

# EXECUTIVE COMPENSATION

The Compensation Discussion and Analysis which follows explains TSYS' executive compensation program applicable to the following "named executive officers" whose 2015 compensation information is provided in the series of tables following this discussion:

- M. Troy Woods, Chairman, President and Chief Executive Officer;
- Paul M. Todd, Senior Executive Vice President and Chief Financial Officer;
- William A. Pruett, Senior Executive Vice President and Chief Client Officer; President, TSYS North America;
- Patricia A. Watson, Senior Executive Vice President and Chief Information Officer; and
- G. Sanders Griffith, III, Senior Executive Vice President, General Counsel and Secretary.

We have voluntarily disclosed the compensation amounts earned by or paid to Mr. Griffith for 2013 and 2014 even though Mr. Griffith was not a "named executive officer" for 2013 or 2014. As certain executives are paid similar base salaries, it is possible that TSYS' named executive officers could change from year-to-year as both the short-term and long-term incentive awards are expressed as a percentage of base pay and the target percentage for these executives is the same. We believe this information for the years in which the base salaries of certain of these executives is similar will provide our shareholders with consistent disclosure from year-to-year.

## COMPENSATION DISCUSSION AND ANALYSIS

### Executive Summary

#### *Overview*

TSYS' executive compensation programs align the interests of TSYS' executives with those of our shareholders by tying a significant portion of their total compensation directly to our short-term and long-term business results. The Compensation Committee (the "Committee") reviews the program components, targets and payouts on an annual basis to ensure our pay-for-performance alignment. Executive performance is evaluated against both short- and long-term goals with targets and metrics that are directly linked to our annual operational and long-term strategic goals. We believe that the design of our executive compensation program provides a clear link to shareholder value by focusing our executives on achieving key financial and strategic business objectives and rewarding them when those objectives are achieved.

#### *2015 Say-on-Pay Vote and Shareholder Outreach*

At our 2015 Annual Meeting, we asked shareholders to approve, on an advisory basis, the compensation of the named executive officers as disclosed in the proxy statement for that meeting. Shareholders responded favorably with over 94% of the votes cast in favor of approval. The Board and the Compensation Committee appreciate and value the views of our shareholders. In considering the results of this advisory vote on executive compensation, the Committee concluded that the compensation paid to our named executive officers and our overall pay practices enjoy strong shareholder support.

In light of the strong shareholder support of the compensation paid to our executive officers evidenced by the results of this advisory vote, the Board and the Committee did not make any material changes to our executive compensation program for 2016 as a result of the 2015 say-on-pay vote. Future advisory votes on executive compensation will serve as an additional tool to guide the Board and the Committee in evaluating the alignment of our executive compensation program with the interests of TSYS and its shareholders. The Board and the Committee intend to continue our annual shareholder outreach program pursuant to which we discuss, or offer to discuss, with all shareholders holding 1% or more of TSYS' shares their views on general governance issues as well as compensation related matters or any concerns they may have concerning TSYS' practices.

#### *Financial Highlights*

Total shareholder return ("TSR") grew 47.8% in 2015, which ranked TSYS as the ninth best performing stock in the S&P 500 for 2015. Adjusted earnings per share ("EPS") from continuing operations were \$2.46, an increase of 25.5% over 2014. On a GAAP basis, basic EPS from continuing operations were \$1.97, an increase of 33.3% over 2014. Total revenues were \$2.8 billion, an increase of 13.6% over 2014. Revenues before reimbursable items were \$2.5 billion, an increase of 14.0% over 2014.