



Neuilly-sur-Seine, 16 March 2017

## **Termination of Mr. Alain Chagnon's role as Deputy Chief Executive Officer and conditions relating thereto**

As announced in a press release dated 26 September 2016, Mr. Alain Chagnon decided to end his role as Deputy Chief Executive Officer of the company from 9 March 2017.

### **Variable remuneration with respect to 2016**

The maximum amount of Mr. Alain Chagnon's variable remuneration for 2016 was set at €160,000 and its payment is subject to qualitative and quantitative performance criteria.

1. Qualitative criteria: determined at the beginning of the year, applicable to 60% of the maximum amount. These criteria relate in particular to the Deputy Chief Executive Officer's contribution to defining and implementing strategy, managing projects and teams, and preparing for his succession.

At its meeting held on 9 March 2017, FFP's Board of Directors decided to allot to Mr. Alain Chagnon the full 60% portion of variable remuneration based on qualitative criteria.

2. Quantitative criteria: measured by investment returns, i.e. the change in NAV (excluding PSA) in 2016, applicable to 40% of the maximum amount, divided into two sub-criteria:
  - a. 50% dependent on investment returns compared with the Eurostoxx 600 (dividends reinvested). If investment returns are positive and higher than those of the Eurostoxx 600, this portion shall vest proportionally, with the maximum amount vesting if returns are over 6%.
  - b. 50% dependent on absolute investment returns. If investment returns are positive, this portion shall vest proportionally, with the maximum amount vesting if returns are over 8%.

In 2016, investment returns were in excess of those set out in the criteria described above, and accordingly, at its meeting held on 9 March 2017, FFP's Board of Directors decided to allot to Mr. Alain Chagnon the full 40% portion of variable remuneration based on quantitative criteria.

### **Remuneration with respect to 2017**

With respect to his role as Deputy Chief Executive Officer between 1 January and 9 March 2017, Mr. Alain Chagnon will receive the following items of remuneration:

- annual fixed remuneration of €300,000 on a *prorata temporis* basis up to the end of his role as corporate officer;
- maximum annual variable remuneration of €160,000, unchanged compared to 2015 and 2016, i.e. €30,000 on a *prorata temporis* basis on the date his role as corporate officer ended, subject to complying with the following quantitative and quantifiable criteria:
  - qualitative criteria (60% of the variable portion) relating to the ease with which Bertrand Finet is integrated within FFP, both internally and with respect to external partners, and to the smooth handover of projects; and
  - quantifiable criteria (40% of the variable portion) based on investment returns and identical to those applicable to 2016 as detailed above;
- granting of 2,582 bonus shares, subject to performance conditions set out in the appendix to this press release.

Mr. Alain Chagnon will not receive any compensation with respect to the termination of his role, and will benefit from the supplementary defined-contribution pension plan applicable within the company when he takes his pension benefits.

In accordance with the regulations of bonus share plans, he will continue to benefit from bonus share allotments decided in 2016 and 2017.

The employment contract under which Mr. Alain Chagnon worked before becoming a corporate officer, and which had been suspended, has been reactivated, and Mr. Alain Chagnon has been appointed as Advisor to Mr. Robert Peugeot, Chairman and Chief Executive Officer of the company. For that role, and until his planned retirement this summer, he will receive remuneration based on a gross annual salary of €456,000, with no variable remuneration, depending on his working hours.

#### **About FFP:**

FFP is an investment company listed on Euronext, majority-owned by Etablissements Peugeot Frères and managed by Robert Peugeot. FFP is one of the leading shareholders in Peugeot SA and pursues a policy of establishing minority shareholdings and long-term investments. FFP holds stakes in listed companies (Zodiac Aerospace, DKSH, SEB and ORPEA), non-listed companies (Sanef and ONET) and private equity funds.

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**APPENDIX**  
**BONUS SHARE ALLOTMENT**  
**PERFORMANCE CONDITIONS**

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Shares will vest according to absolute- and relative-return criteria.

**Absolute returns:**

- \* a third of the shares allotted shall vest if NAV rises by more than 5% on average per year (CAGR over three years): if the increase in NAV is over 5%, beneficiaries of the bonus share plan will receive 100% of this portion.

**Relative returns:**

- \* a third of the shares allotted shall vest proportionally on a straight-line basis if NAV rises by at least the same percentage as the Eurostoxx 600 index over the same three-year period, up to 75bp per year (i.e. 225bp over three years) in excess of the index's return;
- \* in the event of outperformance, if the increase in NAV exceeds the increase in the benchmark index by more than 75bp per year and up to 150bp per year (i.e. 450bp over three years), the following third shall vest, also proportionally on a straight-line basis.

**Relationship between absolute and relative returns**

The two portions are independent from each other. Shares may vest even if NAV falls provided that relative returns are higher than that of the benchmark index, or vice-versa if the 5% annual absolute return threshold is exceeded but relative returns are lower than that of the benchmark index.