



## **Corporate Governance Guidelines**

**Effective September 30, 2015**

The Board of Directors (the "Board") of Global Payments Inc. (the "Company") has adopted these corporate governance principles (the "Guidelines") to promote the effective functioning of the Board and its committees, to promote the interest of the shareholders, and to ensure a common set of expectations as to how the Board, its various committees, individual directors, and management should perform their functions.

### **I. Board Composition and Size**

The members of the Board should collectively possess a broad range of skills, expertise, industry and other knowledge, and business and other experience useful to the effective oversight of the Company's business. A majority of the Board shall consist of directors who the Board has determined are "independent" under the applicable provisions of the Securities and Exchange Act of 1934, and the rules promulgated thereunder, and the rules of the New York Stock Exchange, Inc. (the "NYSE").

The Board believes that seven to nine members is an appropriate size based on the Company's present circumstances. This range provides diversity of thought and experience without hindering effective discussion or diminishing individual accountability.

### **II. Selection of Directors**

The Board's Governance and Risk Oversight (the "Governance and Risk Committee") shall be responsible for identifying and recommending to the Board qualified candidates for Board membership, based primarily on the following criteria:

- Experience as a member of senior management or director of a significant business corporation, educational institution, or not-for-profit organization;
- Particular skills or experience that enhances the overall composition of the Board ;
- Serves on no more than five other boards of directors of publicly held companies; and
- Serves on no more than three other audit committees of boards of directors of publicly held companies.

As part of its evaluation of director candidates (including incumbent directors) and in addition to other standards the Governance and Risk Committee may deem appropriate from time to time for the overall structure and composition of the Board, the Governance and Risk Committee should consider whether each candidate, if elected or re-elected, would assist in achieving a mix of Board members that represent a diversity of background and experience. Accordingly, the Board shall seek members from diverse professional backgrounds who combine a broad spectrum of relevant industry and strategic experience and expertise that, in concert, offer the Company and its shareholders diversity of opinion and insight in the areas most important to the Company and its corporate mission. In evaluating nominees, the Governance and Risk Committee will consider that members of the Board should collectively possess a broad range of skills, expertise, industry knowledge and other knowledge, business experience and other experience useful to the effective oversight of the Company's business. The Governance and Risk Committee shall also consider the independence of candidates for director nominees, including the appearance of any conflict in serving as a director. Candidates for director nominees who do not meet all of the criteria described herein may still be recommended by the Governance and Risk Committee to be considered for nomination to the Board if the Governance and Risk Committee believes the candidate will make an exceptional contribution to the Company and its shareholders.

The Governance and Risk Committee considers candidates for director who are recommended by other members of the Board and by management, as well as those identified by any outside consultants retained by the committee to assist in identifying possible candidates. The Governance and Risk Committee will evaluate potential nominees for open Board positions suggested by shareholders on the same basis as all other potential nominees, provided that the nominee is nominated in accordance with the Company's policies for shareholder nominations. To recommend a potential nominee, you may send a

letter to the Corporate Secretary, Global Payments Inc., 10 Glenlake Parkway, North Tower, Suite 1068, Atlanta, Georgia, 30328. The letter should include the following information:

- Name and address of the shareholder making the recommendation, as it appears on the Company's books and records;
- Number of shares of the Company's stock that are owned by the shareholder making the recommendation;
- Name, age, business and residential address, educational background, current principal occupation or employment, and principal occupation or employment for the preceding five full years of the individual recommended for consideration as a director nominee;
- All other information relating to the recommended candidate that would be required to be disclosed in solicitations of proxies for the election of directors or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act, including the recommended candidate's written consent to being named in the proxy statement as a nominee and to serving as a director if approved by the Board and elected; and
- A written statement from the shareholder making the recommendation stating why such recommended candidate meets the Company's criteria and would be able to fulfill the duties of a director.

Members of the Governance and Risk Committee shall discuss and evaluate possible candidates, including incumbent directors, prior to recommending them to the Board.

The Board, taking into consideration the recommendations of the Governance and Risk Committee, shall be responsible for selecting the nominees for election to the Board by the shareholders and for appointing directors to the Board to fill vacancies, with primary emphasis on the criteria set forth above. New Board members elected by the Board to fill vacancies on the Board shall hold office until the next election of the class for which such director shall have been chosen. New Board members appointed to fill newly created director positions shall be elected by the Board to serve only until the next election of directors. The Governance and Risk Committee shall be responsible for initially assessing whether a candidate would be an independent director. The Board, taking into consideration the assessment of the Governance and Risk Committee, shall make the final determination as to whether or not a nominee or appointee would be an independent director.

The invitation to join the Board shall be extended by the Board through its chairperson (the "Chairperson").

### **III. Selection of Chairperson of the Board and CEO**

The Board shall select its Chairperson and the Company's Chief Executive Officer (the "CEO") in the manner that it determines to be in the best interest of the Company and its shareholders. The Board does not have a policy on whether the roles of Chairperson and CEO should be separate or combined. The responsibilities of the Chairperson shall include:

- presiding at all meetings of the shareholders and the Board (including, if the Chairperson is an independent director, executive sessions of the independent directors); provided, however, that the Board may designate another person to preside over shareholders' meetings;
- establishing meeting agendas for the Board and meeting schedules, in consultation with management, to assure that there is sufficient time for discussion of all agenda items and generally approving information sent to the Board;
- if the Chairperson is an independent director, serving as a liaison between management, including the Chief Executive Officer, and the independent directors;
- if the Chairperson is an independent director, in conjunction with the Compensation Committee, reviewing and approving corporate goals and objectives relevant to the CEO's compensation, evaluating the CEO's performance in light of those goals and objectives, determining and approving the CEO's compensation (including base salary, bonus, long term incentives, and other applicable prerequisites) based upon such evaluation, and communicating with the CEO regarding the foregoing; and
- any other responsibilities that may be delegated to the Chairperson by the Board from time to time.

### **IV. Lead Director**

If the Chairperson is not an independent director, then the Board shall appoint a Lead Director, who shall be an independent director. The responsibilities of the Lead Director shall include:

- presiding at all meetings of the Board at which the Chairperson is not present, including executive sessions of the non-employee directors;
- serving as the liaison between the Chairperson and the independent directors;
- generally approving information sent to the Board, meeting agendas for the Board, and meeting schedules to assure that there is sufficient time for discussion of all agenda items;

- in conjunction with the Compensation Committee, reviewing and approving corporate goals and objectives relevant to the CEO's compensation, evaluating the CEO's performance in light of those goals and objectives, determining and approving the CEO's compensation (including base salary, bonus, long term incentives, and other applicable prerequisites) based upon such evaluation, and communicating with the CEO regarding the foregoing; and
- any other responsibilities that may be delegated to the Lead Director by the Board from time to time.

## V. Classified Board

Each director shall be elected for a term of three years. The Board shall be divided into three classes which are as equal in size as possible. One class shall be elected each year. The Board believes that this staggered election of directors helps to maintain stability and continuity to the work of the Board.

## VI. Continuation as a Director

1. **Change in Job Responsibility.** When a director's principal occupation or business association changes substantially, he or she must notify the Chairperson and the chairperson of the Governance and Risk Committee. The Governance and Risk Committee shall then review the matter and recommend to the Board whether, in light of all the circumstances, the director should continue to serve. If the Board determines that such director's continued service is not in the best interest of the Company and its shareholders, he or she shall tender his or her resignation from the Board to the Chairperson.
2. **Mandatory Retirement Age.** Directors will not be renominated as a director of the Company by the Board following their 75th birthdays.
3. **Attendance.** In the event that any director attends less than 75% of meetings of the Board and of meetings of committees of the Board on which he or she serves, in the aggregate, for two consecutive years, the Governance and Risk Committee shall review the matter and recommend to the Board whether, in light of all the circumstances, the director should be eligible for re-nomination to the Board. If the Board determines that such director's continued service is not in the best interest of the Company and its shareholders, he or she shall tender his or her resignation to the Board.
4. **Violations of the Director Code.** If a director is in violation of the Director Code of Conduct and Ethics ("Director Code"), he or she must notify the Chairperson and the Chairperson of the Governance and Risk Committee. The Governance and Risk Committee shall then review the matter and recommend to the Board whether, in light of all the circumstances, the director should continue to serve or other action should be taken. If the Board determines that such director's continued service is not in the best interest of the Company and its shareholders, he or she shall tender his or her resignation to the Board.
5. **Majority Voting and Holdover Directors.** Each director shall be elected by a majority of the votes cast by shareholders with respect to the director. However, if the number of director nominees exceeds the number of directors to be elected ten days before the mailing of the proxy statement, then each director shall be elected by a vote of the plurality of the shares represented at the meeting.

Under the majority voting standard, if the votes cast "against" a director exceed the number of votes cast "for" the director, the director is not elected. Under Georgia law, to ensure that a board's power to act continues uninterrupted, the failure to receive the required number of votes for re-election would not automatically result in a vacancy. Instead, the director who failed to receive the required number of votes would continue to serve as director until his or her successor is elected and qualified or until his or her earlier resignation, retirement, disqualification, removal from office, or death. Such a director is referred to as a "holdover" director.

If one of the Company's directors fails to receive the required number of votes for re-election, these Guidelines require the director to promptly tender his or her written resignation to the Board following certification of the shareholder vote.

If the tendered resignation does not expressly require acceptance by the Board, the resignation will become effective immediately, or on the date set forth in the resignation, and there will be a vacancy on the Board upon the effective date of the resignation.

If the tendered resignation specifies that it is not effective until accepted by the Board, the Board has the discretion to accept or reject the resignation. In such a case, the Governance and Risk Committee will promptly consider the tendered resignation and, based on any factors deemed relevant by the members of the Governance and Risk Committee, recommend to the Board whether to accept or reject the tendered resignation.

In considering the Governance and Risk Committee's recommendation, the Board may consider any factors deemed relevant by the members of the Board. If the Board does not accept the resignation, the director will continue to serve

until his or her successor is elected and qualified or until his or her earlier resignation, retirement, disqualification, removal from office, or death. The Company will publicly disclose the Board's decision within 90 days from the date of the certification of the election results. To the extent that one or more directors' resignations are accepted by the Board, the Governance and Risk Committee will recommend to the Board whether to fill such vacancy or vacancies or to reduce the size of the Board.

Any director who tenders his or her resignation pursuant to this provision will not participate in the Governance and Risk Committee's or the Board's recommendation or decision, or any deliberations related thereto. If a majority of the members of the Governance and Risk Committee have failed to receive the required number of votes for re-election in accordance with the Company's Bylaws at the same election, then the independent directors who are on the Board and did not fail to receive the required number of votes for re-election in accordance with the Company's Bylaws (or who were not standing for election) will appoint a Board committee amongst themselves solely for the purpose of considering the tendered resignations and will recommend to the Board whether to accept or reject them. This Board committee may, but need not, consist of all of the independent directors who did not fail to receive the required number of votes for re-election in accordance with the Company's Bylaws or who were not standing for election.

## **VII. The Committees of the Board**

It is the general policy of the Company that all major decisions be considered by the Board as a whole. As a consequence, the committee structure of the Board is limited to those committees considered to be basic to or required for the operation of a publicly owned company.

The Board shall have four standing committees: the Audit Committee, the Compensation Committee, the Governance and Risk Oversight Committee, and the Technology Committee. The Board may add new committees or remove existing committees as it deems advisable in the fulfillment of its duties. Each committee shall have a written charter and shall perform its duties in accordance with its charter. Each committee shall report regularly to the Board summarizing the committee's actions and any significant issues considered by the applicable committee.

Each of the standing committees shall be composed of no fewer than three members. The Board, taking into account the views of the Chairperson and the recommendation of the Governance and Risk Oversight Committee, shall be responsible for identifying which Board members will be asked to serve on which committees. Each committee member must satisfy the membership requirements set forth in the relevant committee charter. A director may serve on more than one committee and each independent director shall serve on at least one committee. The Board, taking into account the views of the Chairperson, shall designate one member of each committee as the chairperson of such committee.

## **VIII. Meetings and Agendas**

The Board shall have at least four meetings each fiscal year. Further meetings shall occur if called by the Chairperson, the CEO, or the Lead Director, as applicable, with the concurrence of the Board. The Board may act by unanimous written consent in lieu of a meeting. Each committee shall have meetings in accordance with its respective charter. Each committee shall be allowed to take action pursuant to a unanimous written consent in lieu of a meeting. Each committee may have the right to delegate its duties and responsibilities in accordance with its charter approved by the Board.

The agenda for each Board meeting shall be established by the Chairperson and reviewed by the Lead Director, if any, in consultation with management. Any Board member may suggest the inclusion of additional subjects on the agenda. The agenda for each committee meeting shall be established by the committee chairperson in consultation with appropriate members of the committee and with management. Management will provide appropriate materials in advance of Board and committee meetings whenever possible. Materials presented to the Board and committee members should provide the information needed for the directors to make an informed judgment or engage in informed discussion.

Unless a committee determines otherwise, the agenda, materials and minutes for each committee meeting shall be available to all directors, and all directors shall be free to attend any committee meeting. In addition, all directors, whether or not members of the committee, shall be free to make suggestions to a committee chairperson for additions to the agenda of his or her committee or to request that an item from a committee agenda be considered by the full Board.

## **IX. Director Executive Sessions and Non-Employee Director Executive Sessions**

All directors shall meet in executive sessions at least two times a year. In addition, the non-employee directors shall meet in executive sessions at least two times a year with no employees of the Company present. Further executive sessions shall occur if called by the Chairperson or the Lead Director, as applicable. Except as set forth in the next sentence, the Chairperson shall preside at the executive sessions of all directors. The Chairperson shall also preside at the executive sessions of non-employee directors unless the Chairperson is an employee of the Company, in which event, the Lead Director shall preside at such sessions.

These executive sessions shall serve as the forum for the annual evaluation of the performance of the CEO and the annual review of the CEO's plan for management succession.

## X. Board Responsibilities

The business of the Company is managed under the direction of the Board in accordance with Georgia law. The Board's responsibility is to provide the direction of the Company and to oversee the performance of the Company's business and management. The management of the Company is responsible for presenting the operating plan to the Board for review and approval, for presenting the strategic plan for review, and for implementing the Company's plans and strategic direction. In performing their duties, the primary responsibility of the directors is to exercise their business judgment and act in what they reasonably believe to be the best interest of the Company and its shareholders.

Certain specific corporate governance functions of the Board are set forth below:

1. **Management Succession.** The Board shall review and approve a management succession plan, developed by the CEO, to ensure continuity in senior management.
2. **Evaluating the CEO.** The Board, acting through the Chairperson or the Lead Director, as applicable, and the Compensation Committee, shall annually conduct an evaluation of the performance of the CEO. The Chairperson or the Lead Director, as applicable, shall communicate such evaluation to the CEO.
3. **Director Compensation.** The Board and the Governance and Risk Committee shall periodically review and set the form and amount of director compensation. The policy, which shall be approved by the Governance and Risk Committee, shall be to ensure that director compensation is appropriate and sufficiently competitive to attract and retain highly qualified directors. Management shall, periodically, prepare and provide to the Chairperson a report on the director compensation policies and practices of the Company's principal competitors and other comparable companies. Only non-employee directors shall receive compensation for his or her services as a director. The Board believes that a meaningful portion of the total compensation of non-employee directors should be provided and held in common stock, stock options, or other types of equity-based compensation.
4. **Reviewing and Approving Significant Transactions.**  
Board approval of a particular transaction may be appropriate because of several factors, including:
  - legal or regulatory requirements;
  - the materiality of the transaction to the Company's financial performance, risk profile, or business;
  - the terms of the transaction; or
  - other factors, such as the entering into of a new line of business or a material variation from the Company's strategic plan.

To the extent the Board determines it to be appropriate, the Board shall develop standards to be utilized by management in determining types of transactions that should be submitted to the Board for review and approval or notification.

5. **Reviewing and Approving Operating Budget, including Capital Expenditures.** Annually, the Board shall approve the budget for the Company which shall include the capital plan for the applicable fiscal year. The Board shall develop standards to be utilized by management in determining the types of expenditures that should be submitted to the Board for review and approval.
6. **Director Independence.** The Board shall conduct an annual review of director independence based on the standards for director independence included in the NYSE corporate governance rules. During this review, the Board shall consider relationships and transactions during the past three years between each director or any member of his or her immediate family, on the one hand, and the Company and its subsidiaries and affiliates, on the other hand. The purpose of the review is to determine whether any such relationships or transactions are inconsistent with a determination that the director is independent.

## XI. Expectations for Directors

The Board has developed a number of specific expectations of directors to promote the discharge by the directors of their responsibilities and to promote the efficient conduct of the Board's business.

1. **Commitment and Attendance.** Directors are expected to attend all meetings of the Board and the committees of which

they are members and the Company's annual shareholder meeting. Attendance by telephone may be used to facilitate a director's attendance.

2. **Participation in Meetings.** Each director should be sufficiently familiar with the business of the Company, including its financial statements and capital structure, and the risks and the competition it faces, to ensure active and effective participation in the deliberations of the Board and each committee on which he or she serves. Upon request, management shall make appropriate personnel available to answer any questions a director may have about any aspect of the Company's business. Directors should also review the materials provided by management and advisors in advance of the meetings of the Board and its committees and should arrive prepared to discuss the issues presented.
3. **Other Directorships and Significant Activities.** The Company values the experience directors bring from other boards on which they serve and other activities in which they participate, but recognizes that those boards and activities may also present demands on a director's time and availability and may present conflicts or legal issues, including independence issues. Directors are required to advise the Chairperson and the chairperson of the Governance and Risk Committee in advance of accepting an invitation to serve on another public company board of directors. No director may serve on more than five other boards of directors of publicly held companies or on more than three other audit committees of boards of directors of publicly held companies. In addition, if the CEO is a member of the Board, the CEO may not serve on more than two other boards of directors of publicly held companies.
4. **Contact with Management and Employees.** Directors have full and free access to officers and employees of the Company. Any meetings or contacts that a director wishes to initiate may be arranged directly by the director or through the CEO, at the director's option. Directors should use their judgment to ensure that any such contact is not disruptive to the business operations of the Company. Further, the Board encourages management to bring into Board meetings from time to time (or otherwise make available to Board members) individuals who can provide additional insight into items being discussed because of personal involvement and substantial knowledge in those areas.
5. **Speaking on Behalf of the Company.** The CEO is responsible for establishing effective communications with the Company's employees and outside constituencies, i.e. shareholders, customers, communities, suppliers, creditors, governments, etc. It is the Company's policy that management speaks for the Company. If a situation does arise in which it seems necessary for a non-employee director to speak on behalf of the Company to one of these constituencies, the director should first consult with the CEO. If requested by major shareholders, the Chairperson or Lead Director, as applicable, shall be available for consultation and direct communication.
6. **Confidentiality.** The proceedings and deliberations of the Board and its committees shall be confidential. Each director shall maintain the confidentiality of information received in connection with his or her service as a director.
7. **Director Code of Conduct and Ethics.** Each director is expected to have reviewed the Company's Director Code of Conduct and Ethics and these Corporate Governance Guidelines and to comply with their provisions.
8. **Target Ownership.** Within five years of becoming a director, each director is expected to beneficially own a number of shares of Company stock valued at least five times the then-current annual cash retainer payable to such director. Exceptions may be approved by the Board from time to time.

## **XII. Evaluating Board and Committee Performance**

The Board and each standing committee of the Board shall conduct an annual self-evaluation, which shall include, among other things, an assessment of compliance with the principles set forth in these Guidelines or the relevant committee charter, as applicable, as well as an identification of areas for improvement. The Governance and Risk Committee is responsible for overseeing the process by which the Board and each committee of the Board perform self-evaluations.

## **XIII. Orientation and Continuing Education**

Management, working with the Board, shall provide an orientation process for new directors, including background material on the Company and its business. As appropriate, management shall prepare additional educational sessions for directors on matters relevant to the Company and its business.

## **XIV. Reliance on Management and Outside Advice**

In performing its functions, the Board shall be entitled to rely on the advice, reports and opinions of management, counsel, accountants, auditors, and other expert advisors. The Board and each committee shall have the power to engage independent legal, financial, or other advisors as it may deem necessary.

## **XV. Directors and Officers Liability Insurance and Indemnification**

The Company will purchase reasonable directors' and officers' liability insurance for the benefit of its Board and its management. The Company will provide each director with a copy of the applicable insurance policy at any time upon request. In addition, directors and management shall be entitled to reasonable indemnification to the fullest extent permitted by Georgia Law and by Article IX of the Company's Bylaws.

## **XVI. Publication of Corporate Governance Guidelines, Committee Charters, and Codes of Conduct and Ethics**

The Company shall make these Guidelines, the charters of the committees, the Director Code of Conduct and Ethics, the Employee Code of Conduct and Ethics, and the Code of Ethics for Senior Financial Officers available on the Company's website. All such documents shall also be made available upon request as required by the listing standards of the NYSE and applicable rules of the Securities and Exchange Commission.

## **XVII. CEO and Officer Ownership Guidelines**

To further support the Company's goal of achieving a strong link between shareholders and senior management, the Board has adopted share ownership guidelines for the CEO and the other executive officers.

The CEO is expected to beneficially own a number of shares of Company stock valued at least five times his or her then current annual base salary. The Board has also adopted share ownership guidelines for each of its other executive officers. The targets should be attained within three years from the date an individual first becomes subject to the guidelines. The Compensation Committee will periodically review the guidelines to ensure the levels are appropriate.

## **XVIII. Communications from Security Holders**

Any shareholder may contact any member of the Board by directing such communication to such member in care of the Corporate Secretary at the address of the Company (10 Glenlake Parkway, North Tower, Suite 1068, Atlanta, Georgia 30328). Any such correspondence received by the Company shall be forwarded to the applicable Board member by the Company.