

REPORT OF THE BOARD OF DIRECTORS ON THE PROPOSED RESOLUTIONS SUBMITTED TO THE COMBINED SHAREHOLDERS' MEETING OF 28 MAY 2019

The Board of Directors convenes the Shareholders of the Company to the Combined Shareholders' Meeting to be held on 28 May 2019, in order to report on the Company's operations during the financial year closed 31 December 2018 and submit the following proposed resolutions to their approval:

■ Approval of the 2018 annual financial statements and allocation of results (1st to 3rd ordinary resolutions)

The first items on the agenda relate to the approval of the annual financial statements (**first resolution**) and the consolidated financial statements (**second resolution**).

Ipsen SA's annual financial statements for the year closed 31 December 2018 show a loss of €15,435,513.34.

The consolidated financial statements for the year closed 31 December 2018, show a profit (Group share) of 389,463 thousand of euros.

Detailed comments on the annual and consolidated financial statements are given in the 2018 Registration Document.

The **third resolution** aims at deciding the allocation of the results and the setting of the dividend for the 2018 financial year.

The Board of Directors proposes to the Shareholders' Meeting:

- to allocate the entire loss for the 2018 financial year, *i.e.* the amount of €15,435,513.34, in full to the Retained earnings account, which is thus reduced by a credit amount of €58,480,512.70 to a credit amount of €43,044,999.36,
- to pay a dividend of €83,808,761 and, as a result, to decide:

- the distribution of the full Retained earnings account, *i.e.* €43,044,999.36,
- the distribution of reserves amounting to €40,763,761.64 from the Other reserves account, which would thus be reduced from €94,442,985.06 to €53,679,223.42.

As the legal reserve already amounts to more than one-tenth of the share capital, no allocation will be made to the legal reserve.

The ex-date for the total gross dividend of €1.00 due for each share would be 31 May 2019 and its payment date 4 June 2019.

In the event of a change in the number of shares carrying a right to a dividend in comparison with the 83,808,761 shares comprising the share capital on 31 December 2018, the overall amount of dividends would be accordingly adjusted and the amount allocated to the Other reserves account would be determined on the basis of the dividends effectively paid.

When it is paid to natural persons fiscally domiciled in France, the dividend is subject, either to a single flat-rate withholding tax of 12.8% (Article 200 A of the French General Tax Code), or, as an express, irrevocable and overall option by the taxpayer, to income tax in accordance with a progressive scale particularly after a 40% allowance (Article 158,3-2 of the French General Tax Code). The dividend is moreover subject to social contributions at the rate of 17.2 %.

In accordance with the provisions of Article 243 bis of the French General Tax Code, the Shareholders' Meeting acknowledges that it was reminded that the dividends distributed and incomes for the three previous financial years were as follows:

For financial year	Incomes eligible for tax allowance		Incomes not eligible for tax allowance
	Dividends	Other incomes paid out	
2015	€70,759,526.70 ^(*) <i>i.e.</i> €0.85 per share	–	–
2016	€71,043,419.90 ^(*) <i>i.e.</i> €0.85 per share	–	–
2017	€83,782,308.00 ^(*) <i>i.e.</i> €1.00 per share	–	–

(*) Including the amount of the unpaid dividend corresponding to treasury shares and allocated to the retained earnings.

■ Regulated agreements and commitments (4th ordinary resolution)

From the outset, it is reminded that only the new agreements entered into during the last financial year ended shall be submitted to this Shareholders' Meeting.

The Board of Directors hereby informs the Shareholders' Meeting that no new agreement of the kind specified in Articles L.225-38 *et seq.* of the French Commercial Code has been authorized and entered into during the last period and asks to purely and simply note this fact (**fourth resolution**).



■ Directors (5th to 7th ordinary resolutions)

As the terms of office of Mr. Marc de Garidel and Henri Beaufour and Ms. Michèle Ollier expire at the end of the present Meeting, the Board of Directors, upon proposal of the Nomination Committee, proposes to the Shareholders' Meeting to:

- renew the term of office of Mr. Marc de Garidel, as a Director, for a duration of four years, expiring at the end of the Shareholders' Meeting to be held in 2023 to approve the financial statements for the past financial year (**fifth resolution**).

Mr. Marc de Garidel, Director of Ipsen SA since 2010, is the Chairman of Board of Directors and Chairman of the Innovation and Development Committee – Specialty Care and of the Innovation and Development Committee – Consumer HealthCare.

The Board of Directors, upon the advice of the Nomination Committee, considers that Mr. Marc de Garidel may not be qualified as an independent member according to the independence criteria set out in the AFEP-MEDEF Code.

Additional information concerning this Director, whose renewal is proposed, is set out in Appendix 1 of the present convening notice and in the 2018 Registration Document.

- renew the term of office of Mr. Henri Beaufour, as a Director, for a duration of four years, expiring at the end of the Shareholders' Meeting to be held in 2023 to approve the financial statements for the past financial year (**sixth resolution**).

Mr. Henri Beaufour, Director of Ipsen SA since 2005, is permanent guest of the Innovation and Development Committee – Specialty Care and of the Innovation and Development Committee – Consumer HealthCare.

The Board of Directors, upon the advice of the Nomination Committee, considers that Mr. Henri Beaufour may not be qualified as an independent member according to the independence criteria set out in the AFEP-MEDEF Code.

Additional information concerning this Director, whose renewal is proposed, is set out in Appendix 1 of the present convening notice and in the 2018 Registration Document.

- renew the term of office of Ms. Michèle Ollier, as a Director, for a duration of four years, expiring at the end of the Shareholders' Meeting to be held in 2023 to approve the financial statements for the past financial year (**seventh resolution**).

Ms. Michèle Ollier, Director of Ipsen SA since 2015, is member of the Innovation and Development Committee – Specialty Care.

The Board of Directors, upon the advice of the Nomination Committee, considers that Ms. Michèle Ollier may not be qualified as an independent member according to the independence criteria set out in the AFEP-MEDEF Code.

Additional information concerning this Director, whose renewal is proposed, is set out in Appendix 1 of the present convening notice and in the 2018 Registration Document.

■ Compensation of the Corporate Officers (8th to 11th ordinary resolutions)

Approval of the base, variable and exceptional elements making up the total compensation and the benefits of any kind paid or granted for the past financial year to Mr. Marc de Garidel, Chairman of the Board of Directors, and Mr. David Meek, Chief Executive Officer

The Board of Directors proposes to the Shareholders' Meeting, to rule on the base, variable and exceptional elements making up the total compensation and the benefits of any kind paid or granted in respect of the past financial year and in respect of their term of office, to Mr. Marc de Garidel, Chairman of the Board of Directors (**eighth resolution**) and to Mr. David Meek, Chief Executive Officer (**ninth resolution**), determined in application of the compensation principles and criteria approved by the Shareholders' Meeting of 30 May 2018 in its twelfth and thirteenth ordinary resolutions.

The individual compensation elements are detailed in tables attached to this report (Appendix 2).

Approval of the principles and criteria for determining, allocating and granting base, variable and exceptional elements making up the total compensation and the benefits of any kind attributable to the Chairman of the Board of Directors and the Chief Executive Officer and/or any other executive officers

The Board of Directors proposes to the Shareholders' Meeting to approve the principles and criteria for determining, allocating and granting base, variable and exceptional elements making up the total compensation and the benefits of any kind attributable to the Chairman of the Board of Directors (**tenth resolution**) and the Chief Executive Officer and/or any other executive officers (**eleventh resolution**).

The report of the Board of Directors on these compensation elements is set out in the 2018 Registration Document and is attached to the present report (Appendix 3).

■ Repurchasing and, if applicable, cancellation by the Company of its own shares (12th ordinary and 13th extraordinary resolutions)

Authorization to be given to the Board of Directors to allow the Company to repurchase its own shares pursuant to the provisions of Article L.225-209 of the French Commercial Code

Pursuant to the terms and conditions of the **twelfth resolution**, it is proposed to the Shareholders' Meeting to authorize the Board of Directors, with the ability to subdelegate, for a period of eighteen months, the powers required to purchase, on one or several occasions as it shall see fit, Company shares within the limit of 10%, of the number of shares comprising the share capital, adjusted, if applicable, to take into account any share capital increases or reductions that may occur during the period covered by the program.

This authorization would terminate the authorization given to the Board of Directors by the Shareholders' Meeting held on 30 May 2018 in its fourteenth ordinary resolution.

The acquisitions may be carried out in order to:

- stimulate the secondary market or ensure the liquidity of the Ipsen shares through the activities of an investment service provider *via* a liquidity agreement admitted by the regulations, it being specified that in this framework, the number of shares used to calculate the above-mentioned limit corresponds to the number of shares purchased, decreased by the number of shares sold;
- retain the purchased shares and subsequently deliver them within the context of an exchange or a payment related to possible external growth transactions;
- ensure the hedging of stock option plans and/or free share plans (or similar plans) in favor of group employees and/or corporate officers as well as all allocations of shares under a Company or group savings plan (or a similar plan), as part of the sharing of the Company's profits and/or all other forms of allocation of shares to group employees and/or corporate officers;
- ensure the coverage of negotiable securities giving rights to the allocation of Company shares in accordance with the regulations in force;
- possibly cancel acquired shares, subject to the authorization granted or to be granted by the Extraordinary Shareholders' Meeting.

These share purchases, sales, transfers or exchanges may be carried out by all means, including on the market or off-market or by multilateral trading facilities or through systematic internalizers, or over-the-counter, including through the acquisition or sale of blocks of securities, and at any times as the Board shall see fit.

The Company reserves the right to use options or derivative instruments in accordance with applicable regulations.

The Board of Directors may not, without prior authorization of the Shareholders' Meeting, make use of this authorization from the filing by a third party of a public offer for the Company's shares and until the end of the offer period.

It is proposed to fix the maximum purchase price at €250 per share and, in consequence, the maximum amount of the transaction at €2,095,219,000.

The Board of Directors shall dispose of all the powers required to undertake the necessary actions in such matters.

Under the terms of the **thirteenth resolution**, it is proposed to the Shareholders' Meeting to renew the authorization given to the Board of Directors, for a period of 24 months, to cancel, if need be, the shares the Company holds or could hold following repurchases made pursuant to Article L.225-209 of the French Commercial Code, by reducing the share capital within the legal limit of 10% as calculated on the day the decision to cancel shares is taken, less possible shares cancelled during the 24 previous months.

Detailed information on share purchase operations and shares cancellations carried out in 2018 is set out in the 2018 Registration Document.

■ Delegations and authorizations to the Board of Directors (14th to 21st extraordinary resolutions)

The Board of Directors would like to be granted the delegations of power required to issue, should it deem this useful, any amount of securities that might prove necessary with respect to developing the Company's operations. This is why shareholders are asked to accept to renew the delegations the Board had been granted and that will soon expire under the conditions set out hereafter. The table of delegations of authority and authorizations approved by the Combined Shareholders' Meetings held on 7 June 2017 and 30 May 2018 are presented in the 2018 Registration Document, pages 233 and 234.

The proposed delegations would be suspended in the event of a public offer for the shares of the Company initiated by a third party, apart from the delegation on employee savings plan delegation (**twentieth resolution**) and the authorization to grant stock-options (**twenty-first resolution**).

Delegation of authority to increase the capital by incorporating reserves, profits and/or premiums (14th extraordinary resolution)

The Shareholders' Meeting held on 7 June 2017 approved a delegation that allowed the Board of Directors to increase the share capital by incorporation of profits, reserves and/or premiums. The Board of Directors has not used this delegation.

Nevertheless, as this delegation is about to expire, the Board of Directors proposes to the Shareholders' Meeting, as set out in the **fourteenth resolution**, to renew this delegation for a period of 26 months in order to give the Board of Directors the possibility to carry out such capital increases by incorporation of profits, reserves and/or premiums and by the issuance and the allocation of free shares and/or by increasing the par value of existing ordinary shares.

The Board of Directors proposes to the Shareholders' Meeting that the capital increases carried out pursuant to this authorization may reach a maximum ceiling of 20% of the share capital as of the day of the Meeting, without taking into account the nominal amount of the capital increase required to maintain, in accordance with the legislation, and, when relevant, to comply with contractual stipulations providing other protecting terms, the rights of holders of rights or securities giving access to company's shares. This ceiling counts towards the overall ceiling set out in the fifteenth resolution.

Delegation of authority to issue ordinary shares giving, if appropriate, right to ordinary shares or allocation of debt securities and/or securities giving right to ordinary shares with retention of shareholders' preferential subscription rights (15th extraordinary resolution)

The Shareholders' Meeting held on 7 June 2017 approved a delegation allowing the Board of Directors to issue ordinary shares giving right to ordinary shares or allocation of debt securities and/or securities giving right to ordinary shares while maintaining shareholders' preferential subscription rights. The Board of Directors has not used this delegation.

Nevertheless, as this delegation is about to expire, the Board of Directors proposes to the Shareholders' Meeting, pursuant to the **fifteenth resolution**, to renew it for a period of 26 months in order to give the possibility to the Board to issue ordinary shares giving right to ordinary shares or allocation of debt securities and/or securities giving right to ordinary shares while maintaining shareholders' preferential subscription rights.

In compliance with the legislation, the securities to be issued might give rights to ordinary shares of any company that owns directly or indirectly more than half of the Company's share capital or ordinary shares of any company in which the Company owns directly or indirectly more than half of the share capital.

The Board of Directors proposes to the Shareholders' Meeting that the securities issued pursuant to this delegation may reach 20% of the Company's share capital at the date of the Meeting (without taking into account the nominal amount of the capital increase required to maintain, in accordance with the legislation, and, when relevant, to comply with contractual stipulations providing other protecting terms, the rights of holders of rights or securities giving access to company's shares). The global nominal amount of the shares issued pursuant to the delegations of power to increase the share capital by incorporation of profits, reserves and/or premiums (fourteenth resolution) and while cancelling preferential subscription rights by means of a public offer and/or for the purpose of paying for securities transferred to the Company in the context of a public exchange offer or by an offer under the meaning of paragraph II of Article L.411-2 of the French Monetary and Financial Code (sixteenth and seventeenth resolutions) would count towards this ceiling.

Delegation of authority to issue ordinary shares giving, if appropriate, right to ordinary shares or allocation of debt securities and/or securities giving right to ordinary shares, while cancelling shareholders' preferential subscription rights by means of a public offer and/or for the purpose of paying for securities transferred to the Company in the context of a public exchange offer (16th extraordinary resolution)

The Shareholders' Meeting held on 7 June 2017 approved a delegation that allowed the Board of Directors to issue ordinary shares giving right to ordinary shares or allocation of debt securities and/or securities giving right to ordinary shares while cancelling shareholders' preferential subscription rights by means of a public offer. The Board of Directors has not used this delegation.

Nevertheless, as this delegation is about to expire, the Board of Directors proposes to the Shareholders' Meeting, pursuant to the **sixteenth resolution**, to renew it for a period of 26 months in order to give the possibility to the Board to issue ordinary shares giving, if applicable, right to ordinary shares or allocation of debt securities and/or securities giving right to ordinary shares while cancelling shareholders' preferential subscription rights by means of a public offer or in order to pay for securities that would be transferred to the Company in the context of a public exchange offer on securities meeting the conditions set by Article L.225-148 of the French Commercial Code.

In compliance with the legislation, the securities to be issued might give rights to ordinary shares of any company that owns directly or indirectly more than half of the Company's share capital or of any company in which the Company owns directly or indirectly more than half of the share capital.

The Board of Directors proposes to the Shareholders' Meeting that the securities issued pursuant to this delegation may reach 10% of the Company's share capital on the date of the Meeting (without taking into account the nominal amount of the capital increase required to maintain, in accordance with the legislation, and, when relevant, to comply with contractual stipulations providing other protecting terms, the rights of holders of rights or securities giving access to company's shares). This ceiling would be to count towards the amount of the ceiling of the capital increase defined in the fifteenth and seventeenth resolutions of the present Meeting.

The Board could grant, in such a case, a priority period for shareholders to subscribe to the issued shares.

The sum due or to become due to the Company for every one of the ordinary shares issued under this delegation of power, after taking into account, if equity warrants are issued, the subscription price of said warrants, would be at least equal to the minimum required by the legal and regulatory provisions applicable at the time when the Board of Directors implements the delegation.

Should securities be issued with the purpose of paying for securities that would be transferred to the Company in the context of a public exchange offer, the Board of Directors would hold, under the conditions set in Article L.225-148 of the French Commercial Code and in the limits set above, the powers required to draw up the list of securities tendered to the exchange, set issuance terms and conditions, the exchange parity as well as, should the need arise, the amount of the cash adjustment to be paid, and determine issuance terms and conditions.

Delegation of authority to issue ordinary shares giving, if appropriate, right to ordinary shares or allocation of debt securities and/or securities giving right to ordinary shares while cancelling shareholders' preferential subscription rights by an offering under the meaning of paragraph II of Article L.411-2 of the French Monetary and Financial Code (17th extraordinary resolution)

The Shareholders' Meeting held on 7 June 2017 delegated the authority allowing the Board of Directors to issue ordinary shares giving, if appropriate, right to ordinary shares or allocation of debt securities and/or securities giving right to ordinary shares, while cancelling shareholders' preferential subscription rights by an offering under the meaning of paragraph II of Article L.411-2 of the French Monetary and Financial Code. The Board of Directors has not used this delegation.

Nevertheless, as this delegation is about to expire, the Board of Directors proposes to the Shareholders' Meeting, pursuant to the **seventeenth resolution**, to renew it for a period of 26 months in order to enable the Board to issue ordinary shares giving, if appropriate, right to ordinary shares or allocation of debt securities and/or securities giving right to

ordinary shares, while cancelling shareholders' preferential subscription rights through a private placement.

In compliance with the law, the securities to be issued might give access to ordinary shares of any company that owns directly or indirectly more than half of the Company's share capital or of any company in which the Company owns directly or indirectly more than half of the share capital.

The Board of Directors proposes to the Shareholders' Meeting that the securities issued under this delegation may reach 10% of the Company's share capital on the date of the Meeting. If applicable, the nominal amount of the capital increase required to maintain, in accordance with the legislation, and, when relevant, to comply with contractual stipulations providing other protecting terms, the rights of holders of rights or securities giving access to the Company's share capital, would be added to this upper limit.

This ceiling would be to count towards the ceiling of the capital increase defined in the fifteenth and sixteenth resolutions of the present Meeting.

The sum due or to become due to the Company for every one of the ordinary shares issued, after taking into account, if equity warrants are issued, the subscription price of said warrants, would be at least equal to the minimum required by the legal and regulatory provisions applicable at the time when the Board of Directors implements the delegation.

Authorization to increase the amount of issues (18th extraordinary resolution)

For every issue of ordinary shares or securities decided in application of the fifteenth to seventeenth resolutions, the Board of Directors proposes to the Shareholders' Meeting, pursuant to the **eighteenth resolution**, that the number of shares to be issued may be increased under the conditions set out in Article L.225-135-1 and R.225-118 of the French Commercial Code and subject to the limits set by the Meeting.

Delegation of authority to increase the share capital in order to pay for capital contributions in kind consisting of equity securities and/or securities giving rights to the Company's share capital (19th extraordinary resolution)

The Shareholders' Meeting held on 7 June 2017 gave a delegation allowing the Board of Directors to issue ordinary shares and/or securities giving access to ordinary shares in order to pay for contributions in kind granted to the Company and made up of equity securities or negotiable securities giving rights to the share capital. The Board has not used this delegation of power.

Nevertheless, as this delegation is about to expire, the Board of Directors proposes to the Shareholders' Meeting, pursuant to the **nineteenth resolution**, to renew it for a period of 26 months in order to enable the Board to carry out such issues. The Board of Directors proposes to the Shareholders' Meeting that once completed the issues may reach 10% of the share capital on the date of the Meeting (without taking into account the nominal amount of the capital increase required to maintain, in accordance with the legislation, and, when relevant, to comply with contractual stipulations providing other protecting terms, the rights of holders of rights or securities giving access to company's shares), being

specified that this ceiling would be independent from the other upper limits defined by this Meeting.

Delegation of authority to increase the share capital by issuance of ordinary shares and/or securities giving right to the share capital while cancelling preferential subscription rights reserved for members of one or several company savings plans (20th extraordinary resolution)

The Shareholders' Meeting held on 7 June 2017 gave a delegation allowing the Board of Directors to increase the share capital by issuing shares or negotiable securities giving rights to the Company's share capital reserved for members of one or several company savings plans. The Board has not used this delegation.

Nevertheless, as this delegation is about to expire and in order to ensure compliance with the provisions of Article L.225-129-6 of the French Commercial Code, the Board of Directors proposes to the Shareholders' Meeting, pursuant to the **twentieth resolution**, to renew it for a period of 26 months in order to enable the Board to undertake such issues in favor of members of one or several company or group savings plan or plans set up by the Company and/or French or foreign companies that are affiliated with it as defined by Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labour Code.

The Board of Directors proposes to the Shareholders' Meeting that the issues carried out under this delegation may reach 5% of the share capital on the date of the Meeting (without taking into account the nominal amount of the capital increase required to maintain, in accordance with the legislation, and, when relevant, to comply with contractual stipulations providing other protecting terms, the rights of holders of rights or securities giving access to company's shares), being specified that this ceiling would be independent from the other ceilings defined by this Meeting.

It is added that, in accordance with the provisions of Article L.3332-19 of the French Labour Code, the price of shares to be issued could not be either lower by more than 20% or 30% when the vesting period set by the plan in compliance with Articles L.3332-25 and L.3332-26 of the French Labour Code is longer than or equal to ten years (or any other maximum percentage provided for by the legal provisions applicable at the time of price fixing), of the average of the stock's opening prices during the 20 stock market trading days preceding the Board of Directors' decision fixing the date of opening of the subscription, or higher than this average.

Authorization to grant stock options to subscribe to and/or to purchase shares to employees and/or certain Corporate Officers of the Company or of affiliated companies or economic interest groups (21st extraordinary resolution)

The Shareholders' Meeting held on 7 June 2017 authorized the Board of Directors to grant options to subscribe to and/or to purchase shares to employees and/or certain company officers. It is stated that the Board of Directors did not use this authorization.

Nevertheless, as this authorization is about to expire, the Board proposes to the Shareholders' Meeting, pursuant



to the **twenty-first resolution**, to renew it for a period of 26 months.

The options that might be granted under this authorization could not give rights to subscribe or to buy a number of shares exceeding 3% of the share capital at the date of the present Meeting, being specified (i) that the total number of shares that may be freely granted by the Board of Directors under the fifteenth extraordinary resolution of the Combined Shareholders' Meeting of 30 May 2018 counts towards this upper limit and (ii) that, if applicable, the number of shares required in the event of an adjustment of the options to preserve the rights of the beneficiaries of options in the event of a transaction in the capital of the Company in accordance with the Article L.225-181 of the French Commercial Code.

Furthermore, the total number of options that may be granted to the Corporate Officers may not entitle to subscribe for or purchase more than 20% of this envelope (*i.e.* 0.6% of the share capital) and the exercise of these options will be subject to performance conditions set by the Board of Directors.

The subscription and/or purchase prices shares for the beneficiaries would be set on the day when the options are granted by the Board of Directors according to the terms and conditions and subject to limits authorized by the legislation in force, without any discount. The duration of the options may not exceed 10 years.

This authorization would entail waiving your preferential subscription rights to new shares issued as the options are exercised.

Powers to carry out formalities (22nd resolution)

The Board of Directors proposes to the Shareholders' Meeting to grant, pursuant to the **twenty-second resolution**, powers necessary for the performance of legal formalities in connection with the present Meeting.

The Board of Directors

Appendix 1 – Information concerning Directors whose renewal is proposed

Marc de Garidel	
<p>Chairman of the Board of Directors</p> <p>Chairman of the Innovation and Development Committee – Specialty Care</p> <p>Chairman of the Innovation and Development Committee – Consumer HealthCare</p>	<p>Nationality: French</p> <p>Date of birth: 16 March 1958</p> <p>Date of 1st appointment: 22 November 2010</p> <p>Last renewal date: 27 May 2015</p> <p>Term of office: 2019 Shareholders' Meeting</p> <p>Shares owned: 141,549</p> <p>Voting rights: 262,829</p>

Biography and experience

Marc de Garidel is a graduate from the French Engineering School ESTP, and has an Executive MBA from Harvard Business School.

Marc de Garidel started his career with Eli Lilly with various responsibilities in countries like US, Germany, France. Between 1995 and 2010, he held Executive position in finance & general management including the biggest region of Amgen International operations & the corporate controller of Amgen Inc.

Marc de Garidel joined Ipsen as Chairman and CEO in November 2010.

He is now Chairman of the Board of Directors of Ipsen since the third quarter of 2016 and is advisor of the Ipsen holding company Mayroy SA.

Marc de Garidel has been CEO of Corvidia Therapeutics, Inc. since March 29, 2018.

Marc de Garidel has been Vice-President of EFPIA between 2014 until June 2017, the European Pharmaceutical Trade Association, and chairs the Association of French Health Care companies (G5) between 2011 and 2018. His mandate as Chairman of IMI governing board also expired in May 2017.

Marc de Garidel was Vice-president of the Board of Vifor Pharma (Switzerland) between May 2017 and 2018 (formerly Galenica) of which he was a board member since 2015.

Positions and functions currently held	Positions previously held that expired during the last five years
<p>Main functions:</p> <ul style="list-style-type: none"> Ipsen SA**, Chairman of the Board of Directors Corvidia Therapeutics Inc. (United States of America), Chief Executive Officer* <p>Other positions:</p> <ul style="list-style-type: none"> Mayroy SA (Luxembourg), advisor 	<p>Past positions previously held:</p> <ul style="list-style-type: none"> Vifor Pharma GmbH** (formerly Galenica) (Switzerland), Director and Vice-president of the Board of Directors* G5 Santé (France), Chairman and spokesperson* Filière des Industries et Technologies de Santé (France), Vice-President of the Strategic Committee* Vectorlab GmbH (Switzerland), Chairman* Ipsen SA** (France), Chairman and Chief Executive Officer until 18 July 2016 Ipsen Pharma SAS (France), Chairman Suraypharm SAS (France), Chairman Pharnext (France), Director* Promethera (Belgium), Non-Executive Chairman* Inserm Transfert (France), Vice-President of the Advisory Board* EFPIA, Director and Vice-President* IMI (Innovative Medicines Initiative), Chairman of the Board of Directors* Galenica** (France), Director*

* Outside Ipsen Group.

** Listed company.

Henri Beaufour	
Director Guest of the Innovation and Development Committee – Specialty Care Guest of the Innovation and Development Committee – Consumer HealthCare	Nationality: French Date of birth: 6 January 1965 Date of 1st appointment: 30 August 2005 Last renewal date: 27 May 2015 Term of office: 2019 Shareholders' Meeting Shares owned: 1 ** Voting rights: 2 **

Biography and experience

Henri Beaufour holds a Bachelor of Arts degree (Georgetown University, Washington DC, United States).

Henri Beaufour is the shareholder of several companies which directly and/or indirectly hold shares of the Company.

Henri Beaufour is also involved in philanthropic activities, in particular children's support associations helping young persons to have access to appropriate education, such as the Alasol foundation.

Positions and functions currently held	Positions previously held that expired during the last five years
Main functions: <ul style="list-style-type: none"> • Mayroy SA (Luxembourg), Director Other positions: <ul style="list-style-type: none"> • Beech Tree SA (Luxembourg), Director • Massa Management SARL (Luxembourg), Partner and Legal Manager* 	None

* Outside Ipsen Group.

** The indirect shareholding is described in section 5.2.3.1 of the 2018 Registration Document.

Michèle Ollier

Director Member of the Innovation and Development Committee – Specialty Care	Nationality: French-Swiss Date of birth: 2 June 1958 Date of 1st appointment: 27 May 2015 Term of office: 2019 Shareholders' Meeting Shares owned: 500 Voting rights: 500
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Biography and experience

Since 1 February 2016, Michèle Ollier is one of the partner and founder of Medicxi, a capital venture company located in Geneva and London. Medicxi is the spin-off of the life science section of Index Ventures.

From February 2006 to February 2016, Michèle Ollier was Partner in the life science investment team of Index Ventures.

From 2003 to 2006, she was the investment's manager at Edmond de Rothschild Investment Partner in Paris. From 2000 to 2002, she was the corporate's vice-manager at Serono International. From 1994 to 2000, she occupied various posts at Rhone-Poulenc Rorer in particular in oncology and in the division "gene therapy", RPR Gencel. Before, Michèle Ollier occupied various functions in strategy, development, and commercialization in the pharmaceutical companies Sanofi International and Bristol-Myers Squibb France.

Michèle Ollier is a graduate of the medicine faculty of Paris-Ouest.

Positions and functions currently held	Positions previously held that expired during the last five years
Main functions: <ul style="list-style-type: none"> • Medicxi (Switzerland and United Kingdom), Partner* Other positions: <ul style="list-style-type: none"> • Epsilon 3 Bio Limited (United Kingdom)* • LinguaFlex Inc. (United States of America)* • Human Antibody Factory (United Kingdom)* • Palladio Biosciences Inc. (United States of America)* • Kymo Therapeutics Limited (United Kingdom)* • Kaerus France SAS (France)* • Kaerus Bioscience Limited (United Kingdom)* • Mavalon Therapeutics Limited (United Kingdom)* • Diasome Pharmaceuticals, Inc. (United States of America)* • Gadeta BV (The Netherlands)* • Vitavest NL Coop (The Netherlands)* 	<ul style="list-style-type: none"> • STX pharma Limited (United Kingdom)* • Minerva Neuroscience, Inc.** (United States of America)* • Purple Therapeutics Limited (United Kingdom)* • Encare Biotech BV (The Netherlands)* • AbTco BV (The Netherlands)* • Cyrenaic Pharma Inc (United States of America)* • Profibrix (The Netherlands)*

* Outside Ipsen Group.

** Listed company.

Appendix 2 – Approval of the base, variable and exceptional elements making up the total compensation and the benefits of any kind paid or granted for the past financial year to Mr. Marc de Garidel, Chairman of the Board of Directors and to Mr. David Meek, Chief Executive Officer

Regarding Mr. Marc de Garidel		
Compensation elements paid or granted for the 2018 financial year to Mr. Marc de Garidel in application of the principles and criteria approved by the Shareholders' Meeting held on 30 May 2018	Amounts or accounting valuation submitted to the vote	Presentation
Base compensation	€650,000 (amount paid)	<p>Base compensation is subject to be reviewed by the Board of Directors according to the Company's market position and taking account changing responsibilities.</p> <p>At its meeting held on March 28, 2018, the Board of Directors approved a modification of the specific missions of Mr. Marc de Garidel as Chairman of the Board of Directors, in relation with his new role as CEO of Corvidia Therapeutics Inc., and reviewed accordingly the level of his annual gross base compensation.</p> <p>Upon recommendation of the Compensation Committee, the Board of Directors has set the base compensation of Mr. Marc de Garidel at an annual gross amount of €600,000, compared to €800,000 previously. For the 2018 financial year, this remuneration has been paid on a <i>pro rata temporis</i> basis from 1 April 2018.</p>
Exceptional compensation	No amount due in respect of the financial year	Mr. Marc de Garidel did not benefit from any exceptional compensation during the financial year.
Compensation elements due to the termination or change of functions, retirement undertakings and non-compete agreements	No amount due in respect of the financial year	<p>The Board of Directors meeting held on 8 July 2016 decided:</p> <ul style="list-style-type: none"> • to grant Mr. Marc de Garidel the right to a severance payment; • to enable Mr. Marc de Garidel to benefit from the defined benefit additional pension scheme existing within the Company; • to put in place a non-compete agreement. <p><i>These undertakings were approved by the Company Shareholders' Meeting of 7 June 2017 in its 4th and 5th ordinary resolutions.</i></p> <p>The details of these undertakings are provided in the 2018 Registration Document, section 5.1.3.</p>
Benefits of any kind	€4,270 (accounting valuation)	<p>Mr. Marc de Garidel receives benefits resulting from the conditions linked to the performance of his duties at Ipsen. The Board of Directors of 28 March 2018 decided to review the benefits granted to Mr. Marc de Garidel following his duties at Corvidia Therapeutics Inc., as follows:</p> <ul style="list-style-type: none"> • Assistance for the preparation and filing of personal income tax returns, in relation to his Ipsen compensation in France; • Access to a company car and driver pool, for travel in relation to his Ipsen functions; • D&O liability insurance consistent with the D&O liability insurance of the Ipsen Group; • Reimbursement of professional expenses incurred within the context of the exercise of his duties in relation to his Ipsen functions, and • Administrative assistance provided by the Ipsen executive assistants of the Company in relation to his Ipsen functions.

Regarding Mr. David Meek		
Compensation elements paid or granted for the 2018 financial year to Mr. David Meek in application of the principles and criteria approved by the Shareholders' Meeting held on 30 May 2018	Amounts or accounting valuation submitted to the vote	Presentation
Base compensation	€900,000 (amount paid)	<p>Base compensation takes into account our reference markets. It is subject to be reviewed by the Board of Directors, typically at relatively long intervals, according to the Company's market position and taking account changing responsibilities.</p> <p>The Board of Directors, at its meeting held on 14 February 2018 and upon recommendation of the Compensation Committee, has maintained Mr. David Meek's base compensation at a gross annual amount of €900,000.</p>
Annual variable compensation	€978,000 (amount to be paid after approval by the Shareholders' Meeting)	<p>For the 2018 financial year, the Board of Directors, during its meeting held on 14 February 2018, has decided to grant to Mr. David Meek a gross target bonus of €900,000, which may vary within a range between 0% and 200% (i.e. from 0 to €1,800,000) based on the following quantifiable and qualitative performance criteria: the two-thirds of this target bonus depend on quantifiable criteria of equal weighting based on the achievement of level of consolidated net sales, core operating income, diluted earnings per share and cash-flow from operations; the balance is based on qualitative criteria concerning managerial and strategic objectives. The detail of qualitative criteria has been precisely pre-established by the Board but is not made public for confidentiality reasons.</p> <p>The level of achievement of this quantifiable and qualitative criteria is provided in the 2018 Registration Document, section 5.1.3.3.1.</p>
Multi-annual variable compensation in cash	No amount due in respect of the financial year	Mr. David Meek did not benefit from any multi-annual variable compensation during the 2018 financial year.
Grant of stock options	None	No option was granted to the Chief Executive Officer, Mr. David Meek, during the 2018 financial year.
Performance shares	€1,240,512 (accounting valuation on the grant day)	<p>The Board of Directors decided, on 30 May 2018, upon recommendation of the Compensation Committee, the conditional allocation of 9,230 performance shares (corresponding to 100% of the expected performance) to Mr. David Meek, Chief Executive Officer of Ipsen.</p> <p>The definitive acquisition of these shares is subject to presence and performance conditions which will be assessed at the end of an acquisition period of 2 years for 50% of the allocated shares, and of 3 years for 50% of the allocated shares, from the allocation date. The shares thus acquired will not be subject to a holding period.</p> <p>Half of the performance conditions are based on an external criterion based on the evolution of the Ipsen's stock price within the STOXX TMI 600 Healthcare index, and half on an internal criterion based on the core operating income of the Group. The details of these internal and external performance conditions as well as the expected level of achievement have been precisely determined by the Board but are not disclosed for confidentiality reasons. Each of the conditions is assessed on a scale of 0 to 200%. In case of over achievement of the expected performance (i.e. 100%), the number of performance shares granted will be adjusted accordingly.</p> <p>According to the compensation policy of Company officers approved by the Shareholders at the Shareholders' Meeting of 30 May 2018, the Board of Directors decided that the Chief Executive Officer must retain, until the end of his term of office, a number of shares equivalent to 20% of the net capital gain that would be realized upon the sale of the shares resulting from the performance shares.</p> <p><i>Authorization of the Shareholders' Meeting of 30 May 2018 – 15th resolution</i></p>
Exceptional compensation	No amount due in respect of the financial year	Mr. David Meek did not benefit from any exceptional compensation during the 2018 financial year.

Compensation elements paid or granted for the 2018 financial year to Mr. David Meek in application of the principles and criteria approved by the Shareholders' Meeting held on 30 May 2018	Amounts or accounting valuation submitted to the vote	Presentation
Compensation elements due to the termination or change of functions, retirement undertakings and non-compete agreements	No amount due in respect of the financial year	<p>The Board of Directors meeting held on 8 July 2016 decided:</p> <ul style="list-style-type: none"> • to grant Mr. David Meek the right to a severance payment; • to enable Mr. David Meek to benefit from the defined benefit additional pension scheme existing within the Company; • to put in place a non-compete agreement. <p><i>These undertakings were approved by the Shareholders' Meeting of 7 June 2017 in its 4th and 6th ordinary resolutions.</i></p> <p>The details of these undertakings are provided in the 2018 Registration Document, section 5.1.3.</p>
Benefits of any kind	€8,049 (accounting valuation)	Mr. David Meek receives benefits resulting from the conditions linked to the performance of his duties at Ipsen, in particular: a relocation package in France, assistance with filing his personal income tax returns, reimbursement of reasonable attorney fees and expenses incurred in connection with the finalization of the terms and conditions of his corporate mandate, company car and driver, business travel and accommodation expenses incurred whilst exercising his duties, healthcare under a global healthcare policy, and death and disability coverage under the Group's policy or a specific policy, D&O liability insurance.

Appendix 3 – Approval of the principles and criteria for determining, allocating and granting the base, variable and exceptional elements making up the total compensation and the benefits of any kind attributable to the Chairman of the Board of Directors and to the Chief Executive Officer and/or to any other Executive Officers

The principles and criteria for determining, allocating and granting the base, variable and exceptional elements making up the total compensation and the benefits of any kind attributable to the Company officers in respect of their duties, constituting the compensation policy concerning them, are decided by the Board of Directors upon recommendation of the Compensation Committee. They are presented below and submitted to the approval of the Shareholders' Meeting.

Principles and criteria governing the compensation of Corporate Officers

The compensation policy with regard to Corporate Officers and their individual compensation is decided by the Board of Directors upon recommendation of the Compensation Committee, outside the presence of the Corporate Officers concerned. The Board of Directors also refers to the Afep-Medef recommendations on compensation paid to executive officers of listed companies.

This policy covers all aspects of the base, variable and exceptional compensation and of the benefits of any kind, paid by the Company.

It is decided not only on the basis of the work carried out, the results obtained and the responsibility assumed, but also on the basis of practices for comparable companies and the compensation of the Company's other senior executives.

The compensation of the Corporate Officers is structured as follows:

- base compensation;
- annual variable compensation (only for Executive Corporate Officers);
- if applicable, multi-annual variable compensation (only for Executive Corporate Officers);

- if applicable, special financial indemnity (only for Executive Corporate Officers);
- if applicable, eligibility for directors' fees paid to Directors;
- allocation of stock options and performance shares under plans approved by the Board of Directors (only for Executive Corporate Officers);
- if applicable, other benefits;
- if applicable, payments, benefits and compensation granted to Corporate Officers upon termination of their functions.

In the event that the Board of Directors decides to appoint one or more Deputy Chief Executive Officers, the principles and compensation criteria applicable to the Chief Executive Officer would be applicable to the Deputy Chief Executive Officers.

In the event that the Board of Directors decides to combine the functions of Chairman and Chief Executive Officer, the principles and compensation criteria applicable to the Chief Executive Officer would apply to the Chairman and Chief Executive Officer.

Base compensation

Base compensation takes into account the reference markets of Ipsen. It is subject to be reviewed by the Board of Directors, typically at relatively long intervals, according to the Company's market position and taking account changing responsibilities.

Annual variable compensation

Annual variable compensation is linked to the Group's overall performance and to the achievement of Executive Corporate Officers' personal targets. Every year, the Board of Directors defines and precisely predetermines qualitative and quantifiable criteria for determining the variable compensation and the target objectives. Quantifiable criteria are preponderant to the determination of annual variable compensation and a limit is set on the qualitative part.

Annual variable compensation is set on the basis of a target bonus equal to 100% of the base compensation, within a range between zero to a certain percentage, predetermined by the Board of Directors, in case of under or overperformance. The detail of qualitative criteria is not made public for confidentiality reasons.

As part of the separation of the functions of Chairman of the Board and Chief Executive Officer, the Board of Directors has decided that no annual variable compensation shall be paid to the non-executive Chairman of the Board.

Multi-annual variable compensation

The Board of Directors may decide, depending on opportunities and in light of legislative changes concerning free shares, to grant to Executive Corporate Officers, as well as some senior executives of the group, a mid-term bonus in the scope of the plans approved by the Board of Directors upon recommendation of the Compensation Committee; it is determined on the basis of a percentage of base compensation.

These plans are subject to a presence condition and, if applicable, precisely predetermined performance conditions which must be fulfilled during an acquisition period set by

the Board of Directors. Nevertheless, in the event of death, disability, retirement or exception granted by the Board of Directors before the end of the acquisition period, the beneficiary may retain his rights. The details of the external and internal criteria and the completion levels (expected and realized) of the external and internal criteria are not disclosed for confidentiality reasons.

The Board of Directors has decided that no multi-annual variable compensation shall be paid to the non-executive Chairman of the Board.

Exceptional compensations and/or financial indemnity

The Board of Directors may decide, in case of specific circumstances or events, to grant exceptional compensations.

It can decide to grant an exceptional compensation and/or an exceptional financial indemnity to the Corporate Officers while taking into account the specific circumstances in which they carry out their duties.

Special financial indemnity

The Board of Directors may grant a special financial indemnity to a new executive company officer coming from a company outside the Group on taking up duty in order to offset the loss of previously-held benefits.

Directors' fees

The Corporate Officers who are members of the Board of Directors may, where appropriate, upon recommendation of the Compensation Committee, and by decision of the Board of Directors, receive directors' fees due on the basis of their positions as Directors according to the rules applicable to all of the Directors.

Stock options and performance shares

Executive Corporate Officers as well as certain senior executives of the Group may benefit from stock options and/or performance shares under plans approved and set each year by the Board of Directors upon recommendation of the Compensation Committee. In accordance with the Afep-Medef Code recommendations (§24.2), non-executive officers shall not benefit from stock option and/or performance shares plans.

The definitive number of performance shares that will be vested will depend upon the level of achievement of the performance conditions set by the Board of Directors, which are based on one or several internal criteria (e.g., quantifiable financial ratio) and on one or several external criteria (e.g., share price compared to a benchmark of comparable companies). Each of these conditions shall be assessed by comparing the target threshold and the actual performance of the Company over the period used as reference for the applicable plan. Each of these conditions may generate a payout varying within a range between zero to a certain percentage pre-established and determined by the Board of Directors at the implementation of the plan.

The Board of Directors decided that the Company officers must retain, until the end of their term of office, a number of shares equivalent to 20% of the net capital gain that would be realized upon the sale of the shares resulting from the exercise of stock options and/or from the performance shares.

These plans are subject to a presence condition (subject to exceptions) and, if applicable, performance conditions, which must be fulfilled during a minimum acquisition period of two years depending on the beneficiaries' country of residence and, if applicable, a holding period. Nevertheless, in the event of death, disability, retirement or exception granted by the Board of Directors before the end of the acquisition period, the beneficiary or, if applicable, its assignees, can keep their rights.

The Executive Corporate Officers who are beneficiaries of these stock options and/or performance shares undertook a formal commitment not to engage in hedging transactions either on their options or on shares issued following the exercise of options or on performance shares granted until the end of the holding period that has been decided by the Board of Directors.

The Board of Directors has established periods preceding the publication of half-yearly and annual financial statements and sales figures during which it is not permitted to carry out any transaction on Company shares and has established the following procedure:

- the dates of the blackout periods for each financial year are communicated at the beginning of each year and before each blackout period;
- outside blackout periods, an identified person must be consulted to ensure that no insider information is held.

Other benefits

Corporate Officers may also be awarded benefits in respect of their duties carried out within Ipsen, including: benefits in kind (company car and temporary accommodation), assistance for the preparation and filing of personal income tax returns, global healthcare coverage (mutual and life/disability schemes) under the Group's contracts, reimbursement of travel expenses and expenses incurred with the exercise of their corporate duties, D&O liability insurance.

Payments, benefits and compensation granted to Company officers upon termination of their functions

Severance payment

Company officer Corporate Officers s may benefit from a severance payment clause, due in the event of termination of their duties, of which the terms have been decided by the Board of Directors in accordance with the Afep-Medef Code recommendations:

- payment due only in the event of a forced departure (*départ contraint*) within the meaning of the Afep-Medef Code,
- in an amount corresponding to 24 months' base and annual variable remuneration in respect of their term of office,

which includes, for a portion equal to 50% of the amount hereof, the amount due in respect of any non-compete undertaking, if applicable,

payment of which is subject to a predetermined performance condition, assessed at least on two financial years.

Non-compete payment

The Board of Directors may conclude a non-compete agreement with the Corporate Officers in case of departure from the Group for a reason other than a change of control. This agreement shall be valid for a certain period following the date of departure.

The non-compete payment may not exceed a ceiling of two years of compensation (base and annual variable), including, if applicable, the amount of a severance payment, up to 50 %.

Additional pension plan

The Corporate Officers may benefit from defined contribution plan or defined benefit plan which more broadly benefit the company's executives, in accordance with the Afep-Medef Code recommendations and Article L.225-42-1 of the French Commercial Code.