

INFORMATION RELATING TO THE COMPENSATION ELEMENTS OF MR. DAVID MEEK, CHIEF EXECUTIVE OFFICER, FURTHER TO THE SHAREHOLDERS' MEETING OF 28 MAY 2019

In accordance with Articles L. 225-42-1 and R. 225-34-1 of the French Commercial Code and the recommendations of the AFEP-MEDEF Corporate Governance Code, IPSEN discloses the compensation elements of Mr. David MEEK, Chief Executive Officer, further to the Shareholders' Meeting and the Board of Directors of 28 May 2019.

Payment of the annual variable compensation for the 2018 financial year

The Board of Directors of 28 May 2019 noted that the 9th resolution was approved by the Shareholders' Meeting on the same day.

The gross annual variable compensation of Mr. David MEEK, Chief Executive Officer of Ipsen, for the 2018 financial year, in an amount of 978,000 euros, is thus paid beginning June 2019.

Performance shares grant (28 May 2019 Plan)

Within the scope of the authorization of the Combined Shareholders' Meeting of 30 May 2018 (15th extraordinary resolution), the Board of Directors held after the Shareholders' Meeting of 28 May 2019 also decided, upon recommendation of the Compensation Committee, the allocation of 11,730 performance shares (corresponding to 100% of the expected performance) to Mr. David Meek, Chief Executive Officer of Ipsen.

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 3 years from the allocation date. The shares thus acquired will not be subject to a holding period.

The performance conditions are based, for the first third of the total number of shares granted, on an external criterion based on the evolution of the Ipsen's stock price within the STOXX TMI 600 Healthcare index, for the second third of the total number of shares granted, on an internal criterion based on the Core Operating income of the Group, and for the last third of the total number of shares granted, on an internal strategic criterion. The details of the internal and external criteria 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.

According to the compensation policy of the Chief Executive Officer approved by the Shareholders during the Shareholders' Meeting of 28 May 2019 in its 11th ordinary resolution, the Board of Directors set 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.

This decision is part of the broader conditional grant of 288,880 shares (free and performance shares) to 820 beneficiaries, corresponding to 0.34% of the share capital. The allocation to Mr. David MEEK represents 4.1% of the total allocation and 0.01% of the share capital as at 28 May 2019.

Indemnity granted for termination of the duties

The Board of Directors also decided to modify the conditions under which David MEEK could benefit from a severance pay, in compliance with the recommendations of the AFEP-MEDEF Code, namely:

- an indemnity which will only be due in the event of a forced departure (*départ contraint*) within the meaning of the AFEP-MEDEF Code,
- of an amount equal to 24 months of gross (annual base and variable) compensation paid for his duties as Chief Executive Officer,
- the grant of which is subject to the maintaining of the recurring operating margin of the Group at a rate of at least 15% for 2017 and 2018, and, from 2019 and the subsequent years, to the maintaining of the core operating margin of the Group at a rate of at least 20%, and
- including, for a portion equal to 50% of the amount hereof, the amount payable in consideration for the non-compete undertaking of David MEEK.

Additional pension scheme

The Board of Directors was notified of the decision to close the defined benefits additional pension scheme in force within the Company, of which David MEEK benefits, and which more broadly benefits the company's executives, with effect from 30 June 2019. This scheme has been originally introduced in 2005 and then modified by the regulations of June 2012, for which it was pointed out that the scheme was a contingent one in which the acquisition and liquidation of rights were conditional on completing one's working life within the Ipsen Group. The Board of Directors noted that the terms of closure of the scheme result in the prohibition to acquire potential rights beyond 30 June 2019 and to determine an evaluation of the potential pension rights crystallized as at that date and that could be acquired and liquidated by each beneficiary subject to the express condition of completing his working life within the Ipsen Group (liquidation of legal pensions and termination of any activity including as a corporate officer within Ipsen).

In this context, and in so far as it is legitimate in terms of the interests of the company that its Chief Executive Officer acquires pension rights of the same nature as those accruing to senior officers of the Group, the Board of Directors, upon recommendation of the Compensation Committee, decided to crystallize the rights of David MEEK, Chief Executive Officer, it being expressly noted that the liquidation of the pension is conditional on the acknowledgement by the Board of Directors of the compliance with the performance conditions. The Board of Directors will thus have to acknowledge that, for the three financial years preceding the end of the term of office, the following performance criterion will have been strictly reached or exceeded: maintaining of the recurring operating margin of the Group at a rate of at least 15% for 2017 and 2018, and, from 2019 and the subsequent years, maintaining of the core operating margin of the Group at rate of at least 20%. The acquisition and liquidation of the above pension is strictly subject to the completion of the working life of David MEEK within the Ipsen Group (liquidation of legal pensions at a full rate and termination of any activity including as a corporate officer within Ipsen).

In parallel, the Board of Directors has been informed of the setting up in favour of the active senior executives of the company Ipsen SA of a new collective and mandatory supplementary defined contributions pension scheme, and deeming it to be legitimate with regard to the interests of the company that its Chief Executive Officer acquires pension entitlements of the same nature as those received by the senior officers of the Group, authorised its granting to David MEEK, subject to the conditions strictly applicable to all the senior executives who benefit from this scheme.

Other undertakings subscribed by Mr. David Meek, Chief Executive Officer

As a reminder, the non-compete undertaking to which Mr. David Meek agreed during the meeting of the Board of Directors of 8 July 2016 remains in effect, so as the undertaking regarding the prevention of certain conflicts of interests.

The statutory auditors will be informed of these undertakings under the conditions established by law. In accordance with Article L. 225-42-1 of the French Commercial Code, these undertakings will be submitted to the approval of the next Shareholders' Meeting.