REPORT OF THE BOARD OF DIRECTORS ON THE PROPOSED RESOLUTIONS SUBMITTED TO THE COMBINED SHAREHOLDERS' MEETING OF 29 MAY 2020

The Board of Directors convenes the Shareholders of the Company to the Combined Shareholders' Meeting to be held on 29 May 2020, in order to report on the Company's operations during the financial year closed 31 December 2019, and submit the following proposed resolutions for their approval:

Approval of the 2019 annual financial statements and allocation of profit (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 2019 show a loss of €626,923,254.03.

The consolidated financial statements for the year closed 31 December 2019 show a loss (Group share) of €50,698 thousand of euros.

Detailed comments on the annual and consolidated financial statements are given in the 2019 Universal Registration Document.

The purpose of the **third resolution** is to decide the allocation of the results and set the dividend for the 2019 financial year.

The Board of Directors proposes to the Shareholders' Meeting:

- €54,286,462.42 deducted from the Other Reserves account reducing it from €54,286,462.42 to €0;
- €36,304,859.90 deducted from the Legal Reserve account reducing it from €44,686,312.50 to €8,381,452.60, maintaining the balance equal to 10% of the share capital;
- €29,809,299.76 deducted from the Share premium account reducing it from €29,809,299.76 to €0;
- €506,522,631.95 deducted from the Issue premium account reducing it from €712,060,580.91 to €205,537,948.96.

In addition, upon a proposal by the Board of Directors, the Shareholders' Meeting decides to distribute an amount of €83,814,526 deducted from the Issue premium account reducing it from €205,537,948.96 to €121,723,422.96.

The amount allocated for each share would thus be set at €1.00.

The distribution of €1.00 per share proposed to the Company's shareholders shall be treated for tax purposes as a repayment of a contribution or issue premium within the meaning of Article 112 of the French General Tax Code, and so is not taxable for individual shareholders residing in France, but which must be deducted from the tax cost price of the share.

The ex-date for the total gross amount of €1.00 due for each share would be 3 June 2020 and its payment date 5 June 2020.

In the event of a change in the number of shares giving right to a distribution compared with the 83,814,526 shares comprising the share capital on 31 December 2019, the overall amount of the distribution deducted from the Issue premium account would be adjusted accordingly on the basis of the number of shares having right to a distribution on the ex-date.

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	
2016	€71,043,419.90* *i.e.* €0.85 per share	–	–
2017	€83,782,308.00* *i.e.* €1.00 per share	–	–
2018	€83,808,761,00* *i.e.* €1.00 per share**	–	–

* Including the amount of the unpaid dividend corresponding to treasury shares and allocated to the retained earnings.
** Distribution of the entire balance of the retained earnings account and reserves in the amount of €40,763,761.64.

Regulated agreements and commitments (4th to 6th ordinary resolution)

Iit is first reminded that only the new agreements and commitments entered into during the last financial year ended shall be submitted to this Shareholders' Meeting.

It should be noted that there are no new agreements and commitments other than the following commitments, each of which is the subject of a specific resolution (**fourth resolution**).

The commitments are the following:

- the commitments taken by the Company to the benefit of Mr Marc de Garidel, Chairman of the Board of Directors, relating to an indemnity that may be granted for termination of his duties and to an individual optional supplementary pension scheme (**fifth resolution**).
- the commitments taken by the Company to the benefit of Mr David Meek, Chief Executive Officer until 31 December 2019, relating to an indemnity that may be granted for the termination of his duties (**sixth resolution**).

They are also presented in the statutory auditors' special report relating thereto, which will be presented to the Meeting and mentioned in the Company's 2019 Universal Registration Document.

■ Directors (7th to 10th ordinary resolutions)

The Board of Directors, upon a recommendation of the Nominations Committee, proposes to the Shareholders' Meeting:

- to ratify the temporary appointment of the company Highrock S.àr.l as a Director, decided by the Board of Directors at its meeting of 6 January 2020, replacing Mrs Anne Beaufour following her resignation. Consequently, the company Highrock S.àr.l shall exercise its functions for the remainder of the term of its predecessor, *i.e.*, until the Shareholders' Meeting to be held in 2022 to approve the financial statements for the past financial year (**seventh resolution**).

  The company Highrock S.àr.l, controlled by Mrs Anne Beaufour, is a permanent guest of the Innovation and Development Committee - Specialty Care and of the Innovation and Development Committee – Consumer HealthCare. The company Highrock S.àr.l, is represented by its permanent representative, Mrs Anne Beaufour.

  During the year 2019, Mrs Anne Beaufour was a a permanent guest of the Innovation and Development Committee – Specialty Care and of the Innovation and Development Committee – Consumer HealthCare.

  Given the involvement in the work of the Company's Board of Directors and the attendance by its permanent representative while a director of the Company during the year 2019 (93% for Board meetings), it is proposed to ratify the appointment of Highrock S.àr.l.

  The Board of Directors, upon the advice of the Nominations Committee and based on the opinion of the Ethics and Governance Committee, considers that Highrock S.àr.l 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 is set out in Appendix 1 of the present convening notice.

- to ratify the temporary appointment of the company Beech Tree S.A. as a Director, decided by the Board of Directors at its meeting of 6 January 2020, replacing Mr Philippe Bonhomme following his resignation. Consequently, the company Beech Tree S.A. shall exercise its functions for the remainder of the term of his predecessor, *i.e.*, until the present Meeting to approve the financial statements for the past financial year (**eighth resolution**) and renew the term of office of the company Beech Tree S.A. as a Director for a term of four years, expiring at the end of the Shareholders' Meeting to be held in 2024 to approve the financial statements for the past financial year (**ninth resolution**).

  The company Beech Tree S.A., controlled by Mr Henri Beaufour, is a member of the Audit Committee, the Nominations Committee, the Ethics and Governance Committee and the Innovation and Development Committee – Consumer HealthCare.

  The company Beech Tree S.A is represented by its permanent representative.

  During the year 2019, Mr Philippe Bonhomme was a member of the Audit Committee, the Nominations Committee, the Ethics and Governance Committee and the Innovation and Development Committee – Consumer HealthCare.

  Given the involvement in the work of the Company's Board of Directors and of the specialized Committees and the attendance by its permanent representative while a director of the Company during the 2019 financial year (100% for meetings of the Board and the four Committees of which he was a member), and his professional skills in particular in financial area as requested for the Audit Committee, it is proposed to renew the mandate of Beech Tree S.A. as a Director.

  The Board of Directors, upon the advice of the Nominations Committee and based on the opinion of the Ethics and Governance Committee, considers that Beech Tree S.A. 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 is set out in Appendix 1 of the present convening notice.

- renew the term of office of Mrs Carol Xueref, as a Director, for a term of four years, expiring at the end of the Shareholders' Meeting to be held in 2024 to approve the financial statements for the past financial year (**tenth resolution**).

  Mrs Carol Xueref, Director of Ipsen S.A. since 2012, is the Chairperson of the Nominations Committee, a member of the Ethics and Governance Committee, the Compensation Committee, and the Innovation and Development Committee – Consumer HealthCare.

  Given the involvement in the work of the Company's Board of Directors and of the specialized Committees, with an attendance rate of 93% for meetings of the Board of Directors and for the four Committees of which she is a member (more information on attendance rate on all Committees is in the 2019 Universal Registration Document), her knowledge of governance topics and her professional experience, it is proposed to renew the mandate of Mrs Carol Xueref as a Director.

  The Board of Directors, upon the advice of the Nominations Committee and based on the opinion of the Ethics and Governance Committee, considers that Mrs Carol Xueref 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 is set out in Appendix 1 of the present convening notice.

Information about the Board of Directors:

The individual attendance rates for all Directors are detailed in the 2019 Universal Registration Document and on page 7 of this document. In the 2019 financial year, the attendance rate at Board meetings was 93%.

If the nomination and renewal proposals are approved:

- The Board's independence rate, as defined in all the criteria of the AFEP-MEDEF Code adopted by the Company, would be maintained at 36%. The Company will therefore continue to comply with the recommendations of this Code regarding the proportion of Independent Directors.
- The proportion of women members of the Council would be maintained at 45%, in accordance with the law.
- The average age would be maintained at 58.
- The Board's internationalisation rate would be 50% with 6 nationalities represented.

Compensation of Corporate Officers (11th to 16th ordinary resolutions)

The Board of Directors proposes to the Shareholders' Meeting (**eleventh to thirteenth resolutions**) to approve, pursuant to Article L.225-37-2 of the French Commercial Code, the compensation policy for the members of the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer and/or any other executive officers.

The compensation policy for the members of the Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer and/or any other executive officers is presented in the Corporate Governance report included in the 2019 Universal Registration Document, section 5.4 and mentioned in Appendix 2 of the present report to the Shareholders' Meeting.

Approval of the information relating to the compensation of corporate officers referred to in I of Article L.225-37-3 of the French Commercial Code

The Board of Directors proposes to the Shareholders' Meeting to approve, pursuant to Article L.225-100 paragraph II of the French Commercial Code, the information relating to the compensation of the corporate officers referred to in I of Article L.225-37-3 of the French Commercial Code, as presented in the Corporate Governance report included in the 2019 Universal Registration Document, section 5.4, and mentioned in Appendix 3 of the present report to the Shareholders' Meeting (**fourteenth resolution**).

Approval of the base, variable and exceptional elements making up the total compensation and benefits of any kind paid during the past financial year or granted for the same financial year to Mr Marc de Garidel, Chairman of the Board of Directors

The Board of Directors proposes to the Shareholders' Meeting to approve the base, variable and exceptional elements making up the total compensation and benefits of any kind paid during the past financial year or granted for the same financial year in respect of his duties to Mr Marc de Garidel, Chairman of the Board of Directors (**fifteenth resolution**).

The compensation elements are attached to the present report (Appendix 4).

Approval of the base, variable and exceptional elements making up the total compensation and the benefits of any kind paid during the past financial year or granted for the same financial year to Mr David Meek, Chief Executive Officer until 31 December 2019

The Board of Directors proposes to the Shareholders' Meeting to approve the base, variable and exceptional elements making up the total compensation and the benefits of any kind paid during the past financial year or granted for the same financial year in respect of his duties to Mr David Meek, Chief Executive Officer until 31 December 2019. (**sixteenth resolution**).

The compensation elements are attached to the present report (Appendix 4).

Repurchasing by the Company of its own shares (17th ordinary resolution)

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 **seventeenth resolution**, the Board of Directors, with the ability to subdelegate, proposes to the Shareholders' Meeting 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 programme.

This authorization would terminate the authorization given to the Board of Directors by the Shareholders' Meeting held on 28 May 2019 in its twelfth 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 in the form of a liquidity agreement compliant with the practices allowed under the regulations, it being specified that within 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 favour 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 by the Shareholders' Meeting held on 28 May 2019 in its thirteenth extraordinary resolution.

These share purchases, sales, transfers or exchanges may be carried out by all means, including through the acquisition or sale of blocks of securities, and at any times as the Board should see fit.

The Company would reserve 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 in the period of a public offer initiated by a third party for the Company's shares and until the end of the offer period.

The Board of Directors proposes to the Shareholders' Meeting to set the maximum purchase price at €200 per share. Consequently, the maximum amount of the transaction would be set at €1,676,290,400.

The Shareholders' Meeting would grant all powers to the Board of Directors to carry out these transactions.

Detailed information on share repurchase operations carried out in 2019 can be found in the 2019 Universal Registration Document.

Free grants of shares (18th extraordinary resolution)

Authorization to be given to the Board of Directors to carry out free grants of existing shares and/or to be issued to salaried staff members and/or certain corporate officers of the Company or affiliated companies or economic interest groups, waiver given by shareholders of their preferential subscription rights, duration of the authorization, ceiling, duration of acquisition, in particular in the case of disability, and, if applicable, holding periods

In order to enable an attractive employee share ownership policy such as to ensure the development of the Company, it is proposed to renew the authorization to carry out free grants of existing shares and/or to be issued to salaried staff members of the Company and affiliated companies or economic interest groups and/or certain corporate officers.

It is hereby requested to authorize the Board of Directors, for a period of 26 months to grant, pursuant to Article L.225-197-1 of the French Commercial Code, new free shares resulting from a capital increase by capitalization of reserves, premiums or profit, and/or with existing shares (**eighteenth resolution**).

The persons benefiting from these free shares may be:

- salaried staff members of the Company or companies or economic interest groups that are directly or indirectly affiliated to it under the meaning of Article L.225-197-2 of the French Commercial Code;
- and/or company officers who meet the conditions defined by Article L.225-197-1 of the French Commercial Code.

The total number of free shares thus allocated shall not exceed 3% of the share capital at the date of the present Shareholders' Meeting, it being specified that will count towards this upper limit the total number of shares to which the options that could be granted by the Board of Directors pursuant to twenty-first extraordinary resolution approved by the Combined Shareholders' Meeting held on 28 May 2019 may give entitlement.

To this ceiling will be added, as appropriate, the nominal value of the capital increase necessary to preserve the rights of beneficiaries of free share grants in the event of an adjustment of the allocated rights following operations on the Company's capital during the acquisition period.

The total number of free shares that may be granted to the executive corporate officers shall not exceed 20% of this envelope and the final acquisition of these free shares will be subject to performance conditions set by the Board of Directors.

The allocation of shares to beneficiaries would be final at the end of a vesting period, the duration of which will be determined by the Board of Directors, which may not be less than two years, it being specified, however, that the vesting period for executive corporate officers may not be less than three years.

The performance shares grants elements are detailed in Appendix 4 of this report.

The Shareholders' Meeting would authorize the Board of Directors to provide or not a holding period at the end of the vesting period.

Exceptionally, the final acquisition shall occur before the end of the vesting period in the event of the beneficiary's disability corresponding to a classification in the second or the third categories defined by Article L.341-4 of the French Social Security Code.

This authorization would entail the waiver by shareholders of their preferential subscription rights to the new shares issued by the means of the capitalization of reserves, premiums and profits.

In consequence, the Board would dispose, within the limits fixed above, of all powers to:

- set the conditions and, if applicable, the allocation criteria and performance conditions for the shares
- determine the identity of the beneficiaries of the free allocations among the people fulfilling the conditions set out above as well as the number of shares to be allocated to each of them
- if applicable,
  - check whether there are sufficient reserves and, for each allocation, transfer to an unavailable reserve account the sums required to pay up the new shares to be allocated
  - decide, in due course, the capital increase or increases by capitalization of reserves, premiums or profits related to the issuance of the new free shares
  - acquire the necessary shares under the share repurchase programme and transfer them to the plan if granting existing shares
  - determine the impacts on the rights of beneficiaries, of transactions affecting the share capital or likely to affect the value of the allocated and acquired shares during the vesting period and, consequently, change or adjust, if necessary, the number of shares allocated in order to safeguard the rights of beneficiaries
  - take all useful measures to ensure compliance with the conservation obligation, if any, required of beneficiaries
- and, more generally, do everything needed to implement this authorization in accordance with the legislation in force.

This authorization would cancel and supersede, where appropriate, up to the unused portion, any previous authorization having the same purpose.

Articles of Associations amendments (19th to 24th extraordinary resolutions)

It is proposed to amend Article 12 of the Articles of Associations, relating to the threshold triggering the obligation to appoint a second Director representing the employees on the Board of Directors subsequent to its being reduced from 12 to 8 Board members pursuant to French Law No 2019-486 of 22 May 2019 (**nineteenth resolution**).

It is also proposed to amend the Article 16.2 of the Articles of Associations, in accordance with the option provided for in Article L.225-37 of the French Commercial Code, as amended by Law No 2019-744 of 19 July 2019, to enable the members of the Board of Directors to take the decisions falling within its own attributions restrictively listed by the regulations by means of a written consultation (twentieth resolution).

This option could be used for the following decisions:

- temporary appointment of Board members
- authorization of sureties, endorsements and guarantees given by the company
- decision to amend the Articles of Association to bring them into compliance with legal and regulatory provisions, as delegated by the shareholders' meeting
- convening the shareholders' meeting
- transfer the Company's registered office within the same department.

It is also proposed to amend the third paragraph of Article 10 of the Articles of Association, in order to apply the legal assimilation rules to the statutory thresholds. Thus, for the determination of the capital and voting rights thresholds the crossing of which is to be declared in application of article 10 of the Articles of Association, the assimilation rules provided for in Article L.233-9 of the French Commercial Code (**twenty-first resolution**).

It is proposed to amend the Articles 12 and 13 of the Articles of Association with respect to the provisions of Article L.225-25 of the French Commercial Code, as amended by Law No 2008-776 of 4 August 2008 to waive the statutory obligation for each director to own at least one (1) share of the company, it being specified that the internal rules of the Board of Directors set the minimum number of shares that each Director must hold during his or her term of office (**twenty-second resolution**).

The **twenty-third** and **twenty-fourth resolutions** provide for a change to articles 17.2 and 21.1 of the Articles of Association relating to the respective powers of the Board of Directors and the Shareholders' Meeting.

The purpose of the **twenty-third resolution** is to modify article 17.2 of the Articles of Association in order to provide for a list of significant matters for which prior approval by the Board of Directors is required.

The purpose of the **twenty-fourth resolution** is to modify article 21.1 of the Articles of Association to provide for the prior approval of the ordinary Shareholders' Meeting for the disposal of major assets as defined by position-recommendation 2015-05 issued by the French *Autorité des marchés financiers*.

These changes are proposed in connection with the shareholders' agreement dated 19 December 2019, entered into by and between Highrock S.àr.l., Beech Tree S.A. and Altawin SA, whose main terms have been made publicly available in a notice issued by the French Autorité des marchés financiers dated 31 December 2019 (Avis AMF No 219C2985).

Harmonisation of the Articles of Association (25th resolution)

It is proposed to the Shareholders' Meeting to harmonise the Articles of Association with the applicable legislative and regulatory provisions

1) Concerning the procedure for identifying shareholders:

It is proposed to bring Article 10.2 of the Articles of Association into line with the provisions of Article L. 228-2 of the French Commercial Code, as amended by Law No 2019-486 of 22 May 2019, relating to the growth and transformation of companies, which amended the procedure for identifying shareholders.

2) Concerning the remuneration allocated to Directors:

It is proposed to bring Article 19 of the Articles of Association into line with the provisions of Articles L.225-45 and L.225-46 of the French Commercial Code as amended by:

- Law No 2019-486 of 22 May 2019, which abolished the notion of *directors' fees*
- Order 2019-1234 of 27 November 2019, which introduced a legal mechanism relating to the compensation of corporate officers of companies listed on a regulated market.

3) Concerning the counting of votes at the Shareholders' Meeting to determine the majority:

It is proposed to bring Articles 26.2 and 26.3 of the Articles of Association into line with the provisions of Articles L.225-98 and L.225-96 of the French Commercial Code, as amended by Law No 2019-744 of 19 July 2019, which excluded abstentions from votes cast when determining the majority for general meetings.

Textual references applicable in the event of codification changes (26th resolution)

It is proposed that the Shareholders' Meeting take note of the fact that the textual references mentioned in all of the resolutions of this meeting as well as in the sixteenth and seventeenth resolutions of the Shareholders' Meeting of 28 May 2019 refer to the legal and regulatory provisions applicable on the date of their establishment and that in the event of a change in the codification thereof, they shall be replaced by the textual references corresponding to the new codification.

Powers to carry out formalities (27th resolution)

The Board of Directors proposes to the Shareholders' Meeting to grant, pursuant to the **twenty-seventh 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

Highrock S.àr.l Director	Nationality: Luxembourg	Shares owned: 21,816,679** Voting rights: 43,633,357**

Committees*:**
- Innovation and Development Committee – Specialty Care (Permanent guest)
- Innovation and Development Committee – Consumer Healthcare (Permanent guest)

Date of 1st appointment:
6 January 2020 (co-option)****

Term of office:
2022 Shareholders' Meeting

Biography and experience

Highrock S.àr.l. is a limited liability company under Luxembourg law incorporated on 25 May 2009. Since 19 December 2019, Highrock S.àr.l. has been a shareholder of Ipsen SA.

Registered office: 3, rue Nicolas Adames – L-1114 Luxembourg.
RCS Luxembourg B146822.

As of 31 December 2019, it held 21,816,679 shares, *i.e.* 26.03% of the share capital, and 43,633,357 voting rights, *i.e.* 33.07% of the actual voting rights.

Highrock S.àr.l. was co-opted to replace Anne Beaufour by the Board of Directors on 6 January 2020. Its permanent representative is Anne Beaufour.

Anne Beaufour Permanent representative of Highrock S.àr.l.	Nationality: French	Shares owned: 1** Voting rights: 2**

Committees (in 2019*):**
- Innovation and Development Committee – Specialty Care (Permanent guest)
- Innovation and Development Committee – Consumer Healthcare (Permanent guest)

Date of birth:
8 August 1963

Biography and experience

Anne Beaufour holds a Bachelor's degree in geology (University of Paris Orsay).

Anne Beaufour is the shareholder of several companies, as described in section 5.6.2.1 of the 2019 Universal Registration Document, which directly and/or indirectly hold shares of the Company.

On 6 January 2020, the Board of Directors acknowledged her resignation and co-opted Highrock S.àr.l., represented by Anne Beaufour.

Positions and functions currently held

Main functions:
- Highrock S.àr.l. (Luxembourg), Permanent representative at Ipsen Board of Directors
- Highrock S.àr.l. (Luxembourg), Manager

Other positions:
- South End Consulting Limited (SEC Ltd) (United Kingdom), Director*

Positions previously held that expired during the last five years

- FinHestia S.àr.l. (Luxembourg), Legal Manager
- Mayroy SA (Luxembourg), Vice Chairperson of the Board of Directors and Managing Director
- Beech Tree SA (Luxembourg), Director and Chairperson of the Board of Directors
- Bluehill Participations S.àr.l. (Luxembourg), Manager*

* Outside Ipsen Group.
** The indirect shareholding is described in section 5.6.2.1 of the 2019 Universal Registration Document.
*** Anne Beaufour was a director and a permanent guest of the Innovation and Development Committee – Specialty Care and Innovation and Development Committee – Consumer Healthcare until 6 January 2020. Since 6 January 2020, the company Highrock S.àr.l is a Director and a permanent guest of the Innovation and Development Committee – Specialty Care and Innovation and Development Committee – Consumer Healthcare.
**** The ratification of the provisional appointment of Highrock S.àr.l. as Director is submitted to this Shareholders' Meeting.

Beech Tree SA Director	Nationality: Luxembourg	Shares owned : 21,816,679** Voting rights : 43,633,357**

Committees*:**
- Audit Committee
- Nominations Committee
- Ethics and Governance Committee
- Innovation and Development Committee – Consumer Healthcare

Date of 1st appointment:
6 January 2020 (co-option)****

Term of office:
2020 Shareholders' Meeting

Biography and experience

Beech Tree SA is a limited company under Luxembourg law, incorporated in 2001.

Since 19 December 2019, Beech Tree SA has been an indirect shareholder of Ipsen SA.

Registered office: 11, Boulevard Royal – L-2449 Luxembourg.
RCS Luxembourg B85327.

As of 31 December 2019, it held indirectly 21,816,679 shares, *i.e.* 26.03% of the share capital, and 43,633,357 voting rights, *i.e.* 33.07% of the actual voting rights through its controlled subsidiaries MR BMH and MR HB.

Beech Tree SA was coopted to replace Philippe Bonhomme by the Board of Directors on 6 January 2020. It is permanently represented by Philippe Bonhomme.

Philippe Bonhomme Permanent representative of Beech Tree SA	Nationality: French	Shares owned: 500 Voting rights: 1,000

Committees (in 2019*):**
- Audit Committee
- Nominations Committee
- Ethics and Governance Committee
- Innovation and Development Committee – Consumer Healthcare

Date of birth:
5 November 1969

Biography and experience

Since 2005, Phillippe Bonhomme has been Partner, Director and a member of the management committee of Hottinguer Corporate Finance, which is the investment banking arm of Hottinguer bank. He has been advising in France and abroad on numerous transactions in the pharma and healthcare sectors as well as on private equity-backed transactions.

From 1993 to 2005, Philippe Bonhomme was first an auditor and then, a Corporate Finance consultant within Coopers & Lybrand (renamed into PricewaterhouseCoopers).

From 2012 to 2018, Philippe Bonhomme was the permanent representative of the Company Mayroy SA, Director of Ipsen SA. Since 30 May 2018, Philippe Bonhomme was a member of the Board of Directors of Ipsen SA. On 6 January 2020, the Board of Directors acknowledged his resignation and co-opted Beech Tree SA, in replacement, represented by Philippe Bonhomme.

Philippe Bonhomme is a graduate of École des Hautes Études Commerciales (HEC, Paris) and a French Certified Public Accountant (CPA).

Positions and functions currently held

Main functions:	Other positions:
• Hottinguer Corporate Finance SA (France), Partner, Director and Member of the Management Committee*	• Beech Tree SA (Luxembourg), Director • MR HB (Luxembourg), Managing Partner

Positions previously held that expired during the last five years

- Permanent representative of Mayroy at Ipsen's Board of Directors
- Mayroy SA (Luxembourg), Director

* Outside Ipsen Group.
** The indirect shareholding is described in section 5.6.2.1 of the 2019 Universal Registration Document.
*** Philippe Bonhomme was a member of the Board of Directors, the Audit Committee, the Nominations Committee, the Ethics and Governance Committee and the Innovation and Development Committee – Consumer Healthcare until 6 January 2020, when Beech Tree SA was co-opted to replace him.
**** The ratification of the provisional appointment of Beech Tree SA as Director is submitted to this Shareholders' Meeting.

Carol Xueref Director	Nationality: British	Shares owned: 500 Voting rights: 1,000

Committees:
- Nominations Committee (Chairperson)
- Ethics and Governance Committee
- Compensation Committee
- Innovation and Development Committee – Consumer HealthCare

Date of birth:
9 December 1955

Date of 1st appointment:
1 June 2012

Date of last renewal:
31 May 2016

Term of office:
2020*** Shareholders' Meeting

Biography and experience

Carol Xueref is Chairperson of Floem SAS, a consultancy firm. She was Secretary General and a member of Essilor International's Executive Leadership Team until 30 June 2016.

From 1982 to 1986, Carol Xueref was Deputy to the Attachée for Commercial Affairs at the British Embassy in Paris. From 1986 to 1990, she was Head of Division at the International Chamber of Commerce (Paris). In 1990, she became Director for Legal and Tax Affairs at the Banque Populaire de la Région Ouest de Paris. From 1993 to 1996, she was Head of a legal department within Crédit Lyonnais and subsequently Director for Legal Affairs of OIG (Crédit Lyonnais' defeasance entity). From 1996 to 2014, Carol Xueref was Director for Legal Affairs and Group Development and from 2014 to 2016 Secretary General; she was a member of Essilor International's Executive Leadership Team. She has been a member of the *Autorité de la Concurrence* (French Competition Authority) since 2006, and chaired its "Compliance" working group.

Carol Xueref is a founder member and a past-President of the Cercle Montesquieu (Association of French Legal Directors (1998-2002)) and chaired its "Ethics of in-house lawyers" working group. She is member of the *"Association Française des Femmes Juristes"* and Director of the Franco-British Lawyers Society.

Carol Xueref holds a Master's Degree in Law and a Post Graduate Degree in International Commercial Law (DESS) from the University of Paris II (Assas).

Positions and functions currently held

Main functions:	Other positions:
• Floem SAS (France), Chairperson*	• Eiffage** (France), Director and Chairperson of the Compensation and Appointments Committee and member of the Strategic Committee*

Positions previously held that expired during the last five years

- Essilor International** (France), Director of several subsidiaries of the Group (France and abroad), Secretary General and Member of the Executive Leadership Team*

* Outside Ipsen Group.
** Listed company.
*** The renewal of her office is submitted to this Shareholders' Meeting.

Appendix 2 – Compensation policy of Corporate Officers

These elements of the compensation policy for Executive Corporate Officers are in line, in terms of principles and structure, with the policy approved by the Shareholders' Meeting of 28 May 2019.

In accordance with Article L.225-37-2, I of the French Commercial Code, this compensation policy also applies to Directors of the Company. It was drawn up by the Board of Directors, upon the recommendation of the Compensation Committee.

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 Executive Corporate Officers concerned.

In accordance with Article L.225-100 III of the French Commercial Code, compensation elements paid during the 2019 financial year or granted for the 2019 financial year to the Chairman of the Board of Directors and to the Chief Executive Officer shall be submitted to the vote of the shareholders at the Annual Combined Shareholders' Meeting to be held in 2020 to approve the financial statements for the financial year ended on 31 December 2019, following a specific resolution for each element.

■ General principles

Ipsen is a dynamic and growing global specialty-driven biopharmaceutical group focused on innovation and Specialty Care that is improving people's lives through differentiated and innovative medicines in Oncology, Neuroscience and Rare Diseases. The strong position in Specialty Care, combined with the presence in Consumer Healthcare, provides the Group with the scale, expertise and stability needed to make a sustainable difference for people in a quickly-evolving healthcare environment.

In this context, several elements are taken into consideration to determine the compensation policy: consistency, comparability with the Ipsen environment reference market, well balanced nature of its alignment with the Group strategy and compliance with the AFEP-MEDEF code.

The compensation policy adopted by the Board of Directors contains incentive elements that reflects the Group Strategy, including the sustainable growth over the long term by acting in a responsible way, respecting the social interest.

To determine the compensation policy, the Board of Directors takes into account the principles of completeness, balance, comparability, consistency, clarity and proportionality as recommended by the AFEP-MEDEF Code of Corporate Governance.

The compensation policy reflects the level of responsibility of the Corporate Officers and Senior executives. It is adapted to the Group context, remains competitive and is an incentive to promote the Group's performance over the medium to long-term, in compliance with the corporate interest and the interests of all the stakeholders, and contributes to the commercial strategy as well as the sustainability of the Company. The compensation policy ensures that trends in the compensation of Corporate Officers are taking into consideration trends in compensation for all Group employees, and those of the Company. For the decision-making process followed for determining and adjusting the compensation policy, the terms of compensation and employment of the Company's employees have been considered by the Compensation Committee and the Board of Directors, specifically the information covered in Article L.225-37-3 of the French Commercial Code.

The compensation policy covers all aspects of the fixed, variable and exceptional compensation and of the benefits of any kind, paid or granted 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:

- fixed or base compensation;
- annual variable compensation (only for Executive Corporate Officers);
- if applicable, multi-annual variable compensation (only for Executive Corporate Officers);
- if applicable, exceptional compensations and/or financial indemnity (only for Executive Corporate Officers);
- eligibility for compensation paid or granted 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 Executive Corporate Officers upon termination of their functions.
- If applicable, retirement schemes.

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

■ Decision making process for setting, revising and implementing the compensation policy

The compensation policy for Corporate Officers is set by the Board of Directors upon proposal of the Compensation Committee. The Board of Directors refers to the AFEP-MEDEF Code for the determination of the compensation and benefits granted to the executive and non-executive Corporate Officers.

Pursuant to the Internal Rules of the Board of Directors, the Compensation Committee has the following missions:

- make proposals to the Board of Directors on all components of the compensation paid to the Group's corporate officers, senior management and senior executives;
- be informed on all matters pertaining to the recruitment of the Group's main senior managers, other than the Chief Executive Officer, as well as on the fixing and changing of any elements of their compensation;
- issue a recommendation on the amount and allocation of compensations among Board members;
- make recommendations to the Board of Directors on Group compensation policies as well as employee savings plans, employee share ownership schemes, stock options and bonus shares or any other similar forms of compensation.

The Compensation Committee is composed of a minimum of three (3) Directors and a maximum of six (6) Directors, half of whom are Independent Directors with regard to the AFEP-MEDEF criteria by which the Company abides, chosen from among the Directors, other than the Executive Corporate Officers. The Board appoints the Chairman of the Committee from among its members.

If it deems useful, the Compensation Committee may ask the Chairman of the Board and the Chief Executive Officer to help in its deliberations and work, except when it is discussing the compensation of these officers.

The Compensation Committee meets at least twice (2 times) a year, when convened by its Chairman, or at the request of the Chairman of the Board.

When the Compensation Committee votes, the Chairman of the Committee does not have a casting vote.

The members of the Compensation Committee are chosen for their technical skills, as well as for their good understanding of the standards in force, emerging trends and practices of the Company.

To carry out their mission, the members of the Committee regularly invite the Executive Vice President, Chief Human Resources Officer, to attend some meetings in order to present the Group compensation policy and review the compensation policy to Corporate Officers.

In addition, the Chairman of the Committee, who is also the Vice Chairman of the Board of Directors, may exchange with the Chairperson of the Audit Committee to study in particular the financial performance of the Group, accounting and fiscal impacts of the Corporate Officers and with the Chairman of the Board to study the strategy of the Group.

The members of the Compensation Committee also invite the Chairman of the Board and the Chief Executive Officer to discuss their performance. An evaluation on the performance of the Chairman and of the Chief Executive Officer is conducted every year, without their presence. The conclusions of the evaluation are presented to them.

In addition, to avoid or manage any conflict of interests, the Board of Directors has implemented a policy which is detailed in the Internal Rules of the Board of Directors and presented in section 5.1 of the 2019 Universal Registration Document. Directors, including the Chairman of the Board of Directors and, where appropriate, the Chief Executive Officer, must inform the Board of any conflict of interest situation, including a potential conflict of interest, between themselves and the Company or the Group and shall abstain from attending the debate and taking part in any discussions and vote by the Board on the corresponding deliberations. The Chairman of the Board and the Chief Executive Officer, if a Director, do not participate and do not take part in the Board's deliberations on an element or commitment to their benefit. Moreover, a conflict of interests questionnaire is also sent to all Directors each year, which they are required to complete and which is reviewed by the Ethics and Governance Committee.

The remuneration policy is not subject to an annual review; however, certain terms and conditions for implementing the policy are defined by the Board of Directors on an annual basis, such as the performance criteria applicable to the annual variable compensation of the Chief Executive Officer.

After consulting the Compensation Committee and, where appropriate, the other Specialized Committees, the Board of Directors may temporarily waive the compensation policy of the Chief Executive Officer in the event of exceptional circumstances and in the event that changes are made are in line with social interest and necessary to guarantee the sustainability or viability of the Company.

The elements of compensation to which derogations may be made are the fixed compensation and the annual variable, and the derogations may consist of an increase or a decrease in the compensation concerned. The events which could give rise to the use of this possibility of derogation from the compensation policy could be, without being limited to, exceptional external growth operations or a major change in strategy.

In addition, the comments of shareholders during the Shareholders' Meeting of 28 May 2019 have been considered by the Company and the Board of Directors in determining the compensation policy.

Components of the compensation of corporate officers

(a) Compensation policy for directors

The Board of Directors decided at its meeting of 10 November 2009, with effect from the 2010 financial year, and within the global limit of €1,200,000 approved by the Combined Shareholders' Meeting held on 7 June 2017 (until new decision), to allocate a compensation to the Board members as follows:

- each member of the Board of Directors receives an amount of €40,000 for a full year of service,
- the Vice Chairman of the Board of Directors receives an additional amount of €50,000 for a full year of service,
- the members of Committees of the Board receive an amount of €15,000 for a full year of service,

- the Chairpersons of the Audit Committee and of the Compensation Committee receive an additional amount of €35,000 for a full year of service,
- the Chairpersons of the Nominations Committee, the Innovation and Development Committee – Specialty Care and Innovation and Development Committee – Consumer HealthCare and the Ethics and Governance Committee receive an additional amount of €20,000 for a full year of service,
- each Director who is a member of at least one Committee shall receive an additional amount of €5,000 for a full year of service.

The Board of Directors can decide to allow an additional amount of €5,000 for intercontinental travel to attend a meeting of the Board.

The Board of Directors has decided on 13 December 2017 to implement a variability system related to effective attendance based upon the number of absences at the annual meetings of the Board and the Committees, breaking down as follows:

- payment of a fixed proportion (40%) at the end of 1st half-year;
- payment of the variable proportion (60%) at the end of 2nd half-year after taking into account the effective attendance at the Board and Committee meetings over the year.

Pursuant to the Company's bylaws, the Board of Directors may award exceptional compensation to Directors for the missions or mandates entrusted to them; as appropriate, the Statutory Auditors are notified of such compensation, which is submitted for approval to the Ordinary Shareholders' Meeting.

Moreover, the Director representing the employees shall not receive any compensation in his/her capacity as Director. He/she has an open-ended employment contract with a subsidiary of the Company, including terms of advance notice and cancellation, in accordance with regulations.

Additionally, the term of office for Directors is mentioned in 5.1 of the 2019 Universal Registration Document.

(b) Chairman of the Board

a. Allocation of the various compensation components

The compensation policy is decided by the Board of Directors, upon recommendation of the Compensation Committee, outside the presence of the Chairman.

The Board of Directors, upon recommendation of the Compensation Committee, determines the relevant compensation components applicable to the Chairman of the Board, taking into consideration the Group environment, the scope of responsibilities, the Chairman' prior positioning and service within the Group if applicable, and any other factors that would be relevant in the context of the Group.

b. Base compensation

Base compensation takes into account the reference markets of Ipsen, in particular in the pharmaceutical industry, and companies with similar size and environment, both in France, Europe and the US given the international footprint of Ipsen and its strategy to be a global biopharmaceutical company focusing on Innovation and Specialty Care. 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.

c. Variable compensation

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

d. Exceptional compensation and/or financial indemnity

The non-executive Chairman of the Board of Directors shall not receive any exceptional compensation and/or financial indemnity.

e. Compensation as a Director

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 a compensation granted on the basis of their positions as Directors according to the rules applicable to all of the Directors.

f. Stock options and performance shares

In accordance with the recommendations of the AFEP-MEDEF Code, the non-executive Chairman of the Board of Directors shall not benefit from stock option or performance share plans.

g. Other benefits

The Chairman of the Board may also be awarded benefits in respect of his duties carried out within Ipsen, including: benefits in kind (company car, temporary accommodation and school fees), assistance for the preparation and filing of personal income tax returns, global healthcare coverage (health coverage and death/disability insurance) under the Group's contract, reimbursement of travel expenses and expenses incurred with the exercise of their corporate duties, and D&O liability insurance.

h. Severance payment

The Chairman may benefit from a severance payment clause, granted in the event of termination of his duties, of which the terms have been decided by the Board of Directors in accordance with the recommendations of the AFEP-MEDEF Code:

- payment granted only in the event of a forced departure *(départ contraint)* within the meaning of the AFEP-MEDEF Code;
- equal to 24 months of gross fixed compensation paid for his duties;
- the granting of which is subject to maintenance of the recurring operating margin of the Group for 2017 and 2018, at a rate of at least 15%, and, as from 2019 and for subsequent years, maintenance of the operating margin for the Group's activities at a rate of at least 20%; and
- including, for a portion equal to 50% of its total, the amount payable in consideration for the non-compete clause of the Chairman of the Board of Directors.

i. Non-compete payment

The Company has concluded a non-compete agreement with the Chairman of the Board 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 his actual departure.

The non-compete payment may not exceed a ceiling of two years of base compensation, including, if applicable, the amount owed as a severance payment, for up to 50%.

j. Retirement Schemes

Executive Corporate Officers may benefit from defined-contribution plans or defined-benefit retirement plans, which benefit the Company's executives more broadly, in accordance with the AFEP-MEDEF Code.

Pursuant to the PACTE Law No. 2019-486 of 22 May 2019 and Ordinance No. 2019-697 of 3 July 2019 on supplementary pension plans, the defined-benefit pension plan described below can no longer grant a right to acquire supplementary conditional rights as from 1 July 2019. On that date, it was also closed to new members of the Company.

This retirement scheme was implemented unilaterally by the Company in 2005 and adopted in a set of regulations. An open collective scheme not intended for specific individuals has been established. It specifies the rights and obligations of the relevant individuals in the Company.

The establishment of non-vested rights is based on the level of liability accrued in the Company's books at 30 June 2019, *i.e.* the Projected Benefits Obligations, PBO.

Establishment of the rights involves freezing the calculation of the defined-benefits pension at the level of the PBO at the closing date. No further rights were granted after the scheme was closed.

At the same time, an additional collective defined-contribution plan ("Article 83") was established as from 1 July 2019. Under this plan, fully funded by the Company, executives may build up a supplementary retirement pension with a certain contribution percentage of the total compensation in cash (annual base and variable compensation).

To manage several types of situations, a defined-contribution plan with individual rights was established ("Article 82"). Under this scheme, fully funded by the Company, a custom amount to be outsourced to an insurance company can be determined, on an individual basis.

(c) Executive Corporate Officers, the Chief Executive Officer

a. Allocation of the various compensation components

The compensation policy is decided by the Board of Directors, upon recommendation of the Compensation Committee, outside the presence of the Chief Executive Officer.

The Board of Directors, upon recommendation of the Compensation Committee, determines the relevant compensation components applicable to the Chief Executive Officer, taking into consideration the Group environment, the scope of responsibilities, the Chief Executive Officer's prior positioning and service within the Group, if applicable, and any other factors that would be relevant in the context of the Group.

Furthermore, it is specified, for practical purposes, that some of the components below are not applicable to the current Interim Chief Executive Officer, since the latter is under an open-ended employment contract with the Company for his functions as Chief Financial Officer. An explanation of this point is included in 5.1.2 of the 2019 Universal Registration Document.

b. Base compensation

Base compensation takes into account the reference markets of Ipsen, in particular in the pharmaceutical industry, and companies with similar size and environment, both in France, Europe and the US given the international footprint of Ipsen and its strategy to be a global biopharmaceutical company focusing on Innovation and Specialty Care. 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.

This compensation component is applied to the current Interim Chief Executive Officer.

c. 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 total variable compensation and a limit is set on the qualitative part.

Annual variable compensation is set on the basis of a target variable compensation equal to 100% of the base compensation, within a range between 0 and 200%, in case of under or overperformance. The annual variable compensation is based on the following quantifiable and qualitative performance criteria: two-thirds of this target bonus are based on quantifiable criteria of equal weighting, *i.e.* achievement of consolidated net sales levels, core operating income, earnings per share and cash flow; the remainder is based on qualitative criteria, split into three categories: Strategy/Business, Management and Social Responsibility. The Strategy/Business category includes targets supporting the Company's long-term mission and goals; Management includes corporate management targets to support the annual execution of the strategy defined by the Board of Directors; and Social Responsibility includes objectives supporting the corporate social responsibility strategy as developed through three pillars: employees, patients and society, and environment.

The Board of Directors, upon recommendation of the Compensation Committee, determines the level of achievement of these performance criteria, with respect to the Company's financial position at 31 December of each year.

This compensation component is applied to the current Interim Chief Executive Officer.

	Criteria	Weight	Potential variation of the portion
Performance indicators	*Consolidated net sales*	*1/6*	*0% to 200%*
	Core operating income	*1/6*	*0% to 200%*
	Cash flows	*1/6*	*0% to 200%*
	Earnings per share	*1/6*	*0% to 200%*
Quantifiable objectives		2/3	0% to 200%
Qualitative objectives		1/3	0% to 200%
Total		**100%**	**0% to 200%**

d. Multi-annual variable compensation

The Board of Directors may decide to grant multi-annual variable compensation to the Chief Executive Officer and certain managing executives of the Group as part of 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.

This compensation component is not applied to the current Interim Chief Executive Officer.

e. Exceptional compensation and/or financial indemnity

The Board of Directors may decide, in case of specific circumstances or events, to grant exceptional compensation to the Chief Executive Officer. The grant of exceptional compensation will be calculated based on the total annual compensation and should not exceed a certain number of months of this total compensation.

It can decide to grant an exceptional compensation and/or an exceptional financial indemnity to the Chief Executive Officer while taking into account the specific circumstances in which he carries out his duties.

This compensation component is not applied to the current Interim Chief Executive Officer.

f. Special financial indemnity

The Board of Directors may grant a special financial indemnity to a new Executive Corporate Officer coming in from a company outside the Group, in order to offset the loss of the benefits they received previously.

This compensation component is not applied to the current Interim Chief Executive Officer.

g. Compensation as a Director

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 a compensation granted on the basis of their positions as Directors according to the rules applicable to all of the Directors.

h. Stock options and performance shares

Executive Corporate Officers as well as certain managing 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 (§25.2), non-executive officers shall not benefit from stock option and/or performance shares plans.

The definitive number of stock options that will be granted to Executive Corporate Officers, will depend upon the level of achievement of the performance conditions set by the Board of Directors, based on one or several internal criteria.

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 Corporate 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.

The total number of free shares allocated shall not exceed 3% of the share capital on the date of the Shareholders' Meeting that authorised the Board to proceed with the share grants, with the specification that the total number of shares to which the holders of options that may be granted by the Board of Directors are entitled shall be applied against that ceiling.

The total number of free shares that may be granted to Corporate Officers of the Company shall not exceed 20% of this budget, and vesting shall be subject to performance conditions set by the Board of Directors.

The shares granted to recipients shall be final at the end of a vesting period, for which the term shall be set by the Board of Directors at not less than two years, with the specification, however, that the vesting period for Executive Corporate Officers shall not be less than three years. The Board of Directors may stipulate a retention requirement at the end of the vesting period.

Nevertheless, in the event of death, disability, retirement or change of control 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.

i. Other benefits

The Chief Executive Officer may also be awarded benefits in respect of his duties carried out within Ipsen, including: benefits in kind (company car and temporary accommodation, school fees), 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 Executive Corporate Officers upon termination of their functions

j. Severance payment

Executive Corporate Officers may benefit from a severance payment clause, granted in the event of termination of their duties, of which the terms have been decided by the Board of Directors in accordance with the recommendations of the AFEP-MEDEF Code:

- 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' gross compensation (fixed plus annual variable) in respect of his term of office,
- the granting of which is subject to maintenance of the recurring operating margin of the Group for 2017 and 2018 at a rate of at least 15%, and, as from 2019 and for the subsequent years, maintenance of the operating margin of the Group's business at 20% or more, and
- which includes, for a portion equal to 50% of the amount, that due in respect of any non-compete undertaking by the Chief Executive Officer,

This compensation component is not applied to the current Interim Chief Executive Officer.

k. Non-compete payment

The Board of Directors may conclude a non-compete agreement with the Chief Executive Officer 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%.

This compensation component is not applied to the current Interim Chief Executive Officer.

l. Retirement Schemes

The Executive Corporate Officers may benefit from defined contribution plans or defined benefit plan which more broadly benefits the Company's executives, in accordance with the AFEP-MEDEF Code.

Pursuant to PACTE Law No. 2019-486 of 22 May 2019 and Ordinance No. 2019-697 of 3 July 2019 on additional pension schemes, the defined benefit pension plan described below can no longer grant a right to acquire supplementary conditional rights as from 1 July 2019. It was also closed to new joiners in the Company at the same date.

This retirement scheme was implemented unilaterally by the company in 2005 and adopted in a set of regulations. A group scheme has been set up that is not restricted to specific individuals, and determines the rights and obligations of the persons concerned within the Company.

The establishment of the non-vested rights is based on the level of liability in the Company's registers on 30 June 2019, i.e the Projected Benefits Obligations ("PBO").

The establishment of the rights implies freezing the calculation of the Defined Benefits pension at the level of the PBO as of the closure date. No further rights are granted post closure of the plan.

In parallel, an additional collective Defined Contribution scheme ("Article 83") was set up from 1 July 2019. This scheme, fully funded by the Company, allows Executives to build a supplementary retirement pension with a certain percentage of contribution of total cash remuneration (annual base compensation and variable).

To manage several types of situations, a defined contribution scheme with individual rights ("Article 82") was set up. Under this scheme, fully funded by the Company, a custom amount to be outsourced to an insurance company can be determined, on an individual basis.

This compensation component is not applied to the current Interim Chief Executive Officer.

Appendix 3 – Compensation of Corporate Officers (articles L.225-100 II et L.225-37-3 of the French commercial Code)

Compensation of the board members

The Board of Directors decided at its meeting of 10 November 2009, with effect from the 2010 financial year, and within the global limit of €1,200,000 approved by the Combined Shareholders' Meeting held on 7 June 2017 (until new decision), to allocate a compensation to the Board members as follows:

- each member of the Board of Directors receives an amount of €40,000 for a full year of service,
- the Vice Chairman of the Board of Directors receives an additional amount of €50,000 for a full year of service,
- the members of Committees of the Board receive an amount of €15,000 for a full year of service,
- the Chairpersons of the Audit Committee and of the Compensation Committee receive an additional amount of €35,000 for a full year of service,
- the Chairpersons of the Nominations Committee, the Innovation and Development Committee – Specialty Care and Innovation and Development Committee – Consumer HealthCare and the Ethics and Governance Committee receive an additional amount of €20,000 for a full year of service,
- each Director who is a member of at least one Committee shall receive an additional amount of €5,000 for a full year of service.

The Board of Directors can decide to allow an additional amount of €5,000 for intercontinental travel to attend a meeting of the Board.

The Board of Directors has decided on 13 December 2017 to implement a variability system related to effective attendance based upon the number of absences at the annual meetings of the Board and the Committees, breaking down as follows:

- payment of a fixed proportion (40%) at the end of 1st half-year;
- payment of the variable proportion (60%) at the end of 2nd half-year after taking into account the effective attendance at the Board and Committee meetings over the year.

The following table shows the amounts paid during the 2018 and 2019 financial years and awarded for those same financial years.

Individual amount and other compensation paid or granted to Directors (gross amounts – rounded) (Table 3 of AMF recommendations)

Directors	Amounts granted for 2018	Amounts paid (*) in 2018	Amounts granted for in 2019	Amounts paid (*) in 2019
Marc de Garidel(1)				
– Compensation as Director	–	–	–	–
– Other compensation	see page 33 hereafter	see page 33 hereafter	see page 33 hereafter	see page 33 hereafter
Anne Beaufour				
– Compensation as Director	€40,732	€62,532	€48,320	€39,200
– Other compensation	–	–	–	–
Henri Beaufour				
– Compensation as Director	€32,515	€49,266	€33,040	€29,249
– Other compensation	–	–	–	–
Philippe Bonhomme(2)				
– Compensation as Director	€32,515	€21,303	€115,000	€92,834
– Other compensation	–	–	–	–
Hervé Couffin(3)				
– Compensation as Director	€28,656	€66,156	–	–
– Other compensation	–	–	–	–
Antoine Flochel				
– Compensation as Director	€165,000	€144,000	€168,845	€170,000
– Other compensation	–	–	–	–

(*) Amounts paid on a half-year basis in arrears (within the month following each half-year closing), based *prorata temporis* on the time spent in office during the half-year, if applicable. The variability system of the directors' fees has been applicable since 1 January 2018.
(1) Marc de Garidel does not receive any compensation as Director. It is stated that the compensation elements of Marc de Garidel paid or granted as Chairman of the Board of Directors are presented at section 5.4.2.2 of the 2019 Universal Registration Document.
(2) Director since 30 May 2018, the amount of director's fees have been calculated *prorata temporis* on the time spent in office during the year.
(3) Director until 30 May 2018, the amount of director's fees have been calculated *prorata temporis* on the time spent in office during the year.

Directors	Amounts granted for 2018	Amounts paid (*) in 2018	Amounts granted for in 2019	Amounts paid (*) in 2019
Margaret Liu				
– Compensation as Director	€111,835	€102,234	€120,000	€110,101
– Other compensation	–	–	–	–
Pierre Martinet[3]				
– Compensation as Director	€40,985	€95,985	–	–
– Other compensation	–	–	–	–
Mayroy SA[3]				
– Compensation as Director	€29,373	€53,072	€6,301	€6,301
– Other compensation	–	–	–	–
David Meek[4]				
– Compensation as Director	–	–	–	–
– Other compensation	see page 37 hereafter	see page 37 hereafter	see page 37 hereafter	see page 37 hereafter
Michèle Ollier				
– Compensation as Director	€65,826	€63,358	€67,360	€68,968
– Other compensation	–	–	–	–
Jean-Marc Parant[5]				
– Compensation as Director	–	–	–	–
– Other compensation	–	–	–	–
Hélène Auriol-Potier[3]				
– Compensation as Director	€32,902	€80,402	–	–
– Other compensation	–	–	–	–
Paul Sekhri[2]				
– Compensation as Director	€62,203	€22,752	€100,560	€85,451
– Other compensation	–	–	–	–
Carol Stuckley				
– Compensation as Director	€114,589	€95,427	€135,000	€118,162
– Other compensation	–	–	–	–
Christophe Vérot[3]				
– Compensation as Director	€28,656	€66,156	–	–
– Other compensation	–	–	–	–
Piet Wigerinck[2]				
– Compensation as Director	€49,382	€17,752	€66,245	€61,630
– Other compensation	–	–	–	–
Carol Xueref				
– Compensation as Director	€111,392	€75,082	€122,838	€128,810
– Other compensation	–	–	–	–
Total				
– Compensation as Director	**€946,560**[6]	**€1,015 477**[6]	**€977,208**[6]	**€910,705**[6]
– Other compensation	**–**	**–**	**–**	**–**

(*) Amounts paid on a half-year basis in arrears (within the month following each half-year closing), based *prorata temporis* on the time spent in office during the half-year, if applicable. The variability system of the directors' fees has been applicable since 1 January 2018.

(1) Marc de Garidel does not receive any compensation as Director. It is stated that the compensation elements of Marc de Garidel paid or granted as Chairman of the Board of Directors are presented at section 5.4.2.2 of the 2019 Universal Registration Document.

(2) Director since 30 May 2018, the amount of director's fees have been calculated *prorata temporis* on the time spent in office during the year.

(3) Director until 30 May 2018, the amount of director's fees have been calculated *prorata temporis* on the time spent in office during the year.

(4) David Meek didn't receive any compensation as Director. It is stated that the compensation elements of David Meek as Chief Executive Officer until 31 December 2019 are presented at section 5.4.2.3 of the 2019 Universal Registration Document.

(5) Jean-Marc Parant has been designated Director representing the employees by the Works Council on 27 November 2018 and doesn't receive any compensation relating to his mandate. It is stressed that he holds an employment contract within the Group and as such receives compensation that is unrelated to the exercise of his mandate. As a result, this compensation is not communicated.

(6) The amounts shown are gross amounts. Directors received a net amount after withholding of 12.8% was applied in 2019 for foreign tax residents and 30% for French residents.

Compensation of the Chairman of the Board

For financial year 2019, the compensation elements of Marc de Garidel, Chairman of the Board of Directors, were determined by the Board of Directors, upon recommendation of the Compensation Committee, at its meeting held on 28 March 2018. These elements take into account both duties of Marc de Garidel: his duties as Chairman of the Board of Directors of Ipsen and his duties as Chief Executive Officer of Corvidia Therapeutics Inc., a company organized and existing under American law based in the United States of America.

In accordance with the articles L.225-37-2 and L.225-100 of the French Commercial Code, the compensation elements paid during the financial year ended 31 December 2019 or granted to Marc de Garidel for the year ended 31 December 2019, in respect of his term of office as Chairman of the Board of Directors, comply with the compensation policy approved by the Shareholders' Meeting held on 28 May 2019 in its tenth ordinary resolution.

Furthermore, the compensation policy applicable to Marc de Garidel, in respect of his duties as Chairman of the Board, was determined by the Board of Directors, upon recommendation of the Compensation Committee, at its meeting held on 13 February 2019 and will be the subject of a resolution submitted to the approval of the next Shareholders' Meeting.

Furthermore, it is specified that the Chairman of the Board of Directors does not receive variable compensation nor multi-annual variable compensation, subscription or purchase options nor performance shares.

A. Summary tables of compensations, options and shares granted to Marc de Garidel, Chairman of the Board

a. Summary table of compensations, options and performance shares

Total amount of compensations, options and performance shares granted for 2019 (table 1 of the AMF recommendations)

(gross rounded amount – in euros)	2018 Financial Year	2019 Financial Year
Marc de Garidel **Chairman of the Board of Directors**		
Compensation due for the year (see details below)	654,270	600,000
Book value of multi-annual variable compensations granted during the year	–	–
Book value of the options granted during the year	–	–
Book value of the performance shares granted during the year	–	–
Total	**654,270**	**600,000**

b. Summary table of compensations (Table 2 of the AMF recommendations)

Total amount of the compensations for 2019 financial year

	2018		2019	
(gross rounded amount – in euros)	Amounts granted	Amounts paid	Montants attribués	Amounts paid
Marc de Garidel **Chairman of the Board of Directors**				
Base compensation	650,000 (1)	650,000 (1)	600,000 (2)	600,000 (2)
Annual variable compensation	–	–	–	–
Multi-annual variable compensation	–	–	–	–
Exceptional compensation	–	–	–	–
Directors' fees	–	–	–	–
Benefits in kind (3)	4,270	4,270	–	–
Totaux	**654,270**	**654,270**	**600,000**	**600,000**

(1) The Board of Directors at its meeting held on 28 March 2018 has redefined Marc de Garidel's missions as Chairman of the Board of Directors following his new duties as Chief Executive Officer of Corvidia Therapeutics Inc. The amount of his gross base compensation for 2018 has been amounted to €600,000, *prorata temporis* basis from 1 April 2018. For further information on the role and duties of the Chairman of the Board of Directors, see section 5.1 of this document.

(2) The Board of Directors at its meeting held on 28 May 2019, confirmed the base compensation of Marc de Garidel to an annual amount unchanged at €600,000. For further information, see section 5.1.1 of the 2019 Universal Registration Document.

(3) Benefits in kind are defined in section B hereunder "Other benefits".

B. Details of the compensation elements granted to Marc de Garidel, Chairman of the Board of Directors

The compensation of the Chairman is determined by the Board of Directors upon recommendation of the Compensation Committee.

For the 2019 financial year, the Board of Directors, upon recommendation of the Compensation Committee, fixed, at its meeting held on 28 March 2018, the compensation elements of Marc de Garidel in respect of his duties as Chairman of the Board of Directors.

It is recalled that Marc de Garidel was Chairman and Chief Executive Officer until 18 July 2016.

Base compensation

Base compensation is subject to be reviewed by the Board of Directors according to the Company's market position and taking into account changing responsibilities.

The Company Board of Directors, at its meeting of 28 March 2018, approved an amendment of the specific missions of Marc de Garidel as Chairman of the Board of Directors, linked to his functions as Chief Executive Officer of Corvidia Therapeutic Inc., and reviewed consequently the amount of his base compensation (for more information, see section 5.1 of the 2019 Universal Registration Document). Upon recommendation of the Compensation Committee, the Board of Directors fixed the base compensation of Marc de Garidel to an annual gross amount of €600,000 previously fixed at €800,000. For 2018, this amount has been paid in a *prorata temporis* basis as of 1 April 2018.

The Shareholders' Meeting held on 28 May 2019 renewed the office of Marc de Garidel as a Director for a duration of 4 years. The Board of Directors held after this Meeting also renewed him in his duties as Chairman of the Board of Directors, Chairman of the Innovation and Development Committee – Specialty Care and Chairman of the Innovation and Development Committee – Consumer HealthCare, for the duration of his office as a Director.

In compliance with the compensation policy applicable to the Chairman of the Board of Directors of Ipsen approved by the Shareholders' Meeting of 28 May 2019 in its tenth ordinary resolution, and in compliance with the AFEP-MEDEF Code, the Board of Directors, upon recommendation of the Compensation Committee, also confirmed the base compensation of Marc de Garidel to an annual amount unchanged at €600,000.

Annual variable compensation

The Board of Directors has decided that Marc de Garidel will not receive any variable compensation in respect of his duties as Chairman of the Board of Directors. The Board of Directors, on 28 May 2019, recalled that no variable compensation will be paid or granted to Marc de Garidel as part of his duties as Chairman of the Board of Directors of the Company.

Multi-annual variable compensation

The Board of Directors has decided that Marc de Garidel will not receive any multi-annual variable compensation in respect of his duties as Chairman of the Board of Directors of the Company.

Compensation as a Director

The Board of Directors has decided that Marc de Garidel will not receive any compensation as a Director in respect of his office as Chairman of the Board of the Company. The Board of Directors, on 28 May 2019, recalled that no compensation as a Director will be paid or granted to Marc de Garidel as part of his duties as Chairman of the Board of Directors of the Company.

Stock options and performance shares

The Board of Directors has decided that Marc de Garidel will not receive any stock options and/or performance shares in respect of his duties as Chairman of the Board. The Board of Directors, on 28 May 2019, recalled that no stock options and/or performance shares will be paid or granted to Marc de Garidel as part of his duties as Chairman of the Board of Directors of the Company.

Other benefits

Marc de Garidel receives benefits resulting from the conditions linked to the performance of his duties at Ipsen. The Board of Directors, at its meeting held on 28 May 2019, upon recommendation of the Compensation Committee, redefined Marc de Garidel's benefits. The detail of those benefits is as follows:

- assistance for the preparation and filing of personal income tax returns, in relation to his Ipsen compensation in France;
- access to a car 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 in relation to the exercise of his duties at Ipsen,
- administrative support provided by the Ipsen executive assistants of the Company in relation to his duties at Ipsen.

Payments, benefits and compensation granted or to be granted to Marc de Garidel upon termination of his functions within the Group

In accordance with Ipsen policy and in accordance with the AFEP-MEDEF Code, the Board of Directors, at its meeting held on 8 July 2016, decided to grant Marc de Garidel:

- a severance payment,
- the benefit of a defined benefit additional pension scheme existing within the Company,
- a compensation under a non-compete agreement.

These payments and benefits that may be owed to the Chairman in connection upon termination of his duties replace those previously granted in respect of his duties as Chairman and Chief Executive Officer by the Board of Directors of 11 October 2010.

The Board of Directors, on 28 May 2019, decided to modify the conditions under which Marc de Garidel 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 fixed compensation paid for his duties as Chairman of the Board,
- 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 Marc de Garidel.

Details of these commitments are given below (see section D. below).

C. Subscription and/or purchase options and performance shares granted to Marc de Garidel, Chairman and Chief Executive Officer until 18 July 2016

Executive directors and other senior executives of the Group can be awarded stock options and/or performance shares in the scope of the plans approved and set every year by the Board of Directors upon recommendation of the Compensation Committee. The number of shares vested shall depend on whether applicable performance conditions are met.

For the record, in respect of his office as Chairman and Chief Executive Officer until 18 July 2016, Marc de Garidel benefited from options described below.

In accordance with the AFEP-MEDEF Code (§25.2), no stock options and/or performance shares have been granted to Marc de Garidel, in respect of his office as Chairman of the Board, since 18 July 2016.

a. Subscription or purchase options granted to Marc de Garidel, Chairman and Chief Executive Officer until 18 July 2016

Subscription or purchase options granted during the 2019 financial year (table 4 of AMF recommendations)

No options were granted to the Chairman, Marc de Garidel, during the 2019 financial year.

Summary of the subscription or purchase options of Ipsen shares granted

For further details, see section 5.2.2.3 of the 2019 Universal Registration Document.

	Date of grant	Quantity granted	Nature des options	Date d'exercice	Date de début exercice	Date d'expiration	Number of options granted
Marc de Garidel Chairman of the Board of Directors [(1)]	30/06/2011	121,180 [(2)]	Options de souscription	€25.01	01/07/2015	30/06/2019	121,180 [(3)]
Totaux		**121,180 [(1)]**					

(1) Marc de Garidel was Chairman and Chief Executive Officer until 18 July 2016 and then Chairman from this date.
(2) Allocation subject to performance conditions.
(3) Marc de Garidel exercised 121,180 options on 3 November 2016.

In accordance with the provisions of article L.225-185 of the French Commercial Code, the Board of Directors, at its meetings held on 30 June 2011, established rules requiring the Chairman and Chief Executive Officer to retain a number of shares resulting from options, until the end of his term of office, equivalent to 20% of the net capital gain that would be realized upon the sale of the shares resulting from option shares.

Subscription or purchase options exercised during 2019 (Table 5 of the AMF recommendations)

No options were exercised by Marc de Garidel during the 2019 financial year.

Summary of performance shares granted

Marc de Garidel did not benefit from performance shares during the 2019 financial year.

The table below describes the total of performance shares granted to Marc de Garidel as Chairman and Chief Executive Officer [(1)]. For further details, see Table 10, section 5.6.1.3.2 of the 2019 Universal Registration Document.

Corporate Officer	Date of grant	Quantity granted	Definitive acquisition date	Date of availability	Number of shares to be held
Marc de Garidel Chairman and Chief Executive Officer until 18 July 2016 [(1)]	01/04/2015	12,588 [(2)(3)]	02/04/2017	02/04/2019	20% capital gain net of acquisition value
	31/05/2016	5,070 [(2)(3)]	01/06/2018	01/06/2020 [(5)]	
Total		**17,658 [(4)]**			

(1) Marc de Garidel was Chairman and Chief Executive Officer until 18 July 2016 and then Chairman from this date.
(2) Allocation subject to performance conditions.
(3) As part of the separation of the functions, the Board of Directors, at its meeting held on 8 July 2016 decided that Marc de Garidel, in proportion to the time as Chief Executive Officer during the 2016 financial year, would continue to benefit from and (i) the variable compensation elements granted to him as part of the restricted shares plans by the Board of Directors on 1 April 2015 (for the 2015 and 2016 financial years) as well as (ii) the variable compensation elements granted to him as part of the restricted shares plans by the Board of Directors on 31 May 2016 (for the 2016 and 2017 financial years). The number of performance shares granted to him, adjusted *prorata temporis*, amounted to 5,070 shares (27.35% or 5,070 shares).
(4) Representing 0.1% of the share capital on 31 December 2019.
(5) 50% of shares became available on 1 June 2018

In accordance with the provisions of article L.225-197-1 of the French Commercial Code, the Board of Directors, at its meetings held on 30 June 2011, 30 March 2012, 28 March 2013, 27 March 2014, 1 April 2015 and 31 May 2016 established rules requiring the Chairman and Chief Executive Officer to retain a number of shares resulting from performance shares, until the end of his term of office, equivalent to 20% of the net capital gain that would be realized upon the sale of the shares resulting from performance shares.

Marc de Garidel, Chairman and Chief Executive Officer until 18 July 2016, undertook a formal commitment not to engage in hedging transactions either on his 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.

Performance shares that have become available during the 2019 financial year (Table 7 of AMF recommendations)

Corporate Officer	Date granted	Number of shares that became available
Marc de Garidel Chairman of the Board of Directors [1]	01/04/2015 [3]	12,588 [2]

(1) Marc de Garidel was Chairman and Chief Executive Officer until 18 July 2016 and then Chairman from this date.
(2) Allocation subject to performance conditions.
(3) 7,681 shares were acquired after application of the achievement of the in consideration of the Group's performance. 50% of the shares becoming available during the 2018 financial year. The balance will be available on 1 June 2020.

D. Summary of commitments made to Marc de Garidel, Chairman of the Board of Directors (Table 11 of AMF recommendations)

	Employment contract		Additional pension scheme		Payments or benefits granted or to be granted in connection with the termination or change of functions		Compensation under a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Marc de Garidel		X	X		X		X	

Employment contract

Marc de Garidel, Chairman of the Board, does not have any employment contract.

Retirement scheme

Marc de Garidel, Chairman of the Board, may potentially benefit from the defined benefit additional pension scheme of the Company pursuant to the decision of the Board of Directors held on 8 July 2016. This pension commitment more broadly benefits the company's executives.

The benefit of the pension commitment is subject to:

- a minimum 5-year service,
- claiming Social Security pension at a full rate,
- the termination of any professional activity with the Company at the date of the liquidation of basic and additional pensions.

However, the right is maintained in case of early retirement or dismissal after the age of 55 subject to non-resumption of professional activity or if classified as having a 2nd or 3rd category of disability.

Furthermore, in case of death of the beneficiary during retirement, the potential right to widow or widower's pension is maintained.

In accordance with the regulations, the grant of this additional pension scheme shall be subject to a performance condition, since 2019, the level of the core operating margin of the Group during the three years preceding departure at a minimum threshold of 20%.

The pension is calculated at a rate of 0.6% per year of seniority to the part of the reference compensation below 8 times the Annual Social Security Ceiling ("PASS") and at a rate of 1% for the part of the reference compensation in excess of 8 times the PASS.

The reference compensation is the average of the total gross compensation received for a full time position (bonus included) during the last 36 months preceding the end of the contract and/or corporate mandate. Severance payments, expense reimbursement, profit-sharing and incentives are excluded.

Seniority is limited to 40 years.

Terms governing survivor's pension benefits are set forth in the plan.

The annual pension owed to the beneficiaries shall not exceed 45% of their base and variable compensation.

The potential rights are financed by non-individualized premiums paid to an insurance institution. These premiums are deductible from the corporate tax base and subject to the contribution set forth in article L.137-11, I, 2° a) of the Social Security Code at the rate of 24%.

For Marc de Garidel, the amount of the annual pension established, as of 31 December 2019, is estimated at €49,527.

The closure of the Defined Benfit scheme in 2019, induces for Marc de Garidel a decrease of his expected pension below the level calculated in 2016. This pension should progressively amount to a level comparable to the one preceding his appointment as Chairman, should he leave on 31 December of the year of his 62nd birthday (see 2015 Registration Document).

Therefore, it was proposed to set up an additional individual Defined Contribution plan ("Art 82") to fill the gap between the Defined Benefit pension after crystallization and the level calculated in 2016. This would be paid at time of retirement, and in no event before November 2020. The retirement is being qualified as (1) having vested full rights under the French social security system *("retraite à taux plein")* and (2) not being a "mandataire social" (corporate officer) of Ipsen anymore.

The payment under this individual defined contribution plan will be subject to performance and presence conditions.

The criteria is the level of Core Operating Margin over the last 3 years preceding the payment; effective from the year 2019 onwards, the minimum level of achievement would be set at 20% per year.

The payment related to this scheme would require validation of the performance achievement by the Board of Directors and submitted to vote at the first possible General Shareholders'meeting following the date of retirement.

Payments or benefits granted or likely to be granted upon termination of his functions within the Group

At its meeting held on 8 July 2016, the Board of Directors decided to grant Marc de Garidel, Chairman of the Board, the right to a severance payment on the following terms, in accordance with the recommendations of the AFEP-MEDEF Code:

- 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 the remuneration received from the Company over the last 24 rolling calendar months preceding the effective date of his departure,
- the grant of which will be subject to the maintaining of the recurring operating margin of the Group during the three years preceding his departure at a minimum threshold of 15%, and
- including, for a portion equal to 50% of the amount hereof, the amount payable in consideration for the non-compete undertaking.

At its meeting held on 28 May 2019, the Board of Directors decided to modify the conditions under which Marc de Garidel 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 base compensation paid for his duties as Chairman of the Board,
- 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 Marc de Garidel.

Non-compete payment

Marc de Garidel, Chairman of the Board, agreed, in the event of his departure from the Group, during a period of 24 months following the date of his effective departure, not to perform or participate from an operational standpoint (including as a consultant), within the territory of the European Economic Area (EEA) and/or North America, in any activity relating to the development and/or the marketing of products belonging to the same therapeutic category (source IMS-Health) as the top three products of the Group in terms of turnover on the date of his effective departure.

The indemnity owed by the Company in consideration of this non-compete undertaking will be included in the severance package described above if it were also granted, for a portion equal to 50%.

The compensation of Marc de Garidel, is fully aligned with the Company's compensation policy. His total compensation is composed of an annual base salary, no variable remuneration, no eligibility to performance shares, this compensation is also based on the recommendation of the Remuneration Committee.

■ Compensation of the CEO

For financial year 2019, the compensation elements of David Meek, Chief Executive Officer, were determined by the Board of Directors, upon recommendation of the Compensation Committee, at its meeting held on 13 February 2019.

In accordance with Articles L.225-37-2 and L.225-100 of the French Commercial Code, the compensation elements paid during the financial year ended 31 December 2019 or granted to David Meek, Chief Executive Officer, for the financial year ended on 31 December 2019, in respect of his term of office, comply with the compensation policy approved by the Shareholders' Meeting held on 28 May 2019 in its eleventh ordinary resolution.

It is nevertheless specified that the payment of the variable compensation elements granted to David Meek for the financial year ended on 31 December 2019 will depend on the approval by the next Shareholders' Meeting of the compensation elements paid during the previous financial year or granted on the previous year.

In accordance with Articles L.225-37-2 and L.225-100 of the French Commercial Code, the compensation policy applicable to David Meek, in respect of his duties as Chief Executive Officer, was determined by the Board of Directors, upon recommendation of the Compensation Committee, at its meeting held on 13 February 2019 and will be subject to a resolution submitted to the approval of the next Shareholders' Meeting.

A. Summary tables of compensations, options and shares granted to David Meek, Chief Executive Officer

Summary table of compensations, options and performance shares (Table 1 of AMF recommendations)

(gross rounded amount – in euros)	2018 Financial Year	2019 Financial Year
David Meek Chief Executive Officer		
Compensations due for the year (see details below)	1,886,049	3,706,715
Book value of multi-annual variable compensations granted during the year	–	–
Book value of the options granted during the year	–	–
Book value of the bonus shares granted during the year [*]	1,240,512 [1]	1,314,933 [2]
Total	**3,126,561**	**5,078,059**

[*] For further details, see section 5.1.3.3.1 of the 2019 Universal Registration Document and paragraphs B and C below.
[1] Book value for a target award of 9,230 performance shares, on the day of the grant.
[2] Book value for a target award of 11,730 performance shares, on the day of the grant.

Summary table of compensations (Table 2 of the AMF recommendations)

(gross rounded amount – in euros)	2018		2019	
	Amounts granted	Amounts paid	Montants attribués	Amounts paid
David Meek Chief Executive Officer				
Base compensation	900,000	900,000	950,000	950,000
Annual variable compensation – Annual performance	978,000 [2]	1,314,000 [1]	677,666 [3]	978,000
Multi-annual variable compensation	–	–	–	–
Exceptional compensation – Integration within the Group	–	–	–	–
Special financial indemnity	–	–	–	–
Compensation as a Director	–	–	–	–
Benefits in kind [4]	8,049	8,049	8,049	8,049
Non compete payment [5]	–	–	2,071,000	–
Total	**1,886,049**	**2,222,049**	**3,706,715**	**1,936,049**

[1] The Board of Directors, at its meeting held on 14 February 2018, upon recommendation of the Compensation Committee, fixed, in view of the realization of the pre-established criteria, the amount of the annual variable compensation for 2017 of the Chief Executive Officer at €1,314,000. This amount was paid in 2018, following the approval by the Shareholders' Meeting of 30 May 2018, of the compensation elements paid or granted to David Meek due to his mandate and for the previous financial year. The performance criteria and their achievement are presented in paragraph B below.
[2] The Board of Directors, at its meeting held on 13 February 2019, upon recommendation of the Compensation Committee, fixed, in view of the realization of the pre-established criteria, the amount of the annual variable compensation of the Chief Executive Officer for 2018 at €978,000 in respect of David Meek's exceptional bonus linked to the success of his integration within the Company. This amount was paid in 2019, following the Shareholders' Meeting held in 2019 to approve the 2018 financial statements, of the compensation elements paid or granted to David Meek due to his mandate and for the previous financial year. The performance criteria and their achievement are presented in paragraph B below.
[3] The Board of Directors, at its meeting held on 12 February 2020, upon recommendation of the Compensation Committee, fixed, in view of the realization of the pre-established criteria, the amount of the annual variable compensation of the Chief Executive Officer for 2019 at €677,666. This amount will be paid in 2020, subject to the Shareholders' Meeting approval of the compensation elements paid during the previous financial year or granted for the previous financial year to David Meek. The performance criteria and their achievement are presented in paragraph B below.
[4] Benefits in kind are defined in paragraph B hereunder "Other benefits".
[5] Non Compete payment: the Board of Directors of 17 December 2019 noted that, on 8 July 2016, David Meek agreed to a non-compete undertaking, under which David Meek has undertaken not to perform or participate from an operational standpoint (including as a consultant) in any activity relating to the development and/or the marketing of products belonging to the same therapeutic category (source IMS-Health) as one of the top three products of the Ipsen Group based on the turnover generated or their importance from a strategic standpoint and any product acquired by the Company between 1 January 2016 and the date of his effective departure, within the territory of the European Economic Area and/or North America, for a period of 24 months following the date of his effective departure, in return for a total consideration exceeding €300 million. David Meek also made an undertaking to the Company to prevent certain conflict of interest situations, for a period of 36 months following the date of his effective departure.
The Board, having considered that it was in the Company's interest to benefit from this protection, also verified that the new position to be taken by David Meek complied with the above-mentioned prohibition. The indemnity due by the Company with respect to the non-compete undertaking has been set at €2,071,000, corresponding to a year of gross compensation (fixed and short-term variable) based on the average of the compensation paid to David with respect to the last two financial year.

B. Details of the compensation elements granted to David Meek, Chief Executive Officer until 31 December 2019

The compensation of the Chief Executive Officer is determined by the Board of Directors upon recommendation of the Compensation Committee.

David Meek was Chief Executive Officer until 31 December 2019.

Base compensation

Base compensation takes into account Ipsen's 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.

Since he joined in 2016, his base compensation had remained unchanged. The level of responsibility increased with the growth of the Company and the Board of Directors decided to adjust, in a proportionate balance between the components of his total remuneration, the increase of his base compensation in 2019. The benchmark was based on European and international positions driven by an International survey provider on the same structure of Companies.

The Board of Directors, at its meeting held on 13 February 2019 and upon recommendation of the Compensation Committee, had set David Meek's base compensation at a gross annual amount of €950,000.

Annual variable compensation

The annual variable compensation was linked to the Group's global performance and to the realization of personal goals set for the Chief Executive Officer.

For the 2018 financial year, the Board of Directors, during its meeting held on 14 February 2018, has decided to grant 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, 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.

At its meeting held on 13 February 2019, the Board of Directors, upon recommendation of the Compensation Committee, set the gross amount of the variable part of the compensation for financial year 2018 at €978,000.

For the 2019 financial year, the Board of Directors, during its meeting held on 13 February 2019, has decided to grant David Meek a target variable compensation of €950,000, within a range of 0 to 200% (*i.e.*, from 0 to €1,900,000), based on the following quantifiable and qualitative performance criteria: two-thirds of this target amount is dependent on quantifiable criteria of equal weighting based on achieving levels of consolidated net sales, core operating income, fully diluted earnings per share and cash-flow from operations; the balance is based on managerial, strategic and Corporate Social Responsibility (CSR) qualitative criteria. The detail of qualitative has been precisely pre-established by the Board but is not made public for confidentiality reasons.

The weighting, the possible variation and the percentage of realization of the quantifiable and qualitative objectives decided by the Board of Directors are as follows:

	Criteria	Weight	Potential variation of the portion		
Performance indicators	*Consolidated net sales*	*1/6*	*0% to 200%*		
	Core operating income	*1/6*	*0% to 200%*		
	Cash-flow from operations	*1/6*	*0% to 200%*		
	Earnings per share	*1/6*	*0% to 200%*	% of achievement	Amount (in €)
Quantifiable objectives		2/3	0% to 200%	91%	576,333
Qualitative objectives		1/3	0% to 200%	32%	101,333
Total		**100%**	**0% to 200%**	**71%** (1)	**677,666** (1)

(1) Amounts are rounded.

The payment of the variable compensation elements of David Meek is subject to the approval of the Annual Shareholders' Meeting of 29 May 2020 to approve the financial statements for the year ended 31 December 2019, of the elements of compensation paid or granted in respect of the past year.

Multi-annual variable compensation

David Meek did not receive any multi-annual variable compensation.

Special financial indemnity

David Meek did not receive any special financial indemnity during 2019.

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.

The Chief Executive Officer can benefit from these plans whose features are described at paragraph 5.6.1.3.2 of the 2019 Universal Registration Document.

The Board of Directors, at its meeting held on 28 May 2019, granted to David Meek under the performance shares plan and contingent on Company performance 11,730 shares, representing 0.01% of the share capital.

Details regarding this allocation are given below, see section C.

Other benefits

David Meek received benefits resulting from the conditions linked to the performance of his duties at Ipsen, in particular: a relocation package in France, an assistance with filing his personal income tax returns, the reimbursement of reasonable attorney fees and expenses incurred in connection with the finalization of the terms and conditions of his office a company car and driver, the business travel and accommodation expenses incurred whilst exercising his duties, an healthcare coverage under a global healthcare policy, and death and disability coverage under the Group's policy or a specific policy, D&O liability insurance.

Payments, benefits and compensations likely to be granted to David Meek upon termination of his functions

Details regarding these commitments are given below (see section D).

C. Subscription and/or purchase options and performance shares granted to David Meek, Chief Executive Officer until 31 December 2019

Executive officers and other senior executives of the Group can be awarded stock options and/or performance shares in the scope of the plans approved and set every year by the Board of Directors upon recommendation of the Compensation Committee. The definitive number of stock option and/or performance shares to vest will depend on the applicable performance conditions.

a. Subscription and/or purchase options granted to David Meek, Chief Executive Officer until 31 December 2019

Subscription or purchase options granted during the 2019 financial year (table 4 of AMF recommendations)

No option was granted to the Chief Executive Officer, David Meek, during the 2019 financial year.

Synthesis of the subscription or purchase options granted (table 8 of AMF recommendations)

For more information about subscription or purchase options, see table 8, section 5.6.1.3.1 of the 2019 Universal Registration Document.

The Chief Executive Officer, David Meek, does not hold any Ipsen option.

Subscription or purchase options exercised during the 2019 financial year (table 5 of AMF recommendations)

No option was exercised by the Chief Executive Officer, David Meek, during the 2019 financial year.

b. Performance shares granted to David Meek, Chief Executive Officer until 31 December 2019

Performance shares granted during the 2019 financial year (table 6 of AMF recommendations)

	Plan date	Number of performance shares granted	Book value of the shares (1)	Book value of the shares (1)	Acquisition date	Date of availability	Performance conditions
David Meek Chief Executive Officer	28/05/2019	11,730 (2)	€112.10	€1,314,933	29/05/2022	29/05/2022	Yes

(1) Share value at the date of grant. For other information see Note 5 of the consolidated financial statements. The global amount of granted shares book value is listed in table 1 below.
(2) Allocation subject to performance conditions, representing 0.01% of the share capital as of 28 May 2019.

The Board found that the condition of presence attached to the 20,960 performance shares not yet acquired, granted to David Meek under the plans dated 30 May 2018 and 28 May 2019, will no longer be met as from the date of his departure from the Company. Consequently, David Meek shall lose all rights under said plans. David Meek will retain his rights with regard to the performance shares already acquired and not transferred (*i.e.* 15,141 performance shares granted under the 2016 and 2017 plans).

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 had decided, upon recommendation of the Compensation Committee, on the allocation of 11,730 performance shares (corresponding to 100% of the expected performance) to David Meek, Chief Executive Officer of Ipsen.

The definitive acquisition of these performance shares was subject to presence and performance conditions which would have been assessed at the end of an acquisition period of 3 years from the allocation date. The shares thus acquired were not subject to a holding period.

- 1/3 of the number of allocated shares subject to a performance condition external to the Ipsen Group, measured against the evolution of the Ipsen Share within the index of reference STOXX 600 TMI Healthcare (the "Index").
- 1/3 of the number of allocated shares subject to a performance condition internal to the Ipsen Group, assessed with respect to a Core Operating Income target.
- 1/3 of the number of allocated shares subject to a performance condition internal to the Ipsen Group, assessed with respect to the Clementia cumulative sales from 2019 to 2021.

The average of achievement of this 3 criterias will determine the total percentage of the number of shares to be acquired by the Beneficiary.

According to the compensation policy of the Chief Executive Officer approved by the Shareholders during the Shareholders' Meeting of 28 May 2019 in its eleventh ordinary resolution, the Board of Directors decided that the Chief Executive Officer would have to 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.

Summary of performance shares granted

On 17 December 2019, the Board found that the condition of presence attached to the 20,960 performance shares not yet acquired, granted to David Meek under the plans dated 30 May 2018 and 28 May 2019, would no longer be met as from 31 December 2019. Consequently, David Meek lost all rights under said plans.

David Meek will retain his rights with regard to the performance shares already acquired and not transferred (*i.e.* 15,141 performance shares granted under the 2016 and 2017 plans).

The table below describes, as of 31 December 2019, the total of performance shares granted to the Chief Executive Officer. For further details, see Table 10, section 5.6.1.3.2 of the 2019 Universal Registration Document.

Corporate Officer	Date of grant	Quantity granted	Vesting Date	Date of availability	Number of shares to be held
David Meek Chief Executive Officer	29/07/2016	10,021 [(1)]	30/07/2018	30/07/2020[(2)] (for 50% of shares)	20% capital gain net of acquisition value
	29/03/2017	13,365 [(1)]	30/03/2019	30/03/2021[(3)] (for 50% of shares)	
	30/05/2018	9,230[(1)]	31/05/2020 (for 50% of shares)	31/05/2020 (for 50% of shares)	
			31/05/2021 (for 50% of shares)	31/05/2021 (for 50% of shares)	
	28/05/2019	11,730 [(1)(4)]	29/05/2022	29/05/2022	
Totaux		**44,346** [(4)(*)]			

(1) Subject to performance conditions, see section above and below.
(2) 50% of the shares have been made available on 30 July 2018.
(3) 50% of the shares have been made available on 30 March 2019.
(4) The Board of Directors, on 17 December 2019, acknowledged that the presence condition for the performance shares not yet vested granted to David Meek with respect to the performance shares plans dated 30 May 2018 and 28 May 2019, are no longer satisfied as from the date David Meek leaves the Company.
(*) Approximately 0.05% of the share capital, as of 31 December 2019.

At its meeting held on 30 May 2018, upon recommendation of the Compensation Committee, the Board of Directors decided to award David Meek, Chief Executive Officer, 9,230 shares in the form of performance shares under article L.225-197-1 of the French Commercial Code.

Vesting of the performance shares was subject to a condition of presence at the Company. The number of performance shares that vest would depend on the degree to which the applicable performance conditions are met, which would be assessed annually by comparing the target level to performance achieved by the Company during the first and second financial years used as a reference for the plan. Each of the conditions is assessed on a scale of 0 to 250%.

For one-third of the number of shares granted, the performance conditions were set using an internal criterion based on the Group's core operating income; for the next one-third, using an internal criterion based on specific income; and for the last one-third, using an external criterion based on the performance of the Company's share price as compared to the STOXX 600 TMI Health Care index. The details of these internal and external performance requirements, as well as the degree of achievement (expected and reached), that have been precisely determined by the Board of Directors, are not disclosed for confidentiality reasons. In view of the expected performance (*i.e.* 100%), the number of performance shares granted has been adjusted as a result. These performance shares were subject to a two-year vesting period from their grant date and 50% of the shares thus acquired are subject to a two-year holding period.

At its meeting held on 29 March 2017, upon recommendation of the Compensation Committee, the Board of Directors decided to grant David Meek, Chief Executive Officer, 13,365 shares in the form of performance shares under Article L.225-197-1 of the French Commercial Code.

The vesting of the performance shares is subject to a presence condition in the Company. The definitive number of performance shares acquired was dependent on the level of achievement of the performance conditions applicable, that will be assessed annually by comparing the target level of performance achieved by the Company during the first and the second financial years set by the plan. Each of the conditions was assessed on a scale of 0 to 250%.

The performance conditions were based, for the one third of the granted shares, on an internal criterion based on the core operating income, for the second third on an internal criterion based on specific incomes and, for the last third, on an external criterion based on the relative performance of Ipsen's stock price compared to that of the other companies which are part of the STOXX TMI 600 Health Care index. The details of these internal and external performance conditions as well as the degree of achievement (expected and achieved), that have been precisely determined by the Board are not disclosed for confidentiality reasons. Considering the expected performance (*i.e.* 100%), the number of performance shares granted has been adjusted accordingly. These performance shares have been subject to a 2-year acquisition period from the date of grant and 50% of the shares thus acquired are subject to a 2-year holding period.

The Board of Directors, at its meeting held on 29 July 2016, upon recommendation of the Compensation Committee, decided to grant to David Meek, Chief Executive Officer, 10,021 shares, in the form of performance shares in accordance with the article L.225-197-1 of the French Commercial Code. This number of shares was calculated on a *prorata temporis* basis.

The performance conditions were based, for the half of the granted shares, on an internal criterion based on the current operating income and, for the other half, on an external criterion based on the relative performance of Ipsen's stock price compared to that of the other companies which are part of the STOXX TMI 600 Health Care index. The details of these internal and external performance conditions as well as the degree of achievement (expected and achieved), that have been precisely determined by the Board but are not disclosed for confidentiality reasons. In case of over achievement of the expected performance (*i.e.* 100%), the number of performance shares granted will be adjusted accordingly. These performance shares are subject to a 2-year acquisition period from the date of grant and 50% of the shares thus acquired will be subject to a 2-year holding period.

In accordance with the provisions of article L.225-197-1 of the French Commercial Code, the Board of Directors, at its meetings held on 29 July 2016, 29 March 2017, 30 May 2018 and 28 May 2019 had established rules requiring the Chief Executive Officer to retain a number of shares arising from the performance shares granted, equivalent to 20% of the capital gain net of acquisition value that would be realized upon the sale of the performance shares, until the termination of his duties as Chief Executive Officer.

David Meek had made a formal undertaking not to engage in hedging transactions, either on his performance shares granted, until the end of the holding period that has been decided by the Board of Directors.

Performance shares that have become available during the 2019 financial year (Table 7 of AMF recommendations)

David Meek will retain his rights with regard to the performance shares already acquired and not transferred (*i.e.* 14,472 performance shares granted under the 29 March 2017 plan). During the 2019 financial year, 50% of the performance shares granted to the Chief Executive Officer became available.

For further information, see table 10, section 5.6.1.3.2 of the 2019 Universal Registration Document.

Corporate Officer	Date granted	Number of shares becoming available
David Meek Chief Executive Officer	29/03/2017	7 236 [(1)]

[(1)] Allocation subject to performance conditions.

D. Summary of commitments issued in favor of David Meek, Chief Executive Officer until 31 December 2019 (Table 11 of AMF recommendations)

	Employment contract		Additional pension scheme		Payments or benefits granted or to be granted in connection with the termination or change of functions		Compensation under a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
David Meek Chief Executive Officer		X	X		X		X	

Employment contract

David Meek, Chief Executive Officer until 31 December 2019, did not have an employment contract.

Additional pension plan

David Meek, Chief Executive Officer, may potentially benefit from the Company's defined benefit additional pension commitment pursuant to the decision of the Board of Directors held on 8 July 2016. This pension commitment more broadly benefits to the company's executives.

The benefit of the pension commitment is subject to:

- a minimum 5-year service,
- claiming the Social Security pension at a full rate,
- termination of any professional activity with the Company at the date that basic and additional pensions are claimed.

However, the right is maintained in case of early retirement or dismissal after the age of 55 subject to non-resumption of professional activity or if classified as having a 2nd or 3rd category disability.

Furthermore, in case of death of the beneficiary during retirement, the potential right to widow or widower's pension is maintained.

In accordance with article L.225-42-1 of the French Commercial Code, the grant of this additional pension scheme shall be subject to a performance condition, the level of the core operating margin of the Group during the three years preceding departure at a minimum threshold of 20%.

The pension is calculated at the rate of 0.6% per year of seniority to the part of the reference compensation below 8 times the Annual Social Security Ceiling ("PASS") and at a rate of 1% for the part of the reference compensation in excess of 8 times the PASS.

The reference compensation is the average of the total gross amount of the compensation received for a full time position (bonus included) during the last 36 months preceding the end of the contract and/or office. Severance payments, expense reimbursement, profit-sharing and incentives are excluded.

Seniority is limited to 40 years.

Terms governing survivor's pension benefits are set forth in the plan.

The annual pension owed to the beneficiaries shall not exceed 45% of their base and variable compensation.

The potential rights are financed by non-individualized premiums paid to an insurance institution. These premiums are deductible from the corporate tax base and subject to the contribution set forth in L.137-11, I, 2° a) of the Social Security Code at the rate of 24%.

Given that entitlement to benefit from this plan requires a 5-year seniority, if David Meek had claimed any payment of his pension on 1 January 2019, he would have received nothing under the plan.

In addition, as the defined benefit plan is closed at 30 June 2019, the potential amount rights would have been based on crystallized projected benefit obligation in the case.

As a reminder, the additional defined-benefit pension scheme of which David Meek was a beneficiary was closed with an effective date of 30 June 2019 and, due to his departure, he has no rights thereunder.

Furthermore, since 1 July 2019, David Meek was a beneficiary of the mandatory additional defined-contribution group pension plan for the Group's senior executives, as indicated above, and would be entitled, at retirement, to a pension calculated from the amount paid in respect of his office in 2019, as from 1 July 2019, the date on which said defined-contribution plan was set up.

The estimated pension level for these contributions would be €2,022 per year, if he retired at the age of 62. The contribution appertaining to David Meek's variable compensation for 2019 will generate an additional pension contribution to be paid in 2020.

Payments or benefits granted or likely to be granted upon termination of his functions within the Group

At its meeting held on 8 July 2016, the Board of Directors decided to grant David Meek, Chief Executive Officer, the benefit of a severance payment on the following terms, in accordance with the recommendations of the AFEP-MEDEF Code: an indemnity which will only be due in the event of a forced departure *(départ contraint)* within the meaning of the AFEP-MEDEF Code, equal to 24 months of gross (base and variable) remuneration, the grant of which will be subject to the maintaining of the recurring operating margin of the Group during the three years preceding the departure at a minimum threshold of 15%, and including, for a portion equal to 50% of the amount hereof, the amount payable in consideration for the non-compete undertaking.

At its meeting held on 28 May 2019, the Board of Directors 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.

At its meeting on 17 December 2019, the Board of Directors found that the terms of the severance payment to which David Meek might be entitled had not been met, since his departure was voluntary. Therefore, no severance payment has been awarded to him.

Non-compete payment

The Board of Directors of 17 December 2019 noted that, on 8 July 2016, David Meek agreed to a non-compete undertaking, under which David Meek has undertaken not to perform or participate from an operational standpoint (including as a consultant) in any activity relating to the development and/or the marketing of products belonging to the same therapeutic category (source IMS-Health) as one of the top three products of the Ipsen Group based on the turnover generated or their importance from a strategic standpoint and any product acquired by the Company between 1 January 2016 and the date of his effective departure, within the territory of the European Economic Area and/or North America, for a period of 24 months following the date of his effective departure, in return for a total consideration exceeding €300 million.

David Meek also undertook, with regard to the Company, for a period of 36 months following the date of his actual departure, a commitment to prevent certain conflicts of interest.

The Board, having considered that it was in the Company's interest to benefit from this protection, also verified that the new position to be taken by David Meek complied with the above-mentioned prohibition.

The indemnity due by the Company with respect to the non-compete undertaking has been set at €2,071,000, corresponding to a year of gross compensation (fixed and short-term variable) based on the average of the compensation paid to David Meek with respect to the last two fiscal year.

The compensation of Mr David Meek was fully aligned with the Company's compensation policy. His total compensation was composed of an annual base salary, a variable compensation linked to the Group performance and individual objectives, a number of performance shares awarded by the Shareholder's meeting based on the recommendation of the Remuneration Committee and a benefit kind linked to his car.

Interim Chief Executive Officer, Aymeric le Chatelier

You are reminded that Aymeric Le Chatelier was appointed as interim Chief Executive Officer as from 1 January 2020. Consequently, he is not affected by the resolutions submitted to the Shareholders' Meeting to be held in 2020.

Information on compensation elements for Aymeric Le Chatelier are available on the Company's website www.ipsen.com.

Appendix 4 – Compensations paid or awarded in 2019 (articles L.225-100 III of the French commercial Code)

Regarding Mr. Marc de Garidel			
Compensation components of Marc De Garidel, Chairman of the Board of Directors, subject to a vote	**Amounts paid during the past financial year**	**Amounts granted for the past financial year, or book value**	**Presentation**
2019 fixed compensation	**€600,000**	**€600,000**	Fixed compensation

Regarding Mr. David Meek			
Compensation components of David Meek, Chief Executive Officer until 31 December 2019, subject to a vote	**Amounts paid during the past financial year**	**Amounts granted for the past financial year**	**Presentation**
2019 fixed compensation	**€950,000**	**€950,000**	Change in fixed compensation in light of market data. See Compensation of David Meek, paragraph 5.4.2.3 of the 2019 Universal Registration Document.
2019 annual variable compensation	**€978,000** (Approved by the Shareholders' Meeting on 28 May 2019)	**€677,666** (Amount to be paid after approval of the Shareholders' Meeting, subject to its yes vote)	Mention of annual variable compensation paid during the past financial year including, as applicable, the deferred portion relating to one or more previous financial years. Amount allocated for the past financial year with: • Quantifiable criteria for 2/3 and qualitative criteria (1/3) contributed to the determination of this variable compensation; • Maximum percentage of fixed compensation that variable compensation may represent: 100%; • The Board of Directors, on the recommendation of the Compensation Committee on 13 February 2019, and in view of the realisation of the pre-established criteria, set the amount of the annual variable compensation of the Chief Executive Officer for 2018 at €978,000. This amount was paid following the Shareholders' Meeting held in May 2019 to approve the amounts of the compensation components to be paid or granted to David Meek for the previous year. • See table B page 39 above and Chapter 5.4.2.3 of the 2019 Universal Registration Document.

Compensation components of David Meek, Chief Executive Officer until 31 December 2019, subject to a vote	Amounts paid during the past financial year	Amounts granted for the past financial year	Presentation
Stock options, performance shares, or any other long-term benefit (warrants, etc.)		**€1,314,933** (Book value of performance shares granted for the past financial year)	11,730 shares were granted representing 0.01% of the share capital • 1/3 of the number of shares granted will be subject to a performance condition external to the Ipsen Group, measured against the change in Ipsen stock on the reference index, STOXX 600 TMI Health Care. • 1/3 of the number of shares granted will be subject to a performance condition internal to the Ipsen Group, assessed in comparison with a target core operating income. • 1/3 of the number of shares granted will be subject to a performance condition internal to the Ipsen Group, assessed in comparison with cumulative sales of Clementia from 2019 to 2021. The average fulfilment these three criteria will determine the total percentage of the number of shares to be acquired by the beneficiary. See table C page 39 above and Chapter 5.4.2.3 of the 2019 Universal Registration Document. David Meek has lost all rights under this plan.
Benefits in kind	**€8,049**	**€8,049**	Company car
Non-compete payment		**€2,071,000**	The Board of Directors has recognised that on 8 July 2016, David Meek accepted certain non-compete undertakings. The Board, having considered that it was in the Company's interest to benefit from this protection, also verified that the new position to be taken by David Meek complies with the above-mentioned prohibition. The payment owed by the Company under this non-compete undertaking has been set at €2,071,000, corresponding to a year of gross compensation (fixed and short-term variable), based on the average of the compensation paid to David Meek with respect to the last two financial years. Reminder of the Board's decision date: 17 December 2019.