



Details on the compensation for 2015 of the executive corporate officers of SoLocal Group

In preparation of the General Meeting of 19 October 2016, SoLocal Group releases the details of its executive corporate officers' compensation, which shall be presented to the General Meeting.

The Board of Directors of SoLocal Group, during its meeting held on 10 February 2016, upon proposal of the Remuneration and Nominations Committee, determined all the compensation components of the Group's executive corporate officers.

1. Compensation owed or awarded for 2015:

- Fixed compensation for 2015:

The Board of Directors recalls that the amounts of the fixed compensation awarded to the Chief Executive Officer, Jean-Pierre Remy (520,000 euros) and to the Deputy Chief Executive Officer, Christophe Pingard (370,000 euros), have remained unchanged in 2015.

- Annual variable compensation for 2015:

a) Regarding Jean-Pierre Remy:

The variable portion of the compensation for 2015 of Jean-Pierre Remy, Chief Executive Officer, has been fixed at 468,000 euros, i.e. 90% of the target objective.

It is recalled that the target objective of this variable portion has corresponded since 2009 to 100% of the fixed compensation of Jean-Pierre Remy in the event of objectives fully achieved, and that it may vary from 0 to 200%, based:

- For 50% on target common to the Executive Committee and the main Group officers varying from 0 to 200%,
- For 50 % on specific qualitative targets varying from 0 to 200%.

The Board of Directors had used the following criteria:

- Target for 2015 common to the entire Executive Committee and the main Group officers – (50%):

Level of orders for 2015 (25%)

EBITDA (25%)

Transformation of the information systems (25%)

- o Solving of 40 pain points

- Deployment of the new sales tool Vision for 95% of sellers

Transformation of human resources (25%)

- "Digital" training of the workforce of the Group before the end of 2015
- Progress on the commitment criteria of the opinion survey realized each year

On the basis of objectives achieved, the bonus on such common target is of 119%, allocated as follows:

- Level of orders for 2015: bonus of 0%.
- EBITDA: bonus of 200%
- Transformation of the information systems: bonus of 148%
- Transformation of human resources: bonus of 127%

- Specific qualitative targets: transformation of SoLocal Group (50%):

Free cash flow: assessed by reference to the budget, HR Transformation (Values, management of digital talents, conditions of work, Citylights, etc.), External and internal communication.

On the basis of the objectives achieved, the bonus for such specific qualitative objectives has been assessed by the Remuneration Committee at 120%.

Based on the foregoing, the bonus of Jean-Pierre Remy for the year 2015 could have been equal to 120% of the objective (60% on the quantitative portion and 60% on the qualitative portion), i.e. 120% of the annual fixed compensation.

The Board of Directors has taken note that the annual performance of Mr. Jean-Pierre Remy with respect to its quantitative and qualitative objectives amounted to 120%.

However, considering the Company share price recorded over the financial year, the Board of Directors decided, on a joint proposal from the Remuneration Committee and Jean-Pierre Remy, to limit to 90% (45% on the quantitative portion and 45% on the qualitative portion) the variable portion paid in respect of 2015 and accordingly to fix at 468,000 euros the bonus of Jean-Pierre Remy for the year 2015, i.e. 90% of the annual fixed compensation.

b) Regarding Christophe Pingard:

The variable portion of the compensation for 2015 of Christophe Pingard, Deputy Chief Executive Officer, has been fixed at 200,000 euros, i.e. 90% of the target objective.

It is recalled that the target objective of this variable portion corresponds to 60% of the fixed compensation of Mr. Christophe Pingard in the event of objectives fully achieved, and that it may vary from 0 to 120%.

The objective of this variable portion was of 50% of the fixed compensation for 2014. Because of the additional difficulties in connection with the operational transformation of the Group in parallel to its financial restructuring, the Board of Directors decided on February 2015 to increase such amount to 60%.

The Board of Directors had used the following criteria:

- Target for 2015 common to the Executive Committee and the main Group officers – (50%):

Level of orders for 2015 (25%)

EBITDA (25%)

Transformation of the information systems (25%)

- Solving of 40 pain points
- Deployment of the new sales tool Vision for 95% of sellers

Transformation of human resources (25%)

- "Digital" training of the workforce before the end of 2015
- Progress on the commitment criteria of the opinion survey realized each year

On the basis of objectives achieved, the bonus on such common objective is of 119%, allocated as follows:

- Level of orders for 2015: bonus of 0%.
- EBITDA: bonus of 200%
- Transformation of the information systems: bonus of 148%
- Transformation of human resources: bonus of 127%

- Specific qualitative objectives: transformation of SoLocal Group (50%):

Operational excellence: commercial productivity and client service,

Client focus: increase the NPS, spotlight the Return on Investment and the service quality,

Sustainable growth of the online: promotion of the new offer (new PJ, new search), simplification of the offer, acquisition of new clients,

HR: role of the management (management per objective), communication to teams (way/direction), work conditions.

On the basis of the achieved targets, the bonus for such specific qualitative objectives has been assessed by the Remuneration Committee at 120%.

Based on the foregoing, the bonus of Christophe Pingard for the year 2015 could have been equal to 120% of the objective (60% on the quantitative portion and 60% on the qualitative portion), and at 72% of the annual fixed compensation.

The Board of Directors has taken note that the annual performance of Mr. Christophe Pingard with respect to its quantitative and qualitative objectives amounted to 120%.

However, considering the Company share price recorded over the financial year, the Board of Directors decided, on a joint proposal from the Remuneration Committee and Christophe Pingard, to limit to 90% (45% on the quantitative portion and 45% on the qualitative portion) the variable portion paid in respect of 2015 and accordingly to fix at 200,000 euros the bonus of Christophe Pingard for the year 2015, i.e. 54% of the annual fixed compensation.

2. Annual variable compensation for 2016, payable in 2017

Regarding Jean-Pierre Remy:

The Board of Directors has fixed the target objective for 2016 of the variable portion of the Jean-Pierre Remy's compensation at 100% of its fixed compensation in the event of objective achieved, that may vary between 0% and 200%, based:

- for 80%, on an objective common to the entire Executive Committee and Group officers varying from 0 to 200 %, based on criteria mainly relating to the growth in the Internet business, EBITDA, simplification of operational activities and customer satisfaction;
- for 20% on a specific objective varying from 0 to 200 %, based on criteria relating to the debt Group's refinancing and the communication.

Regarding Christophe Pingard:

The Board of Directors has fixed the target objective for 2016 of the variable portion of the Christophe Pingard's compensation to 60% of its fixed compensation in the event of objective achieved, that may vary between 0% and 200%, based:

- for 80% on an objective common to the entire Executive Committee and Group officers varying from 0 and 200 %, based on criteria mainly relating to the growth in the Internet business, EBITDA, simplification of operational activities and customer satisfaction;
- for 20% on a specific objective varying from 0 to 200 %, based on criteria relating to the development of new activities and the enrichment of contents held by the Group.

3. Allocation of performance shares or stock-options

The Board of Directors recalls that no performance shares or stock-options were allocated in 2015.

The performance share allocation plan set up by the Board of Directors on 11 December 2012 resulted in the allocation of 300,000 shares to the benefit of Jean-Pierre Remy and 150,000 shares to the benefit of Christophe Pingard.

Such number of shares has been adjusted in order to take into account the share capital increase with preferential subscription right preserved that occurred on 6 June 2014.

Considering that the performance conditions relating to the evolution of the turnover and of the GOM for 2013 and 2014 have been partially achieved, 70.7% of such shares have been definitively acquired by the beneficiaries. This rate corresponds to the achievement of 74.6% of the performance conditions on the evolution of the turnover (weighted at 2/3) and 63.0% of the performance conditions on the evolution of the GOM (weighted at 1/3).

As a consequence, on 31 March 2015, Jean-Pierre Remy acquired 25,270 shares (758,100 shares before the reverse stock split that occurred on 26 October 2015) and Christophe Pingard acquired 12,635 shares (379,050 shares before the reverse stock split that occurred on 26 October 2015) in the context of such plan which is now closed.