we will be sharing our best tools and practices with our local managers and their digital officers.”



NEW SEC MEMBER

NEW POSITION



KEITH MOSS

Asia-Pacific Region President

“The Asia-Pacific Region stresses the importance of integrating companies that join our Group. As always, that means mutual learning through the exchange of good practices. We’ve also started up new activities to prepare for the future.”



NEW SEC MEMBER

EUGENE WU

became the Asia-Pacific Region President in March 2016.



PATRICK SALVADORI

Southern Europe Region President

“To prepare for the changeover to digital, we’ve worked on introducing or converging shared IT tools and on making the most of our synergies. Our ICT Committee has assisted the country organizations with the transformation.”



NEW SEC MEMBER

FLORENCE SCHLEGEL*General Counsel*

"The Group now expects its executives and associates to devote more energy to compliance with personal and data security laws. To achieve that, we have deployed new tools such as e-learning."

JOHAN VERBEEK*Northern Europe Region President*

"To boost what we call operational excellence, we have increased the sharing of good practices along the supply chain and we have created centers of excellence to assist country organizations with their projects."

**PIERRE SOUSSAND***Senior VP, Group Human Resources*

"The Group always needs more talent, and that's why we started an International Talent Review and created new online recruitment platforms in several countries."



NEW SEC MEMBER

SARA BIRASCHI ROLLAND

was appointed Senior VP, Group Human Resources in February 2016.

**HERBERT WILLMY***Executive Vice President,
Global Sourcing & Services*

"Together with our local executives, we have made our policies and product strategies more consistent by leveraging the efficiency of our Product Management Teams."

CUSTO



MERS

WE ASSIST OUR CUSTOMERS

- P. 14 Excelling at how we serve our customers*
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- P. 20 Contributing to customer success*
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- P. 24 Tailor-made solutions for our customers*



CRAWFORD, USA



SESCO, CANADA

DIELECTRO INDUSTRIAL, SPAIN

EXCELLING AT HOW WE SERVE OUR CUSTOMERS



HERBERT
WILLMY

EXECUTIVE VICE PRESIDENT,
GLOBAL SOURCING & SERVICES

To deliver greater value to our customers in constantly changing markets, we have set our sights on enhancing our skills and the service we offer. Every day, we confront and meet that challenge.

We operate in markets that are undergoing major change, not only due to growing technological complexity, but also, and more importantly, because of digital's impact across the entire economy. So in addition to delivering top-quality service every single day, we also have to provide our customers with more information, advice, technical studies and training. They expect no less. The most effective way to meet customer and market needs is to work closely with our manufacturing partners, so that we can make optimal use of each other's work.

MARKETS IN CONSTANT UPHEAVAL

For over forty-five years, we have been growing our business by providing relevant responses to our customers' business needs. We have invested continually and heavily in operational excellence, the term we use to describe first-class service. Offering each customer the right product in the right place at the right time—that's what it's all about. We have boosted our sales network to achieve better coverage, put in place tools for accessing information, streamlined logistics and opened up new sales channels. In every instance,

the goal has been to make life easier for our customers, whether they are installers, maintenance teams or industrial firms, so that they can focus on their actual business. We have gradually moved away from our initial full-service approach, expanding our product offers and creating more specialized staff functions in order to meet customer needs more effectively. For example, we have trained some of our people in lighting, others in industrial supplies, and others in HVAC or power distribution. We have even set up special-focus technical departments that conduct studies to assist our customers. All that reflects the increasing number and



DIELECTRO INDUSTRIAL, SPAIN

IN OUR CUSTOMERS' OWN WORDS

RUSTY SPRADLEY
 WORLD ELECTRIC SUPPLY
 (UNITED STATES)

"The people at Sonepar seem to keep a pulse on markets and market trends, as well as on customers and customer needs. The new technology they propose is always the very latest and extremely helpful."

variety of products and services we offer, their accelerating life cycles and the need to bundle products into solutions or systems. In strategic terms as well, the Group has opted for a faster pace, buying up specialty companies with leading-edge capabilities in particular areas. In doing so, Sonepar provides its staff with more advanced technical support, and its customers with the early-stage assistance they need on complex construction or design projects. This was exactly what we achieved in 2014 and 2015 in areas like industry, datacom services, tooling and safety equipment. The task we face in every instance is to disseminate and obtain rapid market uptake for innovations as a way of increasing value added for everyone along the value chain in fields such as comfort, safety and security and energy efficiency.

For Sonepar, that means multiple challenges, as well as multiple opportunities for growth, which are jointly identified by local staff and Sonepar International Services (SIS) as they work together with our suppliers.

SONEPAR INTERNATIONAL SERVICES (SIS) SURVEY WITH WATSON

Several online survey tools developed a few years ago and dubbed "Watson" (as in, "Elementary, my dear—") make it easier for Group operating companies to identify and respond effectively to market expectations. Customer satisfaction, brand perception and similar surveys are conducted to ensure better service. Internal polls are also carried out to assess distribution policy and the product offers of specific suppliers so that corrective action can be introduced where needed. And new features added in 2015 have made Watson an even more effective tool.

AN EFFECTIVE PRODUCT INFORMATION MANAGEMENT (PIM) SOLUTIONS CENTER

The PIM international competence center located in Hanover, Germany, provides Group companies with a full range of tools for managing, sharing and using product information. Following deployment in seventeen countries, the PIM solution has been extended to China and Belgium and has reached the finalization stage in Poland, Spain and the UK. A major software upgrade was carried out after fifteen months of development and installed in all those countries at the end of 2015. The quality of data (and therefore information) from suppliers is essential to all users throughout the industry, with a new entry verification system connected in real time to a web application. As always, delivering excellence to customers is the name of the game.



DELIVERING THE **BEST** SOLUTIONS TO OUR CUSTOMERS

Sonepar is constantly adapting to better serve its markets and customers. Optimization, availability and flexibility are key to meeting customer challenges on a daily basis.



CRAWFORD, USA

Whether working broadly across a market or in a specialty area of business, Sonepar constantly faces the same challenge: to provide at all times, in all places and to all of its customers the best products, solutions and services to fit their needs. The Group is able to meet this challenge on a daily basis as a result of organizational systems that are continually being improved. Yet the challenges are increasingly complex. Sonepar serves a wide variety of markets (residential, industrial, commercial, utilities) that are constantly evolving and responding to the impact of digital technology. Those markets are also broadening, and through a number of acquisitions, the Group has succeeded in entering complementary business areas and consolidating its position in others. And markets are subject to economic conditions that may or may not be favorable. Sonepar's many and varied customers engage in a diverse range of businesses and have

PROVIDING THE BEST SERVICE

different expectations and wide-ranging needs. They include contractors with national scope, craftspeople, full-service and specialty providers, industrial businesses, integrators, maintenance firms and more. They require a broad spectrum of products and services, and increasingly integrated solutions with higher added value, but the solutions required to respond to those needs are increasingly complex too. The Group continues to operate worldwide, in diversified markets whose maturity levels are varied and in a wide range of cultures. Against this backdrop, Sonepar relies on its many strengths. Its decentralized organization enables the Group to respond more quickly and closely to the expectations of its markets; multiple distribution channels (including an increasingly comprehensive network of 2,800 branches) ensure efficiency in handling customer requests; the development of paperless solutions, e-commerce and

integrated procurement systems saves time and money; and Sonepar's increasingly efficient logistics, with centralized warehouses and automated platforms, ensures product availability, flexibility in ordering and rapid delivery. The goal seems simple—providing customers with the best possible service—yet it rests on a highly complex process that extends from the first contact to the final delivery. And along the way, it involves the branches, the shared system for managing product information and tailored payment solutions. Let's follow the path of an order. Before placing an order, customers can obtain information and advice from the in-house sales advisors, websites, support staff, consulting teams and training programs. Once customers have made their choice, they can order products and services in person at a branch, over the phone, via a virtual online store, or by Electronic Data Interchange (EDI) and "PunchOut"—the interface between the Group's online stores and customers' integrated purchasing systems.



100+
CENTRAL
WAREHOUSES



VALLEN PROVEEDORA, MEXICO



900,000+
B-TO-B
CUSTOMERS SERVED
WORLDWIDE

IN THE CUSTOMER'S OWN WORDS

PATRICK JEMSEBY

JEMSEBY ELEKTRISKA
(SWEDEN)

"Sonepar's added value? The best logistics, availability and technical support. The company simplifies everyday life for its customers."

DIDIER BEURAIN

MEMA (FRANCE)

"Now that we have an all-hours delivery room, I can place my own orders for my business and know they will be delivered overnight. It's a real time-saver that allows me to stick to my schedule and ensure my customers are satisfied."

JUAN GUILLERO BONET SOLANO

SERVICIOS Y PROYECTOS INDUSTRIALES (COLOMBIA)

"We chose Sonepar for the quality of their services: expert guidance in the choice of materials and equipment, quality support and appropriate technical advice. They have most of the products and solutions in stock so the deliveries arrive quickly."

INNOVATION AND EXPANSION AT LOGISTICS CENTERS

Sonepar is constantly improving logistics to offer customers more value-added services and serve them more quickly and efficiently. The Group has invested heavily in recent years, particularly in 2015, to improve service quality.

The logistics platforms are being expanded and modernized and are becoming automated.

In 2015, Crawford Electric in Dallas opened a new 15,000 square-meter multi-level distribution center with meeting rooms

and co-working spaces. Among the innovations developed was the mini-load Shuttle Automated Storage and Retrieval System, a computer-controlled system for automatically processing orders, retrieving product loads and managing stocks.

Lumen in Canada has also invested in a new 35,800 square-meter logistics center that uses this system, operational since last July. This is also the case for all the new distribution centers in France, including the 24,000 square-meter central warehouse in Bordeaux. The system is also in place at Sonepar in Germany, the Netherlands, and Spain. All these solutions are computer-controlled and are constantly being optimized to minimize the number of errors and ensure our customers receive "the right product in the right place at the right time."

SIMPLICITY FOR CUSTOMERS

This multichannel approach to distribution ensures that customers will always be able to find what they need. The same goes for the availability of the items they order: every branch is equipped to make 5,000 items immediately available. Furthermore, every distribution center stocks between 25,000 and 100,000 items, thus enabling the men and women at Sonepar to prepare one million order lines per day. The delivery will then be arranged, usually for the next day, if necessary by providing innovative solutions such as night-time load lock chambers, secure containers or direct delivery to specific locations on large construction sites. There are several payment options compliant with the relevant country legislation, including secure online solutions. Complex and rigorous logistics for Sonepar mean simplicity for its customers.

CONNECTED CUSTOMERS SAVE TIME AT OUR BRANCHES

2,800
BRANCHES

The Group redesigns branches, provides e-commerce solutions and develops mobile applications to meet customer needs effectively.



New technology, changing markets, increasingly complex products that give rise to high value-added solutions, and product innovation (an average of 15% of all products offered each year are new ones) are among the many factors affecting the business activity of Sonepar's customers. To meet their needs, the Group operates a global network of branches that form the core of our approach to customer relationships. In 2015, Sonepar had a dense network of 2,800 branches offering human contact, which is as essential as ever today. Not only do customers find the products they need at our outlets; they can also get in-depth information, advice and expertise.

DIGITAL TRANSFORMATION

In addition, we operate self-service branches where customers have direct access to all items in stock. This allows them to discover our entire product range, including what's new. However, each self-service branch still has an Advisory Desk and dedicated salespeople to assist customers and answer their questions. A Sonepar branch is also the ideal place to meet with both suppliers and the installers who use their products. In a sense, it is a "home away from home" for them. At the same time, the Group promotes constant connection with customers. This gives customers easy, real-time, around-the-clock access to information on product availability,

delivery time frames and prices, and to the information they need to confidently select and order products. These solutions are designed to make life easier for customers and assist them as they expand their business. Sonepar has accelerated the development of its e-commerce systems and new mobile applications in ways that reflect emerging styles of work and the increasingly paperless character of trade, orders and payments. We embrace the digital transformation of our business as a strategic priority, because it will enable us to serve our customers more and more effectively.



TECHNISCHE UNIE, NETHERLANDS

REVAMPED MERCHANDISING, SATISFIED CUSTOMERS

Any space for meeting with customers should be designed to satisfy them. That's why we at Sonepar make sure to create the right setting for business customers who are accustomed to properly-organized merchandising. At our branches, they can stroll down the aisles, view a maximum number of products, discover new items and solutions, take advantage of promotions and find products that go well with the ones they plan to buy—all with clear, appealing signage.

Not only do the innovative solutions at Sonepar branches for lighting, building management and the like work efficiently; they also highlight our attachment to sustainable development. Another must for an effective branch is product availability. That requires both optimal logistics and new services that save time for customers such as drive-through outlets, load lock chambers accessible 24 hours a day and other tailored solutions.

WEBSHOPS AND MOBILE APPLICATIONS

At Sonepar, being "La Référence" also means embracing digital transformation. This is clearly a key priority in 2016, one that fits perfectly with our multi-channel distribution strategy.

The Group has therefore initiated a number of projects in several countries:

In the Netherlands, user experience has been enhanced, particularly on Technische Unie's online store, with new features to make life easier for customers.

In Switzerland, the Mobile Commerce solution has been enriched with the addition of online delivery traceability through the Track and Trace mobile system, which sends photos of a product's current location to customers' cell phones.

The Swiss mobile application has been duplicated in Austria, the Netherlands, Finland and France, where it already has over 35,000 regular users.

New mobile applications have been deployed in the Group, such as "movilidAPP" an application in Spain focused on customer experience, with other similar initiatives in Mexico, Norway, Italy, Latvia and elsewhere.

IN OUR CUSTOMERS' OWN WORDS

ALBERT EIKELENBOOM

VAN WENSEN
(NETHERLANDS)

"We've been working with Sonepar for fifteen years. They offer the widest range of equipment and have lots of products in stock. They also deliver orders faster than almost any other wholesaler."

ALEXANDRE RONALDO E. DA SILVA

BERNECK PAINEIS E
SERRADOS (BRAZIL)

"Sonepar's added value includes commitment to the customer, flexibility and responsiveness. For example, when we have a special need, they cater to that need, even outside their usual store hours."

IAN MCINTOSH

MCI ELECTRONICS
(UNITED KINGDOM)

"It's a pleasure to work with a company that not only welcomes and understands customer requests, but also adds value to those customers with innovative ideas and solutions."

VIEW ONE APP SOLUTION

panorama.sonepar.com/en/customers

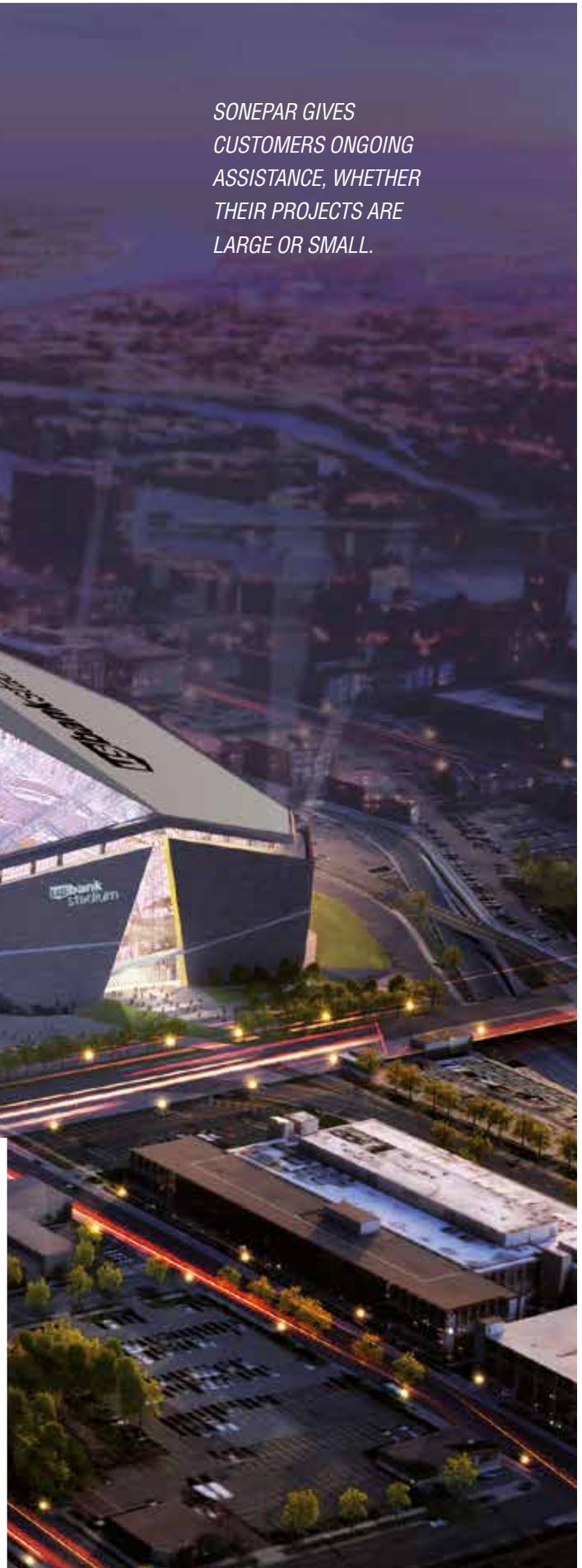


CONTRIBUTING TO CUSTOMER SUCCESS

*SONEPAR GIVES
CUSTOMERS ONGOING
ASSISTANCE, WHETHER
THEIR PROJECTS ARE
LARGE OR SMALL.*

US BANK STADIUM MINNEAPOLIS, MINNESOTA, USA

Viking Electric (VE) worked on this very large project, providing over sixty categories of products and solutions and managing on-site deliveries. VE also supplied the lighting solutions for the stadium, handling, storing and delivering them with the aid of its new logistics center. This project, begun in November 2013, is on track for completion in mid-2016. VE has successfully met significant technical and logistical challenges within the agreed timeframe. Reliability was a deciding factor in selecting VE, whether for its sales teams, its strengthened and expanded customer service, its logistical capacities or the quality of the equipment it provides.





SALERNO HARBOR SALERNO, ITALY

Sonepar Italia (SI) has brought a wide range of products and technical expertise to this project launched in 2011 for the construction of a new building and jetty at Salerno harbor. Over the next two years, Sonepar Italia will supply panels, switches and other electrical equipment, a contract that was won because the customer recognized the high quality of service provided by Sonepar Italia and its branch in Salerno.



SAPURAKENCANA STATE OF PERAK, MALAYSIA

KVC provided safety equipment (helmets, harnesses, shoes, tools and more) for construction crews working on oil and gas tankers, bringing the most competitive and best-adapted solutions for the customer's safety requirements. KVC's knowledge of this work environment and its commitment to constant stock availability made all the difference.



UTAH PERFORMING ARTS CENTER SALT LAKE CITY, UTAH, USA

GSL Electric was looking for a reliable supplier that could work to a very tight schedule and provide on-time deliveries. Sonepar USA developed an advance partnership strategy with suppliers and prepared initial proposals, highlighting its expertise in project management and logistics. The building site was located in central Salt Lake City, in a small area with no capacity for on-site storage. **Codale Electric Supply** provided all the electrical products required during the sixteen months of construction time.



CITI CAFETAL HEREDIA, COSTA RICA

The civil engineering part of this year-long project was developed by Volio & Trejos, which subcontracted the electronics systems to Total Protection Systems, **IESA** partner and client for the last five years. IESA also ensured the on-site supply of products such as distribution boards, circuit breakers, transformers, metal conduits and accessories.

SPACES AND SERVICES FOR OUR CUSTOMERS

As markets and products become increasingly complex, the need to advise customers and facilitate their product knowledge grows. Assisting customers in the process of selecting the most appropriate solutions is Sonepar's daily challenge.

In parallel to the growing number of branches around the world, Sonepar has developed a three-tier approach for responding to customer needs. Showrooms, technical assistance and dedicated training programs all deliver additional support.

Sonepar's showrooms are dedicated spaces for displaying project designs and presenting the interconnected elements of innovative project-specific solutions. Examples include the decorative and functional lighting systems for a built structure, home automation (including smart home management) and energy-saving systems. The Group also exhibits at trade shows and organizes its own exhibitions and shows, providing demonstrations and supplying information directly to the customers. In some countries, these events have become key occasions for professionals to meet.

Sonepar's technical teams are constantly on hand to assist customers with the design and implementation of complex projects. Their skills are kept up-to-date through regular training

and they work closely with manufacturers to ensure they are providing the most appropriate solutions. These are advanced services, offered in one or more areas according to the complexity of the project: lighting, heating, air conditioning, industrial processes and controls, home automation, telephony, video surveillance, building management and the quest for greater energy efficiency. The teams use dedicated software to provide coherent technical recommendations, illustrated using computer-aided design.

The growing technical complexity of increasingly integrated and interconnected solutions entails a need to ensure customers receive appropriate training. Sonepar passes on to customers the training provided by its suppliers and offers its own training courses, which take place either on suppliers' premises or at Sonepar branches. Every possible measure is taken to ensure customers top-quality personalized support and to assist them in their choices and decisions.



DISNEYLAND AMUSEMENT PARK SHANGHAI, CHINA

After three years in construction, the Shanghai Disneyworld resort (first one in China) will open its doors in June 2016. **Shunmoon Lighting Limited** was chosen for its lighting expertise, helping its client select innovative products and solutions tailored to the very specific needs of the site (changeable outdoor lighting, street lamps, emergency lights and more).



LIGHTING KMART STORES MELBOURNE, AUSTRALIA

After conducting an initial energy audit, **Specialised Lighting Solutions** (L&H Group) reassessed and revamped the lighting for Kmart clothing stores, providing more energy-efficient solutions with easy-to-maintain installations.



NEWS UK LONDON, UNITED KINGDOM

This project involved supplying the offices at News UK with a structured cabling system to meet the technical requirements of 4,500 employees (journalists, photographers, web programmers and more). The customer (LMG) opted for the expertise of Excel (**Mayflex**), choosing to count on an experienced team skilled in evaluating the leading market solutions, offering quality support technology and a track record of meeting tight deadlines. The first cable was laid in January 2014 and the project was completed within the year.

IN OUR CUSTOMERS' OWN WORDS

SHAWN HENNESSEY

HORLICK COMPANY
(USA)

"Sonepar makes the difference with the team they have assembled to support our business. Sonepar employs technical support personnel that have a sound fundamental understanding of the products that are being distributed, and they can provide technical expertise when required. From the inside support staff to the outside salesman to the management team, the Sonepar staff understand our business and they provide us with the tools we need to be successful."

ASSIA DIABY DAZA

FUREL (MEXICO)

"Customer support before, during and until the end of a project is the strength of the Group."

THE NEW SONEPAR TELECOM INNOVATION CENTER

For many years, Sonepar has supported its customers' international expansion in the telecom market, becoming a global partner in the provision of base station antenna accessories for mobile network operators, with Elektroskandia in Sweden, ESK, and Hagemeyer in China leading the way.

To be able to work more closely with customers and suppliers in devising the most suitable solutions, the Group inaugurated a new Sonepar Telecom Innovation Center in June 2015. Based in Kista, in the heart of Sweden's own "Silicon Valley," the Center is a key place for professionals to meet and exchange ideas. It includes conference rooms, a showroom and demonstration areas where suppliers can present new products and innovations to customers.

SONEPAR GERMANY TECHNICAL SOLUTIONS

"Identifying your problems and challenges, providing you with the best solutions." The slogan chosen by Sonepar in Germany for its Technical Key Accounts organization clearly summarizes its goal of delivering customers the best solutions from an ever-widening product range, along with unwavering support for local staff.

A full suite of products and services is offered to support customers: technical skills including project management; consultancy and research; and on-site training seminars and webinars. New innovations and market trends are presented in partnership with universities and industry experts. That kind of knowledge makes it possible to turn customer projects into unique, innovative technical and logistical solutions.

In addition to conducting research for customers, training courses cover an average of twenty-five different themes each year, with over two hundred days of training provided for almost 700 Sonepar staff and 2,300 customers.

TAILOR-MADE SOLUTIONS FOR OUR CUSTOMERS



Accompanying customers as their business expands, developing new solutions for industry, offering increasingly innovative services: that is Sonepar's winning formula. The examples speak for themselves.

INTEGRATED SUPPLY CHAINS FOR CUSTOMERS

Continually seeking to make our customers' lives easier, we assist them in streamlining their procurement processes and optimizing their systems for stock and inventory management. Sonepar has developed integrated supply chain management services for this purpose, helping companies improve their quality of service while reducing costs. Whether providing customers with simple and proven solutions (full-service and specialty catalogs, dedicated websites), onsite inventory management (automated solutions) or more complex strategies (Sonepar assuming responsibility for the client's entire supply chain), the objective of the Group remains the same: excelling at how we serve our customers.

Beginning with a joint working session, the customer's expectations are defined and the existing processes analyzed. Sonepar then makes recommendations, from which the customer selects the solutions best suited to their needs. Once a project is under way, regular monitoring is carried out using specific management dashboards designed for evaluating service commitment delivery. IDG and Hagemeyer in the USA and Asia are expert in this approach. The customer advantages are clear—a single source of supply with clear quality-of-service commitments, dedicated expertise and cost savings.

PPPT CENTRAL LABORATORY PŁOCK, POLAND

As part of the project to build a 5,843 square-meter central laboratory in the city of Plock, Poland, **Alfa Elektro (AE)** worked closely with the customer, consistently searching for the best solutions to meet the customer's needs. AE ensured the supply of electricity to the construction site and lighting for the surrounding areas. All of the products required for the construction of this 45-room fully equipped laboratory complex were delivered within six weeks. Construction was completed within twelve months in partnership with five suppliers.



RETIREMENT COMMUNITY TILBURG, THE NETHERLANDS

This residential complex for seniors will include 200 housing units, 85 care units, a restaurant, swimming pool, retail outlet and parking facilities. The innovative BoWall wall system has been selected for this project (in partnership with **Technische Unie – TU**, Boheflex and Knauf), providing design flexibility and modularity—important for adapting at low cost to changing space requirements and varying numbers of residents. All connection cables will be supplied plug & play and pre-assembled, while the prefabricated materials will be packaged on a per-home basis and delivered according to residents' specifications. TU is already working on a second, identical project that will be located in Groningen.



MEDISCH SPECTRUM TWENTE HOSPITAL ENSCHDEDE, NETHERLANDS

Technische Unie (TU) put all of its technical and logistical skills to the test in the construction of the new high-tech Medisch Spectrum Twente hospital in the Netherlands. TU and its partners provided state-of-the-art equipment (electrical and sanitary installations) and tailored logistics, enabling this 78,400 square-meter project to be completed in record time. The site's limited space required the installation of a logistics center, reducing transportation and customizing supply.

MOBILE UNITS FOR TESTING PROTECTION EQUIPMENT

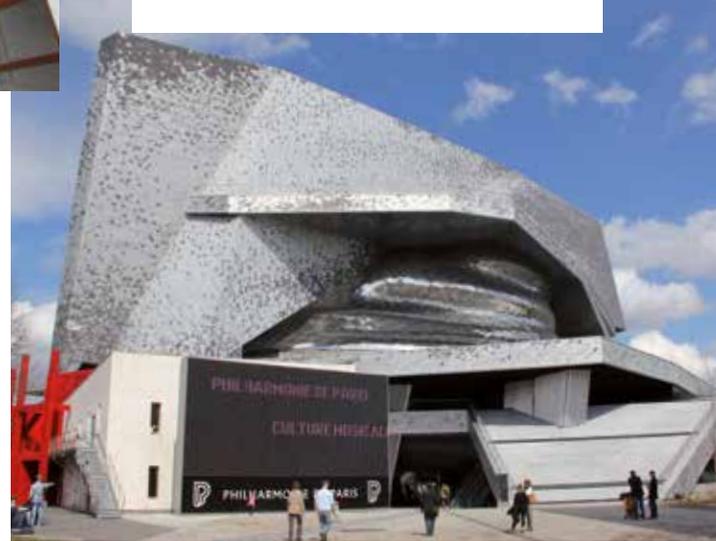
In the United States, Irby has developed a set of solutions tailored to meet the needs of customers operating in utilities, power distribution, manufacturing and the construction industry. The personal protection equipment used in these industries is required to pass stringent safety and insulation tests, particularly for workers in high-voltage environments. Irby has developed an original offer by installing mobile testing units for protective equipment on customers' sites, incorporating all the necessary technology for delivering follow-up reports and test certification. Benefits to the customer include team safety, less inventory, time and cost savings. Reinforcing its position in the U.S. market, in 2015 the Group acquired the ELTG dielectric test laboratory that operates either on-site or out of mobile units.

CLOSELY SUPPORTING OUR CUSTOMERS' MAJOR PROJECTS

Technische Unie (TU) in the Netherlands resolves the supply and storage problems of construction companies running projects in complex or restricted environments. Working in close partnership with customers and taking site specificities into account (tall versus elongated buildings, commercial versus industrial sites, classified defense areas), TU delivers products directly to designated site areas, minimizing inconvenience and downtime for the customer. In Malaysia, KVC saves customers time and generates goodwill by using a mobile truck-based demonstration stand. Products suited to the customer's needs are presented on-site with technical teams available to answer questions.

PHILHARMONIE DE PARIS PARIS, FRANCE

ENGIE Ineo Tertiary's Paris-area Complex Projects unit was awarded the contract for building the Paris Philharmonic, comprising three concert halls and the *Musée de la Musique*. The customer engaged the services of the Key Accounts unit of **Sonepar France, Ile-de-France Region**, which, with the aid of its regional logistics platform, provided expertise, in particular by setting up dedicated stocks for this major project.



Vallen Proveedora in Mexico uses impressive trailers resembling mobile homes to install its security, maintenance and repairs service on-site for its major industrial customers. Bringing the warehouse, the workshop and the office directly to wherever the customer needs them, this all-in-one solution, along with an ERP system for monitoring and checking inventories and shipments, is particularly valued in the oil, gas and mining sectors where space is often at a premium.

VIEW MORE CUSTOMER PROJECTS
panorama.sonepar.com/en/customers



TALE





NT

WE RECOGNIZE TALENT

P.28 Talent—Sonepar's major strength

P.30 Confident and committed staff

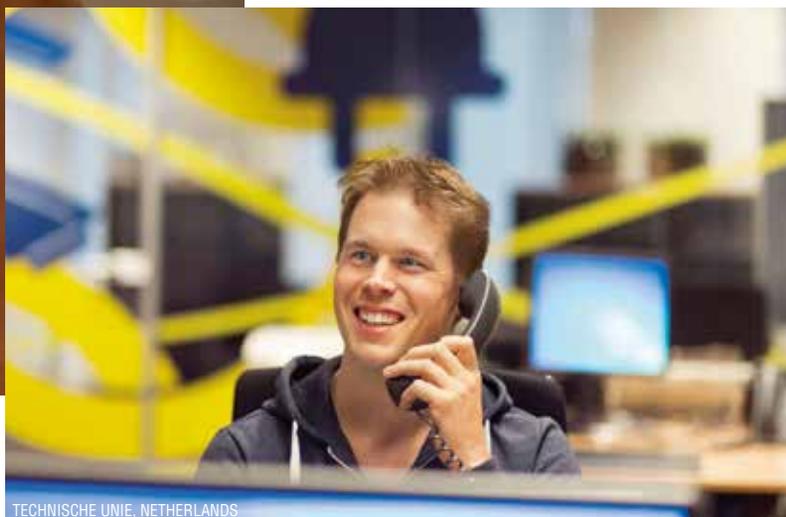
P.32 Caring for teams, succeeding together

P.36 Training for all

P.38 Networks and committees: a strategic asset



DIMENSIONAL, BRAZIL



TECHNISCHE UNIE, NETHERLANDS

TALENT, SONEPAR'S MAJOR STRENGTH

6,900

NEW HIRES
A YEAR

3,000

NEW ASSOCIATES
(ACQUISITIONS)



PIERRE
SOUSSAND

SENIOR VP,
GROUP HUMAN RESOURCES



SARA
BIRASCHI ROLLAND

“Our priorities for the future? Attract, retain and develop talent. Our strengths? Energy, passion and close ties to our associates. Every associate has the opportunity to progress; every manager has responsibility for his team. Together, we grow.”

Sara Biraschi Rolland was appointed Senior VP, Group Human Resources in February 2016.

Listening to our associates, valuing their contributions and maintaining a close and connected management style as the company expands are key to Sonepar's success. Human resources are a major area of responsibility in any company, and one to which we're constantly renewing our commitment.

In 2015 we recruited 6,900 associates from a wide range of backgrounds to meet the varied needs of our business. We also developed a powerful search engine on our website sonepar.com to aggregate job postings, making it easier to access information about career opportunities in countries where the Group is established. By the end of 2015, Sonepar had 43,000 associates worldwide, including almost 3,000 newcomers who joined the Group as a result of our nineteen acquisitions globally. The challenge for us has been to integrate these new associates in the best possible conditions, capitalizing on their skills, respecting cultural differences, focusing on direct contact and



43
AVERAGE
AGE

16
AVERAGE NUMBER
OF YEARS WITH
THE GROUP

24%
WOMEN

43,000
ASSOCIATES

AME, SPAIN

information sharing, providing opportunities for managers to meet with the Sonepar leadership, and encouraging integration paths that facilitate understanding of the Group's working methods and values. Whether providing advice or offering high value-added products and solutions, we strive to better serve our customers and suppliers as their businesses develop. And to achieve this, we continually invest in improving our own associates' skills, mobilizing the means to achieve operational excellence in everything we do. The complexity of our businesses and the development of specialty activities mean we need to recruit more highly qualified staff with new skillsets, particularly in the area of digital technology. Whatever an associate's role in the company, investing in each person's training and professional development remains core to our approach. We are constantly improving our training programs—several countries have expanded their online training facilities, offering staff greater flexibility in their day-to-day operations. The Group is also collaborating with Harvard University in the design of new tools for interactive online learning. We are also particularly attentive to the welfare of all the people working in the companies that form the Group. And they appear to appreciate this. The Ipsos global survey commissioned by the Group in 2015 broadly confirms this point, clearly demonstrating managers' confidence in Sonepar, their commitment to the Group's development and their sense of independence and genuine dialogue. These are key assets for building long-term success.

INVESTING IN SKILL

DETECTING AND ENCOURAGING POTENTIAL: THE GROUP'S STRENGTH

The Group significantly invests in training for all its associates. This also enables us to better detect potential wherever it lies, and to encourage internal promotion. The objective is

always the same: recognize and identify talented individuals, train them, nurture them, help them progress and facilitate their career development. The

Group encourages this because the success of its talent is also Sonepar's own success. The first priority is therefore to identify potential talent within the Group, a process that already takes place through annual performance reviews. In addition, and for the first time in 2015, an international Talent Review was undertaken by the Group's Executive Board and the Region presidents. This work was based on preparatory meetings held between regional and country leaders in areas where teams had already undergone performance reviews. Starting in 2016, this process will be rolled out across all of our subsidiaries. Individual potential, aspirations, capacity for progress, areas of interest and mobility will in this way be better known and will help promote the development of all.

CONFIDENT AND COMMITTED STAFF

A large survey of Sonepar managers has underlined their commitment, willingness to listen, interest in innovation and confidence in the Group's future.

4,700
MANAGERS
SURVEYED

PIERRE SOUSSAND
SENIOR VP, GROUP HUMAN RESOURCES

In the summer of 2015, Sonepar commissioned Ipsos to undertake a major global survey of the Group's managers. Almost 4,000 managers, or 84%, responded, a very high take-up rate indicating a significant level of commitment. Some countries chose to extend the survey to all of their staff (the United States and France in 2015, with others to follow in 2016). The results have been analyzed, shared with management teams and used to formulate action plans. The survey confirms managers' high confidence in the Group and their commitment to its future. It has also enabled us to see how managers have taken on board our common values of listening, sharing, initiative and independence.



96%*
ARE PROUD
TO WORK FOR
THE GROUP

**IPSOS SURVEY 2015:
MAIN CONCLUSIONS**

Sonepar had Ipsos carry out an extensive, sixteen-language online global survey with all of its managers between June 11 and July 3, 2015. The market research firm then compared the results with RED (Representative Employee Data), a database drawn from a sample group of global companies and an important comparison tool for analyzing survey results.

The first conclusion to be drawn from the survey had to do with the impressively high response rate, with 3,973 managers of 4,700 surveyed, or 84%, responding to the questions.

The second conclusion related to managers' confidence in the future: 64% of them considered Sonepar's situation to have improved, suggesting a belief that the Group is moving in the right direction, that it has progressed and that it handles customer

relationships, service quality, the supply chain and cost control with increasing efficiency. This result came in far higher than those of the sample group of global companies.

The third conclusion drawn from the survey was that there is considerable confidence in the Group's leaders. Managers strongly support (91%) the company strategy and are confident

in the decisions made by Sonepar policymakers. According to Ipsos, this is an unusually high rate at large companies. This is the very essence of what makes Sonepar

special. It's a company that stands out, and the survey illustrates this vividly. Managers said that their operating company has good opportunities for growth, even though some of them were confronted with difficult economic conditions. Even better: 93% claim they are confident that the Group will fulfill its ambitions. The fourth conclusion to be drawn from the survey is managers' consistent commitment

**CONFIDENCE
IN THE FUTURE**



SANTIAGO, MEXICO

to their roles. The survey revealed the high level of motivation driving managers, their clear understanding of the Group's immediate goals and long-range policy, and their commitment to the Group and its values. Again, the results obtained were particularly high: a 92% response rate, far above the Ipsos RED database average. Furthermore, 89% of respondents agreed that they would recommend their operating company as an employer of choice; 94% agreed that they identify with the culture and values of their company, 96% that they are proud to work for their company and 98% that they go beyond what is asked of them in their work to help the company succeed!

COMMITMENT TO THE GROUP

Responses to the questions on management practice within the Group reveal the reasons for associates' high levels of commitment.

Respondents indicated that their managers treat them with respect—one of Sonepar's core values—and that managers are available when needed, delegate sufficiently and are open to initiatives for change.

The survey confirms that confidence, commitment, independence and capacity for innovation are beacons of Sonepar culture. And that the Group has created an original and effective combination of vision, values and business model.

The survey confirms that confidence, commitment, independence and capacity for innovation are beacons of Sonepar culture. And that the Group has created an original and effective combination of vision, values and business model.



Source: survey conducted in June 2015 by Ipsos with 4,700 Sonepar managers in 37 countries.

IN OUR ASSOCIATES' OWN WORDS

WAYNE REDDECLIFFE

REGIONAL GENERAL MANAGER, CORYS ELECTRICAL (NEW ZEALAND)

"I joined the Group in 2012. The added value of Sonepar as an employer? Global strength, intercultural training, career development and diversity. Sonepar listens to its associates and supports them 100%."

LUIS JAVIER LOPEZ DESTRIEUX

DIVISION MANAGER, GUERIN (SPAIN)

"I identify with the company's culture. The challenges are stimulating and there are real opportunities for professional development within the Group. I joined the Group in 2011. The added value of this employer is the coherence of its business plan, providing the stability needed to progress."

SUPPORTING OUR TEAMS, SUCCEEDING TOGETHER

Sonepar provides a supportive working environment for its associates, assisting their integration into the Group, providing opportunities for training and career development and encouraging personal growth.



It's the men and women working within the Group—on the ground and all over the world—that enable Sonepar to achieve solid, sustainable growth while expanding and diversifying its business lines. Sonepar has always valued the importance of its teams. And investing in human potential has proven to be Sonepar's winning bet. With 43,000 associates in over forty countries, this principle holds stronger than ever today. Sonepar remains committed to its role as a responsible employer, investing in career development, providing opportunities for promotion and professional advancement, recognizing talent, developing potential and ensuring the well-being, health and safety of all our associates. The Sonepar approach to management is emblematic of the Group's values, and these are bearing fruit. The survey of Group managers carried out in the summer of 2015 confirmed that managers are more strongly committed to the Group than

ever, with a large majority considering Sonepar to be an employer of reference. This is where the Group's continued commitment to being "La Référence" takes on its full meaning. The Group continues to develop a range of actions—promoting welfare in the workplace, encouraging initiative and individual commitment, providing training, promoting career advancement and seeking out talent wherever it lies. Sonepar welcomed many new associates to the Group in 2015 and has introduced effective new procedures to make their integration easier. Local companies in the various countries have established a number of orientation activities for newcomers: a personalized welcome; opportunities to meet with management, presentations of the company strategy and objectives, personal development perspectives,

and induction into the use of the company's intranet and dedicated social network. In some countries, new associates are also offered training modules and receive support from mentors who remain on hand to offer them guidance throughout the first six months. For those coming from companies just joining the Group, not only does this facilitate their integration; it also helps them understand how the Group works, its processes and the culture in particular. Mentors offer a wealth of knowledge and experience, ensuring that no one is left to fend for themselves, and that all new arrivals rapidly find their place in the Sonepar family.

For new associates, the next step in their careers is receiving training tailored to their needs, designed to help them fulfill their roles, develop their careers and attain their

HEALTH AND SAFETY ON THE JOB



DIMENSIONAL, BRAZIL

professional goals. Promotion is widely encouraged within Sonepar, Canada being a prime example—with a hundred internal promotions taking place in 2015.

In the United States, nearly 600 associates got internal promotions in 2015. Whatever the size of the company, the principle remains the same: last year saw 29 internal promotions in Belgium and 51 in the Netherlands, while in France, 58% of vacancies were filled by existing associates. It is Group policy

to advertise vacancies internally, with job opportunities usually appearing on the intranet of the relevant company.

In a company with such a rapid pace of growth, seeking out talent and identifying associates with the potential to progress quickly is subject to the same approach. For the first time in 2015, an International Talent

ENCOURAGING INTERNAL PROMOTION

Review was organized in conjunction with the Group General Management and the Region Presidents. Its goal was to prepare the future by capitalizing on experience, anticipating staff turnover and identifying gaps in knowledge and skillsets. The Talent Review has so far taken place in Germany, Italy, France, the United

Kingdom, Canada and the United States. Individual performance and potential are better known as a result.

The Sonepar Junior Committee (SJC), designed for young executives under the age of 40 from around the world, is also one of the Group's strongpoints for developing talent. Each year, around forty young managers from across the countries and professions come together to work on the strategic vision developed within Sonepar: discussing and exchanging ideas, comparing experiences, sharing cultural

IN OUR ASSOCIATES' OWN WORDS

ANA CADENAS

HISPANOFIL SALESPERSON,
VALLADOLID (SPAIN)

"Belonging to a group like Sonepar offers security. With that kind of protection, I really feel reassured."

THIERRY PAIN

MANAGER: SUPPLIER
RELATIONS AND NETWORK
MARKETING SUPPORT,
SONEPAR ILE-DE-FRANCE
(FRANCE)

"Three different factors have contributed to my progression within the Group: training, which has been a real career launching pad; support and encouragement from managers; and my own ambition and dedication to Sonepar."

ANGELINA GOODYER

PRODUCT INFORMATION
MANAGER, SOA PACIFIC
(AUSTRALIA)

"There are many opportunities in our company for highly motivated individuals to develop their careers. I have always felt supported—Management and the Executive team have shown me great mentorship and leadership, helping to guide my career to date."



specificities, developing strategic thinking, strengthening cohesion and openness, enabling each associate to benefit from the best practices around the world. Several countries have also developed their own versions of the SJC concept. In Belgium, for example, talented young people work together over a period of a year under the new EDAP project (Employee Development Program). It's also the case with the Sonar program in Germany, nurturing ten young associates under the age of 30 over a two-year period.

Rapid integration, training and constant skill development, along with a clear willingness to encourage and promote, are the career drivers for the men and women at Sonepar.

Added to this is a concern for the safety and protection of teams in their workplaces. In all countries, each company belonging to the Group has training programs tailored to fit its business activities, enforcing stringent safety regulations, consistently providing the necessary safety equipment and maintaining the quality of the working environment. At the same time, the Group emphasizes prevention, promoted through a constant flow of information using multiple channels (posters, e-mails, brochures, internal magazine and real-life exercises) and regular reminders of safety regulations.

IN THE UNITED STATES, AUSTRALIA AND NEW ZEALAND, PROGRAMS TO PROMOTE AND ENSURE SAFETY

In New Zealand, the Corys Health & Safety Program developed by Corys is a comprehensive program certified by a specialized organization providing training, communication and awareness-raising campaigns, supplying monitoring through the use of a range of dashboards and issuing diplomas. Every newcomer participates in a training session before taking up a post. Launched some years ago, this program has resulted in a substantial decrease in the number of accidents and has also significantly reduced the severity of those accidents that still happen.

In the United States, safety programs have been standardized across all operating companies and in 2015, a communication campaign was initiated with a new common logo. Its aim is to target all the activities, functions and roles within Group companies, providing safety guidelines and models and enabling adaptation to facilitate compliance with local laws. Always striving for excellence, Sonepar USA tracks results using indicators that allow comparisons with national statistics.

In Australia, an entire week is dedicated each year to the promotion of safety. And for some time now, customers are invited to participate, too!

IN OUR ASSOCIATES' OWN WORDS

RAJENDRAN CHANDRASEKAR

SITE MANAGER,
ESK INDIA (INDIA)

"I chose Sonepar because the managers have confidence in us and help us prove ourselves by applying our innovative thoughts. The Group understands the employees' needs and provides them with a pleasant working environment."

ANTONIO ITURBIDE CÁRDENAS

SALES DIRECTOR, GRUPO
ALCIONE (MEXICO)

"When I arrived I received targeted training. The act of performing the tasks and attaining the specified objectives helped me to find my feet and rapidly adapt to the company."

STAN BANALEWICZ

MANAGER OF CDC
OPERATIONS, NORTHEAST
ELECTRICAL DISTRIBUTORS
(UNITED STATES)

"Yes, when I joined the Group, I could see it would be easy to become a part of the Sonepar family. Everyone at NorthEast Electrical Distributors treated me with a warm welcome and offered their support to help me succeed in my new role within the organization."





TRAINING FOR EVERYONE

Sonepar offers multiple training programs to enhance the skills of its staff, while promoting dialogue and cooperation. Associates everywhere in the Group can always find a program that will help them learn and grow.



WITJOINT, CHINA

SONACADEMY

Sonacademy, our corporate university for the past eleven years, offers Group executives from around the world a wide variety of practice-oriented courses, whose scope is currently being broadened. Not only do these programs build stronger ties to the Group and a sense of belonging; they also promote dialogue and the sharing of experience. In 2015, they were attended by nearly 530 participants of twenty-four different nationalities. For the first time, associates from the United Kingdom and Colombia took Sonacademy courses. Two new modules were also created this past year. One of them—made necessary by the Group's global expansion—was titled Effective Cross-cultural Communication. Participants in this two-day course learned how to work more effectively in a multicultural setting, taking different environments into account, and therefore how to communicate better with their teams. The second course, Insights 2, was designed to help executives focus on the areas most essential to meeting their targets and properly celebrate the achievements of their staff.

THE SONEPAR LEADERSHIP PROGRAM (SLP)

Developed in partnership with the INSEAD business school, this program offers selected Group executives from all over the world a chance to participate in three one-week sessions held in the United States, France and Singapore. During the program, they supplement and improve their managerial skills and clarify their strategic vision by looking beyond the scope of their country or mission. They also get the opportunity to work on case studies, attend thematic workshops and tour other companies. About thirty executives participate each year, which means that over 150 managers have taken advantage of the program since it was started in 2011. In response to the program's success, a number of country organizations have developed local versions of it. In the United States, for example, a "talent incubator" program has been set up for a small number of high-potential executives.

LOCAL PROGRAMS TO BOOST SKILLS

Sonepar invests heavily in the skills of its people, because it considers them crucial to business growth. The Group offers a large number and a wide variety of courses around the world, and tailors them in every case to the local culture. Those courses enable associates at all levels of responsibility to expand their knowledge and progress in areas as diverse as management, sales, customer service, administration, safety, strategy and technical service. To address the full range of needs, courses are given on several hundred different subjects. Here are a few examples from 2015. In Belgium, 350 courses drew 540 participants for a total of 10,000 hours. In Canada, 1,800 associates attended one or another of 300 courses. In Germany, no fewer than 3,137 participants signed up for the 450 programs on offer!



E-BUSINESS MANAGERS MEETING 2015, SPAIN

In the United States, nearly 11,000 training modules on lighting, e-commerce, sales, safety, legal compliance and other topics were given. And last year, 144 U.S. managers also got special leadership training.

But Sonepar doesn't stop there. We also offer a growing number of flexible online courses in addition to our more traditional programs. For several years now, the Group has been developing online courses covering a wide variety of subjects. Country organizations in the United States, Australia and elsewhere already have online platforms offering teaching materials on the entire spectrum of Group activities, from marketing to finance, from management to strategic planning, from sales to technology and from communication to personal development—not to mention prerequisites to sustainable, profitable growth like compliance and safety. All associates at U.S. operating companies are entitled to enroll in those online programs.

In the United Kingdom, the Group already offers 447 e-learning modules, along with some fifty health and safety programs and 230 sessions on common skills. In the Netherlands, 2,200 associates have received online training through a total of 43 different modules. In 2015, associates in Italy took over 1,100 online sessions organized in each case into short courses with a practice focus.

A global platform for all Sonepar associates around the world was created in 2016. Initially limited to a program to build awareness on

personal and data security issues and on legal compliance, it will gradually come to include training in other areas. The Group makes use of "serious games" to confront associates with virtual workplaces in which they are required to detect security failures and weaknesses. As training in compliance with the law, everyday situations are enacted in videos and the "players" take an interactive quiz to test and validate the knowledge they have acquired. Each person who successfully completes the game gets a certificate.

ONLINE TRAINING AND SERIOUS GAMES

While all our country organizations provide training to their managers, often to enhance their management and leadership skills, some have also initiated programs for younger non-management associates. That approach is particularly common at companies offering high-tech solutions. In Germany, for example, a program called Technology Attack was developed with the aim of turning young salespeople into genuine technical experts. In groups of fifteen, participants work for fifteen months on four major focus areas: lighting, renewable energy, automation and smart home management. The program ends with a final exam and a certificate validated by Sonepar and the Chamber of Commerce. Similarly, Routeco in the United Kingdom has established a Sales Development Program that runs for four years!

IN OUR ASSOCIATES' OWN WORDS

KYLE MASKELL

E-BUSINESS MANAGER,
CORYS ELECTRICAL
(NEW ZEALAND)

"Sonepar? It's a fantastic culture which empowers employees to develop, learn and grow both personally and professionally."

EDDIE YUNG PAT KIN

MANAGER, HIP TUNG
CABLES COMPANY
(HONG KONG)

"It wasn't easy for me, as someone working in a small company, to join a large group in 2014. But I ultimately found a family at Sonepar as well. Since then, I have taken four courses that enabled me to progress and constantly improve my business skills."

BRAD GUCKERT

PRODUCT STRATEGY
MANAGER, SONEPAR USA
(USA)

"I have been to several internal and external courses. I have been given the chance to attend all programs that I showed an interest in. I am constantly learning. These training programs have provided me the following qualities which I utilize each day in my job: leadership, teamwork and product knowledge enhancement."

NETWORKS AND COMMITTEES: A STRATEGIC ASSET

Decentralized organizations place a premium on sharing information, experience and innovation, and they devote time and energy to making that possible. Sonepar reaps the benefits of just such an approach.



SONEPAR LEADERSHIP MEETING NORTH AMERICA, CANADA

INTERNATIONAL COMMITTEES: STRATEGIC NETWORKS OF EXPERTS

In addition to sharing good practices and information, our International Committees decide on strategic developments. Chaired by members of the Sonepar Executive Committee, these groups of operational decision-makers who are experts in their fields make it easier to develop and disseminate concrete solutions, both at Group level and locally around the world. Seven Committees examine topics related to Sonepar's structure and activities and issue recommendations:

- E-business Committee (EBC),
- Information & Communication Technology Committee (ICT),
- International Logistics Committee (ILC),
- International Suppliers Committee (ISC),
- International Finance Committee (IFC),
- International Human Resources Committee (IHRC),
- Sonepar International Legal and Compliance Committee (SILCC).

PRODUCT MANAGEMENT TEAMS: WHERE MARKETING EXPERTS MEET

Organized into regionally-based teams, these experts work to optimize supplier and product strategy by sharing their extensive technology and market knowledge. In 2015, during two days, they held a global forum where they presented the results of their work to the Group's marketing and procurement managers from the various countries.

SONEPAR GROUP LEADERS MEETINGS: THINKING STRATEGICALLY

The Sonepar Executive Committee continues to bring together the Group's fifty leading executives twice a year to enhance strategic thinking and determine the key priorities to be addressed. In 2015, their meetings in San Francisco, California, with leaders of high-tech companies from Silicon Valley gave them a deeper understanding of the challenges created by the digital economy.

SONEPAR LEADERSHIP MEETINGS: WORKSHOPS AND SHARING IDEAS

In March every year, nearly 700 Sonepar executives meet in Europe, North America and Asia-Pacific. These events keep them informed about the Group's results and key policies. They also include thematic workshops that foster interaction, discussion and innovation.

E-BUSINESS MANAGERS MEETINGS

In 2015, over eighty e-business managers got together in Madrid, Spain with the ICT Committee's members to share knowledge and experience. In addition to plenary sessions, there were practical workshops that gave rise to lively discussion on issues such as the Group's digital strategy, developing mobile applications, webshop trends, product and customer data management and the logistics specific to e-business.



LOGISTICS INFORMATION MEETING 2015, FRANCE

SONEPAR JUNIOR COMMITTEE (SJC)

The SJC operates as an in-house think tank where gifted young people from the Group work together for a three-year period. The aim is to scan the environment and the opportunities it holds for the company, examine ideas that lead off the beaten track and suggest perspectives on how to implement upcoming major projects. The Committee members focus on a topic set at the start of the year by Regional Management or the General Management. During their last year, they are given the opportunity to present their thinking on the assigned topic to the Executive Chairman and the Sonepar Executive Committee. The subject in 2015 was how to identify the most emblematic business cases in the Group and incorporate them into a pool of shared experience. The SJC, which will be celebrating its twenty-fifth anniversary in 2016, helps build solid internal networks and enhance multicultural collaboration.

A SOCIAL NETWORK GAINING TRACTION

Sonepar's social network has been growing at great speed. Launched in 2013, it has been extended since then to include the entire workforce. Sonepar associates around the world can use it to create or strengthen bonds, get to know each other better and share experiences and good practices. This enterprise social network ensures that information is widely disseminated in real time. Thanks to the contributions of its members, concrete problems can be solved and innovative solutions can emerge from discussions within virtual communities. In 2015, over 5,000 associates were already using this flexible and effective form of interaction. That's more than the Group had forecast. Users post about 1,500 messages every month and participate in more than two hundred active discussion groups. Several country organizations have used this vehicle as a basis for creating thematic areas of their own. Users appreciate the network's flexibility, and a growing number of messages are posted from smartphones and tablets.

5,000+
ASSOCIATES
CONNECTED TO
THE SONEPAR
SOCIAL NETWORK

GRO



UTAH PERFORMING ARTS CENTER, USA (SEE P. 21)

W T H

WE MEAN BUSINESS ABOUT **GROWTH**

P. 42 Southern Europe, Investment

P. 44 Northern Europe, Solidity

P. 46 North America, Performance

P. 48 Asia-Pacific, Integration

P. 50 Strong Autonomous Growth ...

P. 52 ... and Many Acquisitions





Patrick SALVADORI, President

SOUTHERN EUROPE INVESTMENT

“We have successfully held our ground or even pulled ahead of the competition in what has often been an uncertain market. In France, where the business climate was poor, we continued to reorganize and invest in logistics to ensure higher-quality service. In Belgium, where we integrated two new entities, we gained market share and achieved better results. Our business improved in Italy and Spain, where a return to growth is under way. In Italy, we acquired Matel and developed specialty business lines; in Spain, we opened additional branches and bought out Dielectro Industrial. In Brazil, whose economy is losing momentum, we restructured our costs, and our takeover of Nortel (a former Rexel asset) gives us a much broader range of products and solutions. And the Rexel assets we acquired in Chile and Peru have brought us first-rate teams with market leadership and new capabilities.”





SOUTH AMERICA STRATEGIC OPERATING AREA

Hervé Salmon

FRANCE

(AND MONACO)

NO. 2 IN THE MARKET

2,289 M€

Benoît Pédoussaut

537 branches

BELGIUM

NO. 1 IN THE MARKET

481 M€

Alexander Dewulf

34 branches

BRAZIL

NO. 1 IN THE MARKET

200 M€

Hervé Salmon

82 branches

ITALY

NO. 2 IN THE MARKET

490 M€

Carlo Mazzantini /
Sergio Novello

91 branches

SPAIN

NO. 1 IN THE MARKET

380 M€

Luis Arconada

126 branches

CHILE

NO. 1 IN THE MARKET

18 M€

Ricardo Thomson

19 branches

ROMANIA

NO. 3 IN THE MARKET

17 M€

Dan Georgia

10 branches

PERU

NO. 3 IN THE MARKET

8 M€

Abraham Puerta

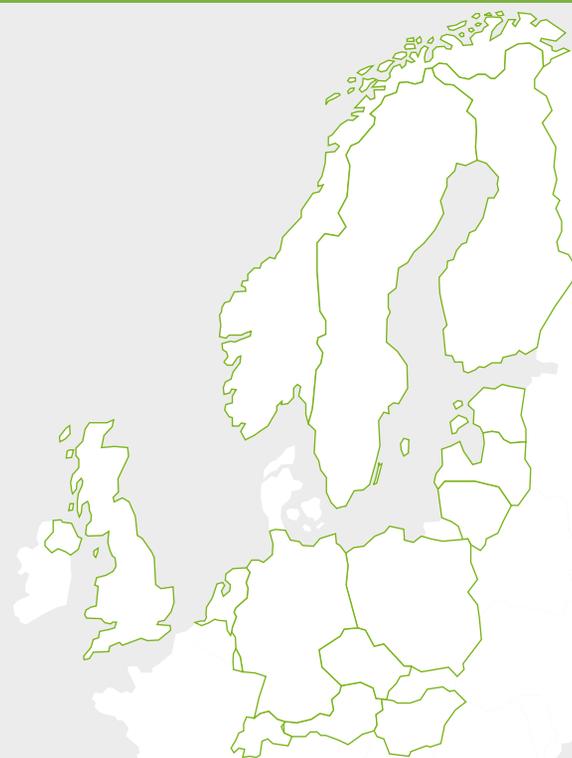
9 branches



Johan VERBEEK, President

NORTHERN EUROPE SOLIDITY

Although conditions were tough in 2015, we grew our sales by over 10%. For one thing, our staff worked hard and we recruited new talent. For another, we developed innovative, high value-added solutions and enhanced customer experience across all our sales channels. Increased R&D and new acquisitions like Mayflex, Solar Deutschland and Van Egmond also contributed to our growth. Our best-performing countries were Hungary, the Netherlands, the Baltic countries, Poland and the Czech Republic. We also strengthened our positions and raised our profit margins in Austria, Finland and Norway, and we turned in solid performance once again in Germany, Sweden and Switzerland.



NETHERLANDS

NO. 1 IN THE MARKET

1,234 M€

Jan Ferwerda

36 branches**CENTRAL
STRATEGIC
OPERATING
AREA**Stefan Stegemann
& Holger Heckle**UNITED KINGDOM**(AND UNITED ARAB
EMIRATES)

NO. 1 IN THEIR MARKETS

247 M€

Ian Stewart / Andrew Percival

17 branches**GERMANY**
(AND LUXEMBOURG)

NO. 1 IN THE MARKET

2,586 M€

Stefan Stegemann
& Holger Heckle**258 branches****SWITZERLAND**

NO. 2 IN THE MARKET

257 M€

David von Ow

12 branches**AUSTRIA**

NO. 2 IN THE MARKET

147 M€

Bernhard Weber

9 branches**CZECH
REPUBLIC**

NO. 3 IN THE MARKET

61 M€

Jiří Louda

30 branches**HUNGARY**

NO. 2 IN THE MARKET

32 M€

János Ágner

14 branches**NORDIC
STRATEGIC
OPERATING
AREA**

Anders Nordlöv

SWEDEN

NO. 1 IN THE MARKET

646 M€

Anders Nordlöv

48 branches**FINLAND**

NO. 1 IN THE MARKET

362 M€

Mika Höijer

35 branches**NORWAY**

113 M€

Lars Hamborg

13 branches**POLAND**

NO. 2 IN THE MARKET

128 M€

Wiesław Romańczuk

43 branches**BALTIC COUNTRIES**(ESTONIA, LATVIA,
LITHUANIA)

72 M€

Heiki Liiser

18 branches



Dave GABRIEL, President

NORTH AMERICA PERFORMANCE

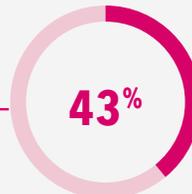
The North America region delivered solid performance in 2015. Our balanced customer and product portfolio outpaced the market. After a strong first half, we managed our business effectively during the slow growth second half caused by a rising U.S. dollar and declining commodity prices, which especially impacted our oil and gas and industrial business. We continued to strategically invest in acquisitions to build density, added two new distribution centers, twenty new branches and forty-five new customer onsite locations, expanding our coverage. Presently, the North America Region services 15 million customer touch points annually, increasing at a rapid rate with strong momentum driving digital initiatives. Our priorities for 2016 are a set of initiatives we call “D3PWC” which stands for Digital, People, Pricing, Productivity and Working Capital. While we believe the markets and slow growth economy will be challenging in 2016, the North America team is up for the challenge.



BRANCHES



COUNTRIES



OF GROUP
SALES

UNITED STATES

NO. 1 IN THE MARKET

6,945 M€

Halsey Cook

767 branches**CANADA**

NO. 3 IN THE MARKET

1,015 M€

François Anquetil

107 branches**CENTRAL AMERICA
STRATEGIC
OPERATING
AREA**

Urcesino Palacios Barro

MEXICO

NO. 1 IN THE MARKET

478 M€

Vallen Proveedora (*):

Camilo Kuri

Sonepar Mexico:

Urcesino Palacios Barro**113 branches****PUERTO RICO,
TRINIDAD
AND TOBAGO,
DOMINICAN
REPUBLIC**

NO. 1 IN THE MARKET

87 M€

Marcelo Stopiello

11 branches**COLOMBIA**

NO. 1 IN THE MARKET

80 M€

Ricardo Rodriguez Mutis

8 branches**COSTA RICA**

NO. 2 IN THE MARKET

22 M€

Rodrigo Esquivel

4 branches**PANAMA****4** M€

Ricardo Rodriguez Mutis

1 branch


15
MILLION
CUSTOMER
TOUCH POINTS
PER YEAR

(*) Reporting directly to Region President.



Keith MOSS, President

ASIA-PACIFIC INTEGRATION

The key growth engines in Asia-Pacific are the Chinese economy and the mining, oil and gas industries, and all of them experienced sharp slowdowns in 2015. That has meant pressure on our markets and business lines. Even so, our results at the end of the year showed we did better than expected in China. In Southeast Asia, we achieved solid autonomous growth if you leave aside Oakwell and our offshore oil and gas business. We outperformed the market in the Pacific SOA. And we nearly doubled our sales in India. With exchange rates working to our advantage, our sales in the Region rose 3.4% to a total of €1.8 billion. We did more in 2015 than just try to survive in a slowing economy. We also integrated the nine entities we had acquired in 2014 and consolidated the foundations of our business by investing in people and technology. The greatest challenges confronting us are in the Pacific area, above all in our core business in Australia, which we thoroughly restructured during the year.



Eugene WU, President as of March 2016

I am looking forward to tackling the key economic challenges of 2016. I am confident that by capitalizing on our solid foundations, we can emerge as a stronger, better company than before. Our hard-working, committed associates in Asia-Pacific will make that possible.





SOUTH-EAST STRATEGIC OPERATING AREA

Alex Cheang

MALAYSIA

NO. 1 IN THE MARKET

184 M€

Francis SA

40 branches

THAILAND

NO. 3 IN THE MARKET

57 M€

Surote Panasahatham

4 branches

SINGAPORE

30 M€

HoST: See Howe Ho

Cable Solutions: Lawrence Tam

3 branches

INDONESIA

9 M€

Fanah Jaya: Chin Hon Lim

1 branch

INDIA

20 M€

Raja Sivaji Ghosh

7 branches

OAKWELL GROUP

83 M€

Per Lindeberg

(China, Malaysia, Singapore, South Korea, Thailand, Vietnam)

8 branches

INTEGRATED SUPPLY

67 M€

Andrew Bennett

(China, Malaysia, Singapore, Thailand)

12 branches

PACIFIC STRATEGIC OPERATING AREA

Matthieu Raffestin

AUSTRALIA

NO. 2 IN THE MARKET

558 M€

Matthieu Raffestin

178 branches

NEW ZEALAND

NO. 3 IN THE MARKET

87 M€

Steve Priest

46 branches

GREATER CHINA OPERATING AREA

Yuxiao Xu

MAINLAND CHINA

603 M€

Yuxiao Xu

33 branches

HONG KONG & MACAU SAR

59 M€

Alvin Mok

7 branches

STRONG AUTONOMOUS GROWTH ...



CARLO MAZZANTINI AND SERGIO NOVELLO

SONEPAR ITALIA (ITALY)

Carlo *"Sonepar has been growing faster than the market for three years. That's the result of our consistent sales policy and our reorganization into three divisions that correspond to the main market segments. Every division head can pursue an autonomous sales policy, while local parameters are monitored through solid management control."*

Sergio *"Above all, we have developed projects to seize available opportunities in the most promising market segments, for example, automation, energy saving and e-business."*

Carlo *"And we've recruited educated, motivated young people to support our sales force and understand the particulars of current demand. That has made all the difference."*

CAMILO KURI

VALLEN PROVEEDORA (MEXICO)

"We are the leading distributor to industrial customers in Mexico. We have built our growth by seeking a balance between the various industrial markets and by protecting ourselves against foreign exchange risk. Ours is a particularly balanced business model. In our way of managing ValLEN Proveedora, our associates have greater autonomy and we delegate more than in many other companies. If you have the right people in the right positions, let them take action!"



URCESINO PALACIOS BARRO

SONEPAR MEXICO (MEXICO)

"Our results are the outcome of the strategy we put in place six years ago, with a focus on our branches and diversification of our offer, especially in large lighting projects. We have improved loads of details that make a difference to our customers. We have created exhibition and demonstration stands near our sales counters and expanded our technical support service. We have gained recognition for both our broad product range and the service we provide in relation to lighting. What makes a difference is that we focus our efforts on our points of sale and electricity projects of all sizes. Above all, we offer our customers end-to-end solutions, not just products."

HONGXIU GU

WITJOINT ELECTRICAL TECHNOLOGY (CHINA)

"Our core business has held steady because we have good communication with our main suppliers and a thorough understanding of our customers' needs, which enables us to win key projects. What also supports our performance is the rapid growth of new businesses like maintenance, servicing and repairs and systems engineering. We have focused our efforts on fast-growing segments such as consumer goods, new energy sources, sustainable development and car-making, and we are exploring the new avenues of Industry 4.0. Last of all, our corporate culture has created a sound foundation for maintaining staff stability, enhancing the capabilities of our people and developing sustainable, profitable growth."



WITJOINT, CHINA

HUI YANG

HAGEMEYER CHINA (CHINA)

"To perform as well as we did, we made adjustments to our structure, clarified each person's responsibilities and targets and increased synergy within the company. We have continued with our multi-brand growth and progressed toward operational excellence. Apart from our good reputation and the financial strength of the Group, what makes a difference in relation to our competitors are the synergies between national and local levels, rational use of resources, enhanced professionalism and a mindset focused on our customers and adding value."

JAN FERWERDA

TECHNISCHE UNIE (NETHERLANDS)

"In 2015, our company celebrated 135 years in business. But our history isn't what explains our performance; the new strategic plan launched in 2014 does. We have gotten all our managers involved and developed a plan based on the essential ingredients of leadership: dynamism, discipline and decisiveness. Among our sales and purchasing staff, we have encouraged a mindset of the kind, "We want to grow," "Yes we can" and "Meeting up, connecting up, moving closer together." We have developed more horizontal, more transparent management. We have fostered self-confidence and rejected complacency or excessive reliance on numbers. Our history is the history of an ambition. We aren't sprinters; we're marathon runners."



TECHNISCHE UNIE, NETHERLANDS

... AND MANY ACQUISITIONS



ROBERTO PAYARO
CEO Nortel Suprimentos Industriais
Brazil (September 2015)

"There were no surprises for us when we entered the Group. Sonepar has shown us that we form a genuine family and we are proud to be part of it. In just a short time, we had a visit from the Executive Chairman and the Board of Directors. What we appreciate is that almost nothing has changed since we joined Sonepar. Right from the start, I felt comfortable, since I am working the same way as when I was the company boss."



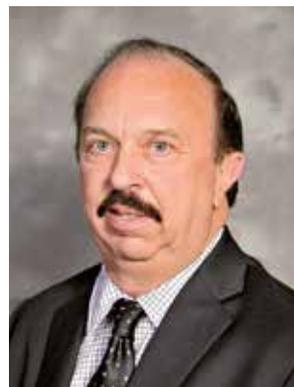
RICARDO THOMSON
General Manager Sonepar Chile
Chile (September 2015)

"Sonepar provides us stability to grow our business with a long-term vision. The Group's policy is focused on the present and the future. We get broad support for implementing our action plans in Chile and we are already fully involved with all the businesses developed in the South America sub-region."



ABRAHAM PUERTA BRIS
General Manager Sonepar Perú
Peru (September 2015)

"We were all well-informed about Sonepar's business model and we were eager to be a part of it. Even so, we were pleasantly surprised by its collaborative structure and the advantages of regional and global synergies. The CEO and the CFO came to Lima, sending out a powerful message on how Sonepar takes care of its teams. We have benefited from incredible tools for achieving better performance."



KEITH STEGER
President Eck Supply Company
United States (July 2015)

"We joined Sonepar with some anxiety, but overall with great excitement! We were surprised to see how much concern is shown for people. The reason why we joined the Group was to become part of one family of regional, national and global significance."



CASPER GERRITSEN
Managing Director Van Egmond Group
Netherlands (May 2015)

"Nothing has really changed. We have all the freedom we need for our company to continue to grow by drawing on its strengths. We were most pleasantly surprised by the availability and involvement of our colleagues. We weren't expecting that from a company of this size. There are many differences between an independent entrepreneur and a global group. The biggest one is regular reporting."



ALAN AKAMINE
General Manager Rasko Supply
United States (January 2015)

"We joined Sonepar to go from being a small independent company in Hawaii to having a partnership with significant resources, growth capacity and unlimited potential! Our arrival went as smoothly as we expected, and the biggest cultural change was being able to work with varied resources outside of our scope. Sonepar gives us the means to grow and make wiser sales decisions in a market we know well."

Brandon PLAN, Sales associate:

"Sonepar welcomed us with open arms! The Group has given me a new perspective on the future."



THORSTEN RÄTHER
Sales Manager North Solar Deutschland
Germany (March 2015)

"Our associates have seen that Sonepar is not just an electrical products distributor, but also a fast-growing, highly innovative group. That gives them a clear outlook and a sense of security. We have continued our business activities, but we are now connected to the Group's North/East logistics center, so we have a much wider range of products available. After one year, you could say that we have joined the Sonepar family and we are gradually aligning with the Group's strategy. 2016 will be the year for digital transformation, for example, with our new webshop."

ANDREW PERCIVAL
CEO Mayflex

United Kingdom (April 2015)

"We are beginning to see opportunities to reach new markets and vendors, and to improve business processes and efficiencies, specifically around the lighting market, data management and e-commerce. We have been very pleased with the support and welcome from Sonepar. The change of ownership was very smooth and efficient, the process prior to the change was very professional, with both Sonepar and Mayflex teams working well together. We have completed a number of significant changes within our finance operation and in our financial reporting period, but both teams have worked hard, and well together to make this efficient and effective in a short period of time."



DAVID DAHL
President QED Electric Supply
United States (April 2015)

"Sonepar's reputation led us to believe that we would operate 'as usual.' I'm happy to report that is the case. Sonepar is bringing us additional solutions to optimize our back-office performance. Sonepar values their vendors, and the collaboration makes us both stronger."

Matt JANSEN – Vice-President:

"Being part of the Group and sharing its services will lead to a more streamlined business and help us focus on increasing sales."

Scott JANSEN – Vice-President:

"The changes involve respect and the quality of partnerships with suppliers. The autonomy that Sonepar grants its operating companies in how they run their business and make decisions has confirmed for us that entering the Group was an obvious choice—the best one for our company."



SUSTAIN



ABILITY

WE ARE GEARED TO SUSTAINABILITY



P.56 A robust family shareholding group with associate shareholders

P.58 Our values

P.60 Sound governance to ensure sustainable growth

P.62 Management: opting for the most demanding approach

P.64 Sustainable development: responsibility and collective action





SHAREHOLDERS ASSOCIATES MEETING 2015, CANADA

A ROBUST FAMILY SHAREHOLDING GROUP WITH ASSOCIATE SHAREHOLDERS

RESPONSIBLE FAMILY SHAREHOLDERS

The family shareholders grouped together in the family holding company, Colam Entrepreneurs, strongly and consistently support Sonepar's strategy for sustainable growth. Their close ties to the Group and its executives, their determination to uphold and share its values and to prepare for the future together offer tangible proof of their lasting commitment. A major strength of this active, committed family shareholding group is that it successfully tackled the generational challenge early on. Young shareholders, who have reached age eighteen, get to take a special Introductory Seminar and do internships at Sonepar. Moreover, like the other shareholders of any age, they can learn about governance and transmission of holdings at Colam Education Path sessions. They can also participate in

SUSTAINABILITY AND THE TRANSMISSION OF VALUES

frequently established working groups that may give rise to innovative proposals on such essential issues as corporate social and environmental responsibility.

Work continued in 2015 on the Colam Shareholder Responsibility program initiated by the Sonepar family shareholders. It is a responsible approach geared to the present and the future, to providing long-term support for the Group's strategy and operations, to sustaining and handing down values.

This future-oriented program enables family shareholders to formally express and share the following conviction: "As responsible shareholders, we receive, embrace and pass on a heritage that cannot last unless we address the economic, social and environmental challenges facing the world." And by highlighting a shared vision, it sets the stage for necessary projects

to come: "We pledge our long-term support for the family Group and its businesses, and to help them succeed, we take a demanding, but considerate approach, grounded in respect for the people who work there. We will use our human and financial resources to launch initiatives with a positive impact on our social and natural environment." To further that approach, a Committee set up by the Board of Directors coordinates and oversees working groups on such topics as sustainable development, innovative initiatives, training and communication.

Another important event in 2015 was a trip that brought shareholders of all ages together with Sonepar executives. For four days, five hundred participants got to trade views, share Group values and discuss strategic issues. For four days, they agreed on the importance of action (as in the slogan, "Yes we do") and of mutual trust to the Group's sustainability.

IN THE SHAREHOLDERS' OWN WORDS

"The Colam Shareholder Responsibility program is fully in line with the Group's values. It unites the shareholders around a common vision."

"A shared, optimistic vision of the future, mutual trust and commitment."

"A simple, authentic style, plus mutual respect."

"Our shared values have enabled us to grow right up to the present ... and we have multiple prospects for further growth."



COLAM WORKSHOP, 2015, FRANCE



**MARIE-CHRISTINE COISNE-ROQUETTE:
OUR AMBITIOUS GOAL OF HAVING 10% OF
OUR ASSOCIATES HOLD COMPANY SHARES**

At Sonepar, not only do we believe in giving associates the right to own company shares, we have been putting that belief into practice for over twenty years. Very few privately-owned companies like ours do so. Several reasons can be cited for their reluctance. The three standard ones are the family shareholders' fear that their holdings will be diluted; the sensitive issue of how unlisted stock is valued; and the problem of liquidity (i.e., how to guarantee employee shareholders that they can sell their shares). Some countries prohibit privately owned companies that don't want to go public or publish their financial statements from offering shares to a large number of people. The fact that we have been able to overcome these obstacles is due first and foremost to the determination of our family shareholders.

From the start, their philosophy has been to work constantly with our executives to further the company's long-term interests and to share Sonepar's challenges and creation of value.

In addition, we are assisted by recognized financial experts who have ensured the continuity, quality and integrity of our stock valuation process for twenty-five years. Last of all, we have put in place procedures guaranteeing that the shares of any associate shareholder who wants to sell will be bought back.

We have expressed our ambition of having at least 10% of Sonepar's managers hold company shares, and we have done what it takes to realize that ambition. In 2015, we offered over 4,000 associates the opportunity to acquire their first shares or increase their holdings.

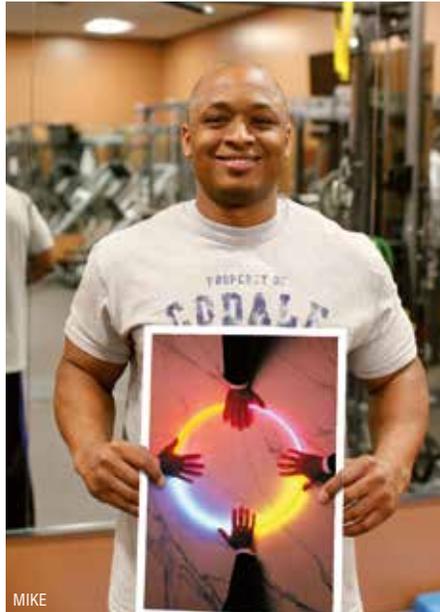
OUR VALUES

THEY DRIVE THEM. THEY REFLECT ON THEM.

SYNERGIES

"Our decentralized organization has an immense potential to increase synergies by sharing experience and best practice. To uncover this treasure, or just parts of it, is a cornerstone for a profitable future of the Group."

Carsten Hoffmann, Sonepar, France



CUSTOMERS

"Our customers are our motivation for going the extra mile every day."

Tim Dietz, Sonepar Deutschland, Germany



PASSION

"Passion is getting up every morning with a desire to progress, to advise our customers so that we can achieve the best possible partnership."

Seïfedinne Lemtella, Luminaire Métal Union, France



RESPECT

"I believe that in order to earn respect from others, you must first respect them. Respect fosters collaboration, synergy and cooperation, which are required for creating a workforce that values productivity. We at ESK India respect our colleagues' viewpoints, philosophies, beliefs, personalities and most importantly, their privacy."

Purbita Ghosh, ESK India, India

"Respect is the basis of all the businesses we are engaged in. Treating our colleagues, customers and suppliers with respect enables us to create a long-term partnership, which will also hold up in turbulent times."

Tim Dietz, Sonepar Deutschland, Germany



JOSE

FUTURE

"On my first day with this company, I sat down with my manager and he simply said, 'Be bold.' He said we would rather try something new and fail than do the exact same thing as everyone else in the industry. I believe this is why we'll continually succeed as a business, because we're not scared of what the future holds—we embrace it!"

Chris Bright, L&H Group, Australia

"One time, I heard a Sonepar executive say, 'Looking at the past only makes sense if it's to guarantee a better future.' We succeeded in making that phrase a reality."

Claudia Rodrigues, Sonepar Brasil, Brazil



JOSÉ JAVIER AND VICENTE

PEOPLE

"The most valuable thing about the men and women at Sonepar is the diversity of skills each person contributes."

David Behar, VDS, France



RAFAEL

"LA RÉFÉRENCE"

"Working at Sonepar means being honest, having an entrepreneurial spirit, providing quality products and solutions and believing in the talent of our people."

Angela Coronel, Sonepar Ibérica, Spain



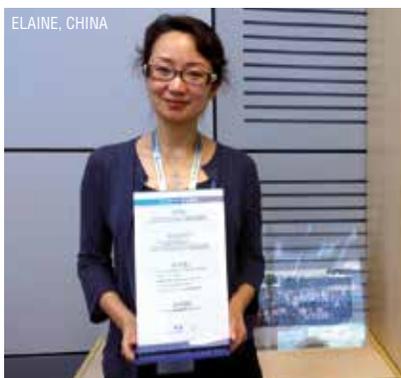
MARÍA JOSÉ

PROFIT

"Profit gives freedom and independence. It is necessary to meet the big challenges ahead. And it provides confirmation and acknowledgement for good work."

Piet Bünte, Sonepar Deutschland, Germany

SOUND GOVERNANCE TO ENSURE SUSTAINABLE GROWTH



“The Mission Statement:
explaining who we are, what
we do and what we want.”



Sonepar, the global leader in its business, has succeeded in combining decentralized operations and lasting growth by drawing on shared values and principles of action.

Those values and principles are embodied in a Governance Charter for the Group's shareholders and executive bodies. Responsibilities at every decision-making level are clearly spelled out with the overriding aim of making the Group "La Référence." The holding company, Colam Entreprendre, brings together the family shareholders. Colam Entreprendre defines the rules on debt levels, sets demanding security ratios and performance targets and ensures the implementation of a calculated risk-taking policy. The Group's dividend policy provides balance between the company's expansion and returns to shareholders. The family shareholders also wanted to offer a stake in the Group to those who work for it. All associate shareholders hold their shares through an entity called Sonepack. Together, the family and associate shareholders own Sonepar's share capital.

Furthermore, the Charter puts forward rules of behavior and requires everyone to:

- Treat others with respect;
- Refrain from any actions or decisions they would not be able to defend in public;
- Promote integrity, create motivation, reward loyalty, efficiency and initiative;
- Develop a mindset of mutual respect between the company and its members.

Everyone is also expected to implement the following operating principles:

- Combine trust with adequate control;
- Make responsibility for security and control everyone's business;
- Ensure that information is protected and shared where needed within the Group;
- Refrain from using one's title or position as a means to procure pecuniary or other advantages; and the obligation to report any conflict of interest, even potential.



Sonepar Board of Directors: Honorary Chairman, Henri Coisne. Chairman, Marie-Christine Coisne-Roquette. Directors: Michel Bon, Henri Paul Coisne, Stéphane Coisne, Denis Gonseth, Frank H. Lakerveld, Paul-René Lambert, Christian Maurin, José Maria Pena Rich Möller, Olivier Verley.

THE SHAREHOLDERS' MEETING

With roughly 250 attendees every year, the general shareholders' meeting provides an opportunity for direct and indirect shareholders, General Management and other Sonepar executives to exchange views. Sonepar's results and the various aspects of the Group's strategy are addressed, so that the Group's objectives and actions can be understood by all and a common vision of Sonepar's business can emerge. That vision is ratified by a family shareholders' vote.

THE BOARD OF DIRECTORS

The Board of Directors is composed of figures from the business world, family entrepreneurs and executives with historical roots in Sonepar who meet at least once each quarter. The Board draws on the steady output of reporting tools and Audit Committee reports to examine Group performance. In addition to an annual review of each of Sonepar's four Regions in the presence of the Regional President involved, the Board monitors progress and achievements regarding the Group's main strategic priorities. In 2015, the Board verified at regular intervals what was initiated and accomplished to further those priorities. In examining the Group's acquisition policy, the Board considered its impact on both the most important ending balances on the

Group's balance sheet and how they were transformed into profits. More specifically, the Board approved the Group's acquisition of loss-making entities in Germany and Brazil that can eventually be expected to generate a good return on investment. Lastly, the Board keeps a close watch on the risks and rewards of business diversification for the Group.

GENERAL MANAGEMENT

The Chief Executive Officer oversees and directs Sonepar's business in accordance with the Mission Letter issued by the Sonepar Executive Committee (SEC), which emphasizes the four key aspects of what our subsidiaries do. Once again in 2015, a large number of acquisitions—nineteen—were carried out in close cooperation with the CFO and the Region Presidents.

THE AUDIT AND COMPENSATION COMMITTEES



Composed of Board members and family shareholders, these two committees provide assistance to the Board of Directors, performing studies, making recommendations and contributing to the Board's thinking. In 2015, the Audit Committee examined the action plans initiated in response to previous audits. Above all, in mapping the key risks that may confront the Group, the Committee reviewed the legal and regulatory compliance efforts completed, in process or planned by the Group. At the same time, the Compensation Committee worked on setting the rules and targets for the 2015 bonus (Fidelity) stock plan, while verifying that variable compensation was properly aligned with the goal pursued.

MANAGEMENT: OPTING FOR THE MOST DEMANDING APPROACH

As an unlisted family-owned company with global reach, Sonepar has adopted strict audit and management procedures. The Group upholds the most demanding international standards and provides constant training to its people.

39
ACQUISITIONS
INTEGRATED INTO
OUR FINANCIAL
PROCESSES IN THE
PAST TWO YEARS

97
AUDIT
ENGAGEMENTS

INTERNAL AUDITS: EFFICIENCY FIRST AND FOREMOST

Internal Audit has opted for the most rigorous approach, based on the highest international standards, in accordance with the Sonepar Internal Audit Charter and the guidance of the Institute of Internal Auditors. Its mission is to provide reasonable assurance on risk management, reporting, control and governance processes. It is also to make recommendations to enhance their effectiveness and improve the quality of financial and management information. With its twenty auditors of ten different nationalities covering forty-four countries, Sonepar Internal Audit meets the needs of the Group by focusing on protection of assets and on integrity and reliability of financial data, thus contributing to the promotion of good practices across all subsidiaries.

The audit plan is based on a periodic risk assessment at each main subsidiary. Internal audit engagements cover the primary processes in the Group: Sales, Procurement, Inventory Management, Logistics, Human Resources, IT, Finance, Business Continuity, Governance, etc. Of the ninety seven engagements in 2015, Logistics and Warehousing, Procurement and Inventory Management audits accounted for 26% of the total; Finance, Credit Management, Internal Control and Governance audits for 25% and IT audits for 15%. Internal Audit presents its findings and recommendations to the entities audited and monitors implementation of the corrective action plans adopted. At regular intervals, Internal Audit submits its results to the General Management and Boards of the relevant countries, the relevant Region Management, to Group General Management and the Group Audit Committee, also indicating the extent to which management action plans have been implemented.

ENHANCED PERFORMANCE THROUGH MANAGEMENT CONTROL

There are two distinct aspects to management control at Sonepar: measuring and evaluating performance, and continuous enhancement of internal controls.

First of all, the Management Control Group supplies General Management with performance measurement data, along with recommendations on how to achieve the Group's quantitative and qualitative objectives. Setting goals and providing formal, shared evaluations of the various entities performance are both part of the process. And the relevant subsidiary may in some cases take corrective action. In 2015, Management Control coordinated the creation of a set of tools and good practices for opening new branches and began working on assisting the investment management process, once again in close cooperation with country management teams.

The second aspect of management control is to promote continuous enhancement of internal controls. That responsibility includes enlisting the participation of key people at all levels of the organization by helping to provide a set of standards, training, expertise and shared evaluation tools and by creating an active forum for discussing good practices on the Group's social network. It also involves enabling everyone to find concrete responses to issues of local relevance.



CRAWFORD, USA



EDUCATION FOR BETTER UNDERSTANDING OF THE LEGAL AND REGULATORY ENVIRONMENT

As a company with a presence in 44 countries and global operations, Sonepar must deal with increasingly complex economic regulations. That makes it imperative for the entire staff to gain a thorough understanding of their legal and regulatory environment. The General Counsel has therefore continued to heighten legal security in the Group through training, recommendations and the sharing of good practices. In 2015, this effort included an e-learning and communication program with four key topics: competition law, the fight against corruption, export controls and data protection. The program will be translated into 29 languages and deployed throughout the Group in 2016. There will be several courses on each topic, all of them concluding with a Q&A period to enable participants to validate what they have learned. In addition, as a company concerned with the security of its staff, Sonepar has issued a brochure for all associates traveling abroad for business that highlights the essential safety and protection guidelines to be followed. The General Counsel also established the SILCC (Sonepar International Legal and Compliance Committee) in 2015 to facilitate the exchange of information and the dissemination of good operating practices. Composed of about twenty members working on those issues who span the Group's four Regions, the SILCC will hold two formal meetings a year, but will be regularly active on Sonepar's social network.

MONTHLY CONSOLIDATED FINANCIAL STATEMENTS

Sonepar's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS). The annual financial statements, which meet similar standards to those of publicly listed companies, are certified by two audit firms, KPMG and Mazars. The consolidation and reporting system, implemented in every country in which it operates, affords the Group a comprehensive view of the financial information for all its operating subsidiaries. Sonepar also has proven ability to integrate newly-acquired entities. In the last two fiscal years, 41 companies have joined the Group. Centralized management of accounting procedures and financial reporting tools has led over the years to optimization of the processes for producing financial information. As a result, General Management obtains reliable monthly reporting that is shared by all Group decision-makers.

A CENTRALLY-RUN TREASURY DEPARTMENT

Cash and financing are managed by a Paris-based team of eight. This makes it possible to guarantee adequate liquidity, monitor the utilization of cash resources and optimize management of the associated exchange-rate and interest-rate risks and financing conditions. The tools and procedures involved offer maximum security. In 2015, the Group consolidated and extended the maturities on its lines of credit, taking advantage of favorable market conditions that included very low interest rates and interest margins. A further financing tool is cash pooling, which facilitates the circulation and centralization of liquidity within Sonepar.

14
NEW FILMS TO
RAISE COMPLIANCE
AWARENESS

VIEW THE FILMS

panorama.sonepar.com/en/sustainability





DIMENSIONAL, BRAZIL

SUSTAINABLE DEVELOPMENT: RESPONSIBILITY AND COLLECTIVE ACTION

Sonepar supports its customers in their energy transition initiatives, mobilizing its teams on a daily basis.

630
INITIATIVES
IN 2015

Sustainable development has been a priority at Sonepar for several years. The Group has developed a comprehensive approach that encompasses social, economic and environmental concerns, while taking action on a practical level (recycling, energy-efficient lighting, meeting the latest environmental standards in construction, training in eco-driving and more). And because it is above all a people organization, the welfare and safety of its associates come first. Some Group companies also reach out to take action in their local communities. Sonepar's approach revolves around four basic commitments: supporting initiatives relating to energy transition and demographic change (implementing energy-saving schemes; responding to the challenge of aging and growing dependency in our societies); limiting environmental impact; making the men and women who work for the Group the key drivers of its development; and engaging with local

communities. In this way, Group associates from around the world are able to take daily action, becoming more effective together.

ACTING TOGETHER ON A DAILY BASIS

During Energy Saving Week, Sonepar encourages creativity, adaptation and process improvement, in line with specific local needs. Initiatives are undertaken to reduce environmental footprints, improve energy efficiency, cut consumption, make use of efficient, state-of-the-art equipment, promote recycling, optimize transport and logistics, increase staff safety and more. The areas for action are many and the requisite energy and ideas are plentiful. Every year, increasing numbers of initiatives are carried out in the different countries. Here too, Sonepar aims to lead by example with its customers, associates, suppliers and shareholders.



VIEW AN ESW INITIATIVE FILM
panorama.sonepar.com/en/sustainability



KVC, MALAYSIA

ENERGY SAVING WEEK 2015: EVEN MORE INITIATIVES

Since 2011, sustainable development has taken center stage every year during Energy Saving Week (ESW). This week-long event mobilizes teams from all of the Group's companies around the world—and with increasing success.

ESW is rolled out in the different countries through conferences, customer seminars, training for associates, product promotions and innovative services. In 2015, there were 630 initiatives involving partners, customers and suppliers. The discussions on the Sonepar social network have been particularly productive.

An international contest was also launched to reward the best initiatives. In the Communication Strategy category, Alfa Elektro in Poland involved its associates by asking them to come up with the best way of illustrating their company's approach to sustainable development. As a result, one associate was filmed with a miniature camera for an entire working day, demonstrating the simple actions that everyone can undertake in the workplace to reduce energy consumption.

In the Event category, KVC in Malaysia led a major campaign aimed at its customers, broadcasting a video clip of promotional activities, the presentation of equipment, exhibition stands and demonstrations of environmentally friendly products.

In 2016, Energy Saving Week will become Energy & Sustainability Weeks, taking place over a two-week period. From simple energy savings, the market has progressed to addressing broader issues of energy efficiency, a movement that Sonepar has been a part of and will continue to support with its partners. Many challenges lie ahead.

ENVIRONMENTAL AUDITS FOR OUR CUSTOMERS IN AUSTRALIA

Auditors will analyze the environmental footprint and organizational structures of customers on their sites before making recommendations for energy saving initiatives that will reduce CO₂ emissions and diminish environmental impact. The auditors will also suggest improvements to lighting using a specific, entirely recyclable brand, with low maintenance costs and high levels of energy efficiency.

TEAMS MOBILIZED TO HELP SCHOOL CHILDREN IN INDIA

As part of its overall approach to sustainable development, the Group is also committed to local communities. During Energy Saving Week, the ESK India teams undertook outreach work with local school children to raise awareness of energy saving, the impact of human activity on the environment and the protection that is needed. Drawing contests, model-making and even live theater all contributed to the educational work carried out among these young people.

GEOHERMAL AND HEAT RECOVERY IN GERMANY

In 2016, Sonepar Deutschland Information Services will host a major new data center. The buildings constructed for this purpose will be at the cutting-edge of energy efficiency. Geothermal energy will power systems for heating and cooling offices, using 62 energy pillars that will also serve as the building's foundations. Other innovations will include an autonomous cooling system for the computer servers, high-precision climatic chambers for regulating temperature and humidity levels in the printing room, electronic energy monitoring systems (for air conditioning, lighting, ventilation and even emergency generators) and continuous detection of all energy flows. Awesome!



ESK INDIA, INDIA

A GLOBAL FOOTPRINT

SOUTHERN EUROPE



NORTHERN EUROPE



 NEW ENTITIES IN 2015

HAGEMEYER | e-center | KARALICHT | OTRA | Routeco

SLO | sonepar | sonepar | sonepar | sonepar

Technische Unie | SLO | Ubel | VoP | Winterhalter Fenner AG

NORTH AMERICA

LD | ECK | ELECTRICAL | DEO | MCV SUPPLY

TEFCO | ALCIONE | BROOK | CapitalTristate | CODALE

Cooper electric supply co. | Crawford | Dixon Electric | Eoff | FE

GESCAN | HAGEMEYER | IDG | IES | iesa

irby | lumen | MELECA | MGM | NE NorthEast Electrical

OneSource | Santiago | SESCO | TEXCAN | vallen

vallen | Viking Electric Supply | WARREN | warren del carbo |

ASIA-PACIFIC

Elcon | T&H | ETS | HAGEMEYER | HAGEMEYER China

HAGEMEYER | HAGEMEYER | HAGEMEYER | Mei | SHUNMOON SHANGHAI LIGHTING

CABLESOLUTIONS | COORS | DEP | DILON TRADING | ElectricFever

EWS ELECTRICAL | ED | Elektroskandia | ESK Automation | ESK IS

ESK Telecom | FJM | HP TUNG CABLES | Hite | HOST

INTERSTATE | Jjay? | KVC | OAKWELL | pacific

Shunchang Supermoon | SKYTEC | Sonepar | SONIC

SLS | SN | SUPERMOON | TIS | WJ

2015 PANORAMA: THE EXPERIENCE GOES ONLINE





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TALENT
SERVITA
SUSTAINABILITY

**A YEAR
OF HIGH GROWTH**

The European Commission, Maria, Christine, Denise, Angela,
and the 100 Financial Europe 100, ranked on the continent in 2015.

PANORAMA
PICTURES



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