

Paris, May 24, 2019

## **Additional information about some resolutions proposed to the Annual General Shareholders' Meeting of June 11, 2019**

Ingenico Group (Euronext: FR0000125346 – ING) provides the following additional information about the three resolutions proposed to the Annual General Shareholders' Meeting of June 11, 2019: the 6<sup>th</sup> resolution relating to the commitment specified in Article L.225-42-1 of the French Commercial Code (benefits in the event of forced termination of the Chief Executive Officer); the 17<sup>th</sup> resolution relating to the compensation policy of the Chief Executive Officer and the 24<sup>th</sup> resolution relating to the authorization for free share awards:

### **Commitment specified in Article L.225-42-1 of the French Commercial Code (6<sup>th</sup> resolution)**

It is reminded that the conditions of the benefit due in case of the forced termination of the Chief Executive Officer authorized by the Board of Directors' meeting of February 25, 2019 and detailed in chapter 3.3.1.2 of the 2018 Registration Document state that the benefits are payable in the following cases:

- (i) in the event of forced termination linked to a change of control, with change of control understood to start from the approval date by the Annual General Shareholders' Meeting of any spin-off, merger, demerger or similar transaction affecting Ingenico Group or the acquisition date of the control, as defined in Article L. 233-3 of the French Commercial Code, of Ingenico Group;
- (ii) in the event of forced termination linked to a change of strategy;
- (iii) in other cases of forced termination, for a reason other than gross negligence or misconduct.

No benefit shall be owed to the Chief Executive Officer in the event of voluntary departure, change of functions, corporate officer or employee, within the Group, or if Mr. Nicolas Huss is in a position to enforce his retirement entitlements.

Furthermore, in the event of forced termination linked to a change of control, the Chief Executive Officer will retain the benefit of all vesting shares, since the attendance and performance conditions are waived in this case.

### Changes made to the forced termination benefit conditions and to the fate of vesting performance shares

The Chief Executive Officer has decided to waive:

- the right to a forced termination benefit for any other case of forced termination except for a change of control or strategy, and;
- the waiver of performance conditions with respect to shares allocated in the case of forced termination linked to a change of control; the benefit of vesting shares at the time of forced termination will therefore continue to be subject to the achievement level of the performance conditions over the term of the vesting period.

Consequently, the base amount of the termination benefit that would be paid to the Chief Executive Officer has been changed as follows:

- before the 2020 Annual General Shareholders' Meeting:
  - in the event of forced termination linked to a change of control, to 18 months of the target, fixed and annual variable compensation;
  - in the event of forced departure linked to a change of strategy, to nine months of the target, fixed and annual variable compensation;
  - in other cases of forced termination including gross negligence or misconduct, no compensation;
- as from the 2020 Annual General Shareholders' Meeting:
  - in the event of forced termination linked to a change of control, to 18 months of the Reference Compensation;
  - in the event of forced termination linked to a change of strategy, to 12 months of the Reference Compensation;
  - in other cases of forced termination including gross negligence or misconduct, no compensation;

Additional information about the method for calculating the coefficient applied to the forced termination benefit.

Concerning the performance condition used to set the coefficient applied to the base amount of the termination benefit, it is specified that the calculation of the benefit is based on the achievement of the targets set for the Chief Executive Officer's variable compensation.

This variable compensation is based at 70% on three quantitative criteria (EBITDA, revenue and free cash flow) for which the trigger thresholds up to 100% of achievement are as follows for each criterion:

- 0% of the payment right in the event of achievement < at 100% of the criterion corresponding to the annual financial target published by the Company;
- 80% of the payment right at 100% of achievement of the criterion corresponding to the annual financial target published by the Company.

Consequently, in the event of underperformance of the said targets and considering the level required to trigger these thresholds, the coefficient applied to the base amount of the Chief Executive Officer's termination benefit would be very greatly reduced or would be nil.

### **Compensation policy for the Chief Executive Officer (17<sup>th</sup> Resolution)**

Additional information about the annual overall compensation of the Chief Executive Officer

Note that the components (fixed, variable and performance shares) of the Chief Executive Officer's annual overall compensation were determined by taking into account his profile, experience and expertise and comparison with a panel of French and international companies operating in the payment sector. In addition, the components included in the structure of the compensation are balanced to ensure compliance with the guidelines of the AFEP-MEDEF Code.

Long-term incentive

A proposal was submitted for the award of a long-term incentive through the annual allocation of 30,000 performance shares. Exceptionally, the number of shares that would be awarded under fiscal year 2019 would amount to 34,000 shares, given that the Chief Executive Officer, started his duties as CEO on November 5, 2018.

As part of the Group's transformation, under the Fit for Growth plan and the implementation of the medium-term strategic plan by 2021, the Board of Directors decided to maintain a significant portion of the long-term incentive (around 50%) in the Chief Executive Officer's target annual overall compensation. Therefore, on the basis of an annualized award of 30,000 performance shares, the CEO's compensation would break down as follows:

		% of the annual overall compensation
- Fixed annual compensation	650,000 euros	20%
- Target annual variable compensation	975,000 euros	29%
- Long-term incentive	1,718,400 euros*	51%

- based on the trading price of the Ingenico share on the day of the Board of Directors' meeting which set the financial terms for implementation of the Chief Executive Officer's mandate.

## Authorization for free share awards (24<sup>th</sup> resolution)

### Clarifications on the performance criteria

It is reminded that the definitive award of performance shares will be contingent on two internal performance conditions (EBITDA and revenue growth) and one external condition linked to the Company's stock market performance compared to that of the Euro Stoxx Tech 600.

The two internal performance conditions correspond to the Group's 2021 financial targets as presented at the Capital Market Day of April 24, 2019 and included in the 2018 Registration document under chapter 4.2, namely:

- 2021 EBITDA (after impact of IFRS 16): c. €700 million
- 2018-2021 CAGR: > 6%

### Vesting thresholds

The vesting thresholds for shares after a vesting period of three years are the following:

#### Internal criteria (70%)

	Target achievement level	% of awarded shares
2021 EBITDA and 2018-2021 CAGR	< 100%	0%
	100%	75%
	105%	100%
	110%	110%

#### External criterion (30%)

	Target achievement level	% of awarded shares
Ingenico stock market trend compared to that of the Eurostoxx Tech 600 (100% achieved represents a trend equal to the index)	< 100%	0%
	100%	50%
	105%	75%
	110%	100%

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## About Ingenico Group

Ingenico Group (Euronext: FR0000125346 - ING) is the global leader in seamless payment, providing smart, trusted and secure solutions to empower commerce across all channels, in-store, online and mobile. With the world's largest payment acceptance network, we deliver secure payment solutions with a local, national and international scope. We are the trusted world-class partner for financial institutions and retailers, from small merchants to several of the world's best known global brands. Our solutions enable merchants to simplify payment and deliver their brand promise.

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