

# **CRITEO SA**

Société Anonyme

32 rue Blanche  
75009 Paris

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## **Statutory Auditors' special report on regulated agreements**

Shareholders' Meeting held to approve the financial statements for the year ended December 31, 2016

**Deloitte & Associés**

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Shareholders' Meeting held to approve the financial statements  
for the year ended December 31, 2016

*This is a free translation into English of the Statutory Auditors' special report on regulated agreements and commitments with third parties that is issued in the French language and is provided solely for the convenience of English speaking readers. This report on regulated agreements and commitments should be read in conjunction, and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.*

To the Shareholders,

In our capacity as Statutory Auditors of Criteo S.A. (the "**Company**"), we hereby present to you our report on regulated agreements.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements brought to our attention or which we may have discovered during the course of our audit, as well as the reasons justifying that such agreements are in the Company's interest, without expressing an opinion on their usefulness and appropriateness or identifying any other such agreements. It is your responsibility, pursuant to Article R.225-31 of the French Commercial Code (*Code de commerce*), to assess the interest involved in respect of the conclusion of these agreements for the purpose of approving them.

Our role is also to provide you with the information stipulated in Article L. 225-38 of the French Commercial Code relating to the implementation during the past year of agreements previously approved by the Shareholders' Meeting, if any.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux comptes*) relating to this engagement.

## **AGREEMENTS SUBMITTED TO THE APPROVAL OF THE SHAREHOLDERS' MEETING**

### **Agreements authorized during the fiscal year**

Pursuant to Article 225-40 of the French Commercial Code, the following agreements, which were previously authorized by the Board of Directors, have been brought to our attention.

#### **Agreement with Mr. Glenn Burney concerning the translation into English of Mr. Jean-Baptiste Rudelle's book entitled « *On m'avait dit que c'était impossible: le manifeste du fondateur de Criteo* »**

The letter of agreement of April 7, 2016, modified by the amendment of July 24, 2016, covering the translation into English by Mr. Glenn Burney, at the request of the Company, of the book written by Mr. Rudelle entitled « *On m'avait dit que c'était impossible: le manifeste du fondateur de Criteo* », for the purpose of free distribution to the English-speaking employees of the Criteo group with the aim to promote Criteo's image through its founder, and the values of entrepreneurship that they convey.

Person concerned: Mr. Jean-Baptiste Rudelle, Chairman of the Board of Directors, indirectly interested as the author of the book entitled « *On m'avait dit que c'était impossible: le manifeste du fondateur de Criteo* ».

Contracting entity: Criteo S.A.

Approval by the Board of Directors: this agreement was approved by the Board of Directors on February 25, 2016 with respect to the related financial conditions and considering that this agreement was such to promote the Company's image.

The expenses recognized by the Company pursuant to this agreement for the year ended December 31, 2016, amounted to €20,514 (excluding taxes).

#### **Management Agreement entered into with Mr. Eric Eichmann in his capacity as chief executive officer ("CEO") of the Company**

Management Agreement entered into with Mr. Eric Eichmann, in his capacity as CEO of the Company, providing for the terms and conditions of Mr. Eric Eichmann's compensation should he leave the Company depending on the circumstances of his departure.

The Management Agreement also includes the terms of his compensation as CEO and his relocation to the United States, which do not fall into the scope of Article L.225-38 of the French Commercial Code.

Terms and conditions: severance payment, should Mr. Eric Eichmann leave at the initiative of the Company for any reason other than for serious breach of his obligations or dishonesty, of an amount corresponding to one year of fixed compensation, payable in 12 monthly installments, and a part of his maximum theoretical bonus with respect to the relevant year proportional to his length of service in the Group during the year, payable in one lump sum; it being also provided that in this case, his health, death & disability benefits would be maintained during 12 months and the vesting conditions for free shares and the exercise of options from which he could benefit would be eased with respect to the year of his departure. The same conditions would be applicable should Mr. Eric Eichmann leave at his initiative in the year following a change of control of the Company.

Duration: retroactively in force since January 1, 2016, for an unlimited period.

Person concerned: Mr. Eric Eichmann, CEO of the Company.

Contracting entity: Criteo S.A.

Approval by the Board of Directors: this agreement was approved by the Board of Directors of the Company on October 27, 2016 (i) considering the related financial conditions and (ii) considering that it was in the Company's interest to enter into this Management Agreement for the purposes of retaining the CEO of the Company, by offering him compensation in the event of departure in accordance with market practice. This agreement was published by the Company in a Form 8-K<sup>1</sup>.

For the 2016 fiscal year, Mr. Eric Eichmann is still CEO of the Company and no expense was recognized by the Company with respect to his departure.

#### **Agreements authorized since the year-end**

None

#### **Agreements not previously authorized**

None

#### **Agreements from previous years not approved by the Shareholders' Meeting**

None

#### **Agreements from previous years not subject to the approval of a previous Shareholders' Meeting**

None

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<sup>1</sup><http://app.quotemedia.com/data/downloadFiling?webmasterId=101533&ref=11206549&type=HTML&symbol=CRTO&companyName=Criteo+S.A.&formType=8-K&dateFiled=2016-11-02>

**AGREEMENTS ALREADY APPROVED BY THE SHAREHOLDERS' MEETING**

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**Agreements authorized in previous years***a) Which were performed during the year*

Pursuant to Article R.225-30 of the French Commercial Code, we have been advised that the following agreements authorized in previous years by Shareholders' Meetings have had continuing effect during the year.

**Technology and know-how license agreement with Criteo K.K.**

Technology and know-how license agreement updated on December 31, 2014 between the Company and Criteo K.K., its 66%-owned Japanese subsidiary.

Criteo K.K. is the only subsidiary of the Company which is not 100% owned, directly or indirectly, by the Company.

Terms and conditions: remuneration of the Company under the Criteo K.K. Technology and know-how license agreement, based on a fee whose rate is determined based on the revenues of Criteo K.K.

Duration: in force since January 1, 2013 for an indefinite period.

Person concerned: Mr. Jean-Baptiste Rudelle, Chairman and Chief Executive Officer of Criteo S.A. and Chairman of Criteo KK.

Income recorded by your Company under this agreement for the year ended December 31, 2016 amounted to €38,804,768.35.

**Corporate services agreement (management fees) with Criteo K.K.**

Corporate services agreement updated on December 31, 2014 between the Company and Criteo K.K., its 66%-owned Japanese subsidiary.

Terms and conditions: remuneration of the Company under the Corporate services agreement based on the invoicing of the cost of these services plus a 5% margin. The services covered by the services agreement are general management, accounting, financial, legal, human resources, marketing and communications services and services related to the PUMP and MMS activities.

Duration: in force since January 1, 2013, for an indefinite period.

Person concerned: Mr. Jean-Baptiste Rudelle, Chairman and Chief Executive Officer of Criteo S.A. and Chairman of Criteo KK.

Income recorded by your Company under this agreement for the year ended December 31, 2016 amounted to €11,142,959.19 €

### **Agreement for the making available of premises and resources with the association France Digitale**

Agreement for the making available of premises and resources entered into on August 4, 2014 between the Company and the association France Digitale, a French non-profit association which brings together digital entrepreneurs and investors to promote the digital economy before public authorities for the purposes of creating a digital ecosystem from which the Company emerged.

Terms and conditions: compensation of the Company under the Agreement for the making available of a part of its premises (a surface area of 40 m<sup>2</sup>) and certain administrative and maintenance services for an annual amount of €18,500 (excluding taxes) (in this amount includes the furniture and use of the common areas excluding the restaurant), which complies with market conditions.

Duration: in force since August 4, 2014; terminated during fiscal year 2016, effective August 12, 2016.

Person concerned: Mrs. Marie Ekeland, president of the association and director of the Company until January 29, 2016.

Income recorded by your Company under this agreement for the year ended December 31, 2016 amounted to €11,772.35 (excluding taxes).

### **Agreement for the making available of premises and resources with the association The Galion Project**

Agreement for the making available of premises and resources entered into on November 10, 2015 between your Company and the association The Galion Project, a French non-profit association whose aim is to promote entrepreneurship by start-ups in the digital economy.

Terms and conditions: compensation of the Company under the Agreement for the making available of a part of its premises (a surface area of 13.66 m<sup>2</sup>) and certain administrative and maintenance services for an annual amount of €6,317.75 (excluding taxes) (in this amount includes the furniture and use of the common areas excluding the restaurant), which complies with market conditions.

Duration: in force since April 6, 2015, terminated during fiscal year 2016, effective May 9, 2016.

Person concerned: Mr. Jean-Baptiste Rudelle, Chairman of the association and Chairman and Chief Executive Officer of Criteo at the date of signature of the agreement.

Income recorded by your Company under this agreement for the year ended December 31, 2016 amounted to €15.68 (excluding taxes).

***b) which were not performed during the year***

None

**Agreements approved during the year**

None

**Agreements approved since the year-end**

None

Paris and Neuilly-sur-Seine, March 1, 2017

The Statutory Auditors

Deloitte & Associés

RBB Business Advisors

Anthony MAAREK

Jean-Baptiste BONNEFOUX