Building Bridges for PATIENT CARE

#DialogueForPatientCare

#IpsenGroup

IPSEN IN 2016

IPSEN
Innovation for patient care

Contents —

#DialogueForPatientCare

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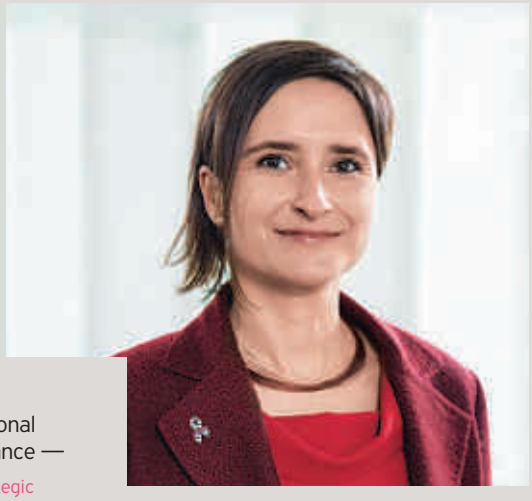
#DialogueForPatientCare



Teodora Kolarova /
Executive Director, International Neuroendocrine Cancer Alliance —

Coming from a background of strategic communications, Teodora Kolarova has a long-lasting experience in cancer and rare disease patient advocacy and healthcare awareness raising.

Sara Van Geertruyden /
Executive Director, Partnership to Improve Patient Care —

An advocate for the importance of patient-centeredness in shaping the future of payment reform, Sara Van Geertruyden is also a partner with Thorn Run Partners.

At Ipsen the patient is at the heart of what we do. We continuously invest to innovate and deliver therapeutic solutions for the patient's benefit. To hear their point of view, Ipsen CEO David Meek sat down with three patient advocates from the United States and Europe on March 13, 2017. Participants could discuss such critical issues as patient empowerment, patient-centered research, involving patients in the drug development process, access to innovative drugs and the role of real-world data.

David Meek /
CEO, Ipsen —

David Meek, who has over twenty-five years of experience, has held various global executive positions in major pharmaceutical and biotechnology companies in Europe and North America.

Beata Ambroziewicz /
Chairwoman of the Board, Polish Union of Patient Organizations —

Beata Ambroziewicz works with a number of patient advocacy groups in Poland and is Deputy Editor-in-Chief of the "Oncological Patient Voice".

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Why is patient empowerment an important cultural change? —

BEATA AMBROZIEWICZ "I think that patient empowerment is crucial and is really happening right now. We see that patients are being treated as partners and as a very important part of the whole healthcare system."

"Of course, we are trying to collaborate with as many stakeholders as possible, with medical experts and also the pharmaceutical industry, not only to show problems patients are dealing with, but also to show the recommendations and solutions that are created by patients and experts together. We are trying to have a dialogue with the Ministry of Health to really show what we can do together, with benefits for the whole country, because everyone might be a patient sooner or later."

SARA VAN GEERTRUYDEN "One thing we have done in the United States is to create the Patient-Centered Outcomes Research Institute, whose mission is to engage patients early and often in the development of comparative effectiveness research studies. And what we're learning is that the outcomes patients want to achieve are much different from what researchers think patients are trying to achieve. So, we want to listen and to learn what's really going on with patients and what they're trying to achieve in their care is a significant culture change."

TEODORA KOLAROVA "It's key that patients are involved, for example, in healthcare technology assessment. This is something that, luckily, we see happening more and more regularly now. I know there are countries where no decision can be taken without a patient representative at the table. They are not the majority yet, but I think we are all pushing in that direction because it just makes good sense to go there. This is the only way that we can change things, by having our voices heard."

SARA VAN GEERTRUYDEN "The culture is changing in the clinical community to value patient engagement. Doctors

What is empowerment and why is it necessary?

The World Health Organization defines empowerment as "a process through which people gain greater control over decisions and actions affecting their health…" Empowerment may be a social, cultural, psychological or political process through which individuals and social groups are able to express their needs, present their concerns, devise strategies for involvement in decision-making, and achieve political, social and cultural action to meet those needs. —

> Since there's a huge gap in access to reliable information in different European countries, this is what we should focus on from the very beginning. —
>
> **Beata Ambroziewic**

are much more open to a conversation about the outcomes patients want to achieve and to team-based care, where it's not just the doctors involved, but also the nurses and the whole team of allied professionals."

DAVID MEEK "And let's remember that we are not just talking about an individual patient; we're talking about a family. When you talk to physicians, they say that it's rare that just one individual shows up; the patient is surrounded."

"They have people sharing information with them – family members and friends. There is a wealth of information. Is it the right information? That's something we can improve upon to make sure it is, but all this information should spark a great dialogue between the patient and the caregiver."

BEATA AMBROZIEWICZ "Since there's a huge gap in access to reliable information in different European countries, this is what we should focus on from the very beginning. If we have this necessary information, we can really be a part of the whole process and share it with patients."

The patient-centered care movement

While the concept of patient-centered care is now often accepted by governments, healthcare leaders and insurers, its effectiveness is difficult to measure. As the movement matures, supporters are refining their approach. In the United States, the Patient-Centered Outcomes Research Institute funds comparative clinical effectiveness research "to determine which of the many healthcare options available to patients and those who care for them work best in particular circumstances". —

There are countries where no decision can be taken without a patient representative at the table. —

Teodora Kolarova

SARA VAN GEERTRUYDEN "That's right. We talk a lot about the importance of shared decision-making, but you can't share the decision if you don't have information about the comparative effectiveness of the treatments on outcomes that matter to you and on patients that share your characteristics."

DAVID MEEK "I think the information goes every way, and everybody at the table is learning. All the stakeholders are learning."

"The landscape is moving fast with information technology today, and many patients, depending on their disease state, are treated with multiple therapies, so their disease state can be complex. The therapies they're treated with can be complex – they all interact with each other. But really keeping the patient at the center is what we're trying to accomplish… I fundamentally believe that everybody who is trying to have access to innovative medicines for patients has one goal in mind, and that is to help patients get better. How can we do it more effectively in the future? By just having reasonable people with a great objective sitting together and doing things better than we've done in the past. I'm very optimistic that we can do that."

TEODORA KOLAROVA "Yes, and building on dialogue among all stakeholders. I think what is key is a multidisciplinary team, for effective two-way communication, because

Our goal is to have decision-makers look at the value of healthcare in a context that better reflects what patients want to achieve. —

Sara Van Geertruyden

with complex diseases like neuroendocrine tumors, it's a struggle for the patient to understand what is going on with them. And for the physician, it is a big challenge to tackle the disease and manage it.
This is how communication gaps sometimes tend to grow, and this is what we should all be trying to bridge, for the sake of more effective collaboration and changing the status quo."

BEATA AMBROZIEWICZ "Yes, we're talking about the long-term perspective, not only the treatment. Of course, treatments are expensive, but we also want to show the social impact. Patients come back and work and pay taxes; it's not only about costs; it is really a benefit for society when people come back to their social and professional life and can support their families."

TEODORA KOLAROVA "I think it is also important that it's not really company- or industry-driven information provision but the result of a collaborative effort. Pharmaceutical companies are very open to this already, which is a great asset to the community."

DAVID MEEK "You're absolutely right. We want to know, we are hungry to learn about how new drugs fit into the marketplace and how they impact patients. We shouldn't own it; we can collaborate, as you said. We have skills and expertise, and other stakeholders have skills and expertise, and when we add these up and collaborate, we can answer some of the big questions that patients, policymakers and physicians have, and that we have. Well after the product is registered, we're constantly learning about these products. We want to know how things change over time. For that, working in collaboration with many stakeholders is key."

TEODORA KOLAROVA "I think such dialogue and collaboration can help bring awareness to a new level – advocacy – and allow us to go to the decision-makers with an informed task-list, if you like, advocating for what we need to improve the care of our patients."

SARA VAN GEERTRUYDEN "Our goal is to have decision-makers look at the value of healthcare in a context that better reflects what patients want to achieve and look at it over a longer period of time." ◆

See all the exchanges
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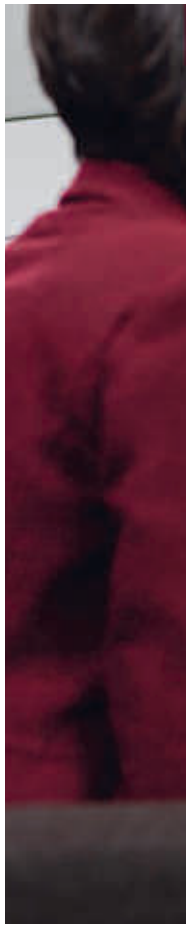
How can we put patients at the center of research? —

An essential debate



DAVID MEEK "Having patients engaged early as we design clinical trials, we can look for endpoints that really matter to patients. We want patients to do well and that's really important for us because that allows us to take learning to another level."

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TEODORA KOLAROVA "We have to involve patients from day one. Why was this clinical trial designed? What benefit will it bring to patients? It also helps you [the pharmaceutical industry] understand where what you're working on could take you and how it would impact the community for which you're developing it. What is of paramount importance – and luckily is happening nowadays – is that we are going from treating the disease to treating the patient."

SARA VAN GEERTRUYDEN "The diversity of clinical trials is important, too. Another challenge is to make sure that we have robust clinical trials but that we're also looking at post-market evidence to help us understand what is happening in the real world. And then using that information to innovate, so that when you create new clinical trials and new products, you're identifying and looking to achieve outcomes that really matter to patients."

BEATA AMBROZIEWICZ "We should support all initiatives that bring patients together, that build a broad representation of patients when dealing with decision-makers. This is what we have been doing for many years now in Poland. We are trying to empower patient organizations and patients to really have a strong voice in the healthcare system, and to be partners with physicians, decision-makers and all other stakeholders."

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How can patient involvement in the drug development process be encouraged? —

TEODORA KOLAROVA "Involving patients in the design of clinical research and trials is key because this is how we can really contribute to a meaningful process: helping with research design, addressing some unmet needs, and also helping patients and the community understand what the benefits of these efforts would be, which is currently a huge unmet need. We can change this by actually involving the patient community in this process from day one. This is something that the industry is recognizing more and more nowadays, and I think it will become a rule very soon."

BEATA AMBROZIEWICZ "I agree that it is crucial for patients to understand the purpose and the whole process of clinical trials."

"What we struggle with in Poland, and in many European countries, is first of all access to clinical trials, because there are so few in Poland compared with the United Kingdom or France. Only four in a hundred patients have access to clinical trials. In the last two years, there were 600,000 people enrolled in trials in the United Kingdom and only 30,000 in Poland. This is a huge gap. And we do not have a national Web portal or database of ongoing clinical trials, so we have to use portals in other languages like ClinicalTrials.gov. Physicians do not know where the clinical trials are being done, so they cannot support patients.

There is also a problem with recruiting patients because, if there is no information, then patients cannot access the clinical trials. We need more educational campaigns to explain the benefits of clinical trials. They are still seen as experiments and something terrible. Which we know isn't the case."

SARA VAN GEERTRUYDEN "In the United States, we also struggle with access to clinical trials, particularly for patients who don't live near a treatment center."

It takes some time to educate patient representatives and bring them up to the standards of the conversation. —

Teodora Kolarova

Guidance on patient participation

"Patient input during drug product research, development, review, and post-marketing evaluation is critical to the development and life-cycle management of treatments that meet patient needs, enhance the research and approval processes, and improve patient outcomes… The FDA recognizes patients as experts and believes patients can bring their experiences to bear to enhance regulatory decision-making."

Source: "Patient-Focused Drug Development – Recommended Language for Use in Guidance Document Development", US Food and Drug Administration, February 2017. —

"You really have to provide some support to patients if you want to get a diverse population into those trials. It's not easy."

DAVID MEEK "Patient access to clinical trials and awareness of clinical trials have been challenges for years, and it is about time we fixed this. So much of the drug development timeline is taken up with recruiting and enrolling patients in trials, and only a single-digit percentage of eligible patients are in clinical trials. Being in a clinical trial can be a great thing because you're getting standard of care and being treated according to all international guidelines. The faster we enroll these trials, the faster we know if the product is safe and effective. If it's not, it stops. If it's safe and effective, we want to make sure we get it to patients as soon as possible."

BEATA AMBROZIEWICZ "It could be very beneficial to show that you really cooperate with patients and healthcare."

"There's a greater cause for this and we are working together from scratch to really understand each other. Clinical trials are not something that is just done by a company – it is something to really help everyone."

No completion, no progress

Clinical trials are the accepted scientific method for testing the effectiveness of new treatments as compared with the current standard of care, but many trials are never even completed. One recent study showed that 19% of registered clinical trials that closed in the United States in 2011 failed because not enough patients were enrolled and recommended careful scrutiny of trial design, recruitment plans and feasibility of achieving accrual targets. —

Source: "Unsuccessful Trial Accrual and Human Subjects Protections: An Empirical Analysis of Recently Closed Trials", B. Carlisle, J. Kimmelman, T. Ramsay, N. MacKinnon.

Patient access to clinical trials and awareness of clinical trials have been challenges for years, and it is about time we fixed this. —

David Meek

DAVID MEEK "I'd like to see such cooperation become standard practice, so that patient representatives – not just one representative – are speaking for an entire group of patients who are empowered. The expectation is that the representatives are well informed and able to contribute at a pretty high level and to have an influence – it is important that they are not just sitting at the table because it looks good but are actually contributing and being acknowledged, and not just by the industry, because I think the industry is pretty open to this. We want to be more so in the future. It's about bringing everybody to the table: regulators, clinicians, investigators and so on."

TEODORA KOLAROVA "It's about having the right people who have the right representation, too, because, as David said, it's not just about sitting around the table, it's about really being knowledgeable and representing the community and having a valid part in this dialogue."

We need more education to explain the benefits of clinical trials. —

Beata Ambroziewicz

"It takes some time to educate patient representatives and bring them up to the standards of the conversation, which is happening among healthcare professionals, especially with complex diseases. That can be time-consuming, too.

I'd like to talk about consent forms. It is important that they are understandable for the patients and not a hundred-page thing you can easily get lost in, but really a tool to help you comprehend what would be at stake for you and how you would add value by taking part in it and ultimately see the benefits. This is something that the patient community is working a lot on, together with healthcare professionals, but it would also be great to be supported by the pharmaceutical industry."

BEATA AMBROZIEWICZ "Yes, so that the patient is really part of this process. This is what we are working on in Poland with the Clinical Trials Registry Office. There will be patients on the council, and they will assess all the documents about clinical trials, information on leaflets and so on, so they will be understandable and really informational for patients, not for lawyers or those who create them. That will help us reach more and more patients, and we, as patient organization representatives, can share this information as much as we can."

TEODORA KOLAROVA "Going back to the design of the clinical trial, patients' concerns should be included in those consent forms at the very beginning, to explain, for example, how many visits, how many follow-ups will be needed, how invasive that is, what the risk factor is, what the side effects are, how they can be managed, who they can turn to and so on."

"Patients live with the disease every day. It is not just those three minutes or ten minutes that it takes for the interaction with the medical team. They then go home and have to tackle all that by themselves, and they need the right information and tools to do that and be prepared for what might happen to them or their family members." ⊘

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What is the value of real-world data?

Good data source

"Real-world data is often not viewed by the academic community as being as rigorous as a randomized clinical trial, but patients argue that it is often much more informative than research trials. We need to build an appreciation in the research community that this is a good source of data and should help determine the value of treatments." —

Sara Van Geertruyden

David Meek

A learning community

"We need to be open and pragmatic and take a look at different data sources. We all want to know what the real-world impact on patients is. We need to continuously update the real-world effectiveness data and become a learning community for how to best treat these patients." —

The big picture

Randomized clinical trials (RCTs) are considered the "gold standard" in determining the efficacy and safety of a treatment, but they only show one piece of the puzzle, not the big picture. Real-world data provided by patients, physicians and caregivers can supplement the data supplied by RCTs by providing information on how a therapy works in real-life conditions. "Real-world data are essential for sound coverage and reimbursement decisions," concludes a report from the ISPOR Real-World Data Task Force. —

Source: "ISPOR Real-World Data Task Force" report, L.P. Garrison Jr, P.J. Neumann, P. Erickson, D. Marshall, C.D. Mullins.

Wearable devices

Wearable devices – like sensors, biometric watches and even smart contact lenses – that collect health-related information can be a source of such valuable real-world data as heart rate, blood flow and temperature, and have great potential for demonstrating and monitoring the effectiveness of a treatment, but a number of barriers to their use by the scientific community remains, since the information they supply is not standardized, and issues relating to privacy and validity still need to be resolved. —

Source: "The Emerging Role of Wearable Devices for Real-World Data Collection: Engagement or Activation?" Thom Schoenwaelder, Vice President, PAREXEL Access, PAREXEL International. October 18, 2016.

Real-world evidence

The European Medicines Agency report "Update on Real World Evidence Data Collection" defines "real-world evidence" (RWE) as that gathered from registries, electronic health records and insurance data, which can provide information on existing therapies and the profile of patients needing treatment. Electronic health records and insurance data are expected to become major information sources. While the greatest potential of RWE is for authorized products, it has "an important role in supporting innovative products and adaptive pathways". —

Source: "Update on Real World Evidence Data Collection", European Medicines Agency.

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How can access to innovative drugs be accelerated? —

TEODORA KOLAROVA "This is not something that can be solved with a magic wand. Obviously, there are so many different contexts, and it is a matter of budget. Healthcare is not only about innovative medicine; you have to be appreciative of the whole mix needed to provide care, especially with poorer countries or less wealthy countries. This is a huge challenge the systems face. But, of course, as patient advocates, our aspiration is to bring the best that we can to our patients as quickly as possible. We face challenges along the way to do that, but what we try to bring to the table is real-world evidence, showing that this is something that would really help and make a difference, and advocating that it happens as soon as possible."

BEATA AMBROZIEWICZ "There are many differences in access to innovative treatment in different European countries and in different diseases. The situation is improving right now in Poland. More and more drugs are being reimbursed, but we still have to wait around two or three years from registry to reimbursement, if it happens. This is really a long time for patients to wait for treatment; this is really difficult."

DAVID MEEK "Patients need to have access to new innovative therapeutic solutions as soon as possible."

SARA VAN GEERTRUYDEN "And each patient is different, too. We often say that no patient is average. So, many of the studies that tend to drive coverage look at patients as averages. They say 'X works better than Y on the average patient.' In the United States, we have this personalized medicine initiative, also known as the Precision Medicine Initiative. The mentality of covering only what is cost-effective based on what works for the average patient is in direct contrast with this whole initiative to treat the person, as opposed to the population with a disease."

I believe every day matters to these patients. A phrase I use is "leave no patient behind". —

David Meek

Access to innovative treatment is still challenging

The report "Challenging the Europe of Disparities in Cancer", published by the European Cancer Patient Coalition, found that "increased understanding of disease biology is fueling a 'personalized cancer medicine' revolution. However, providing [innovative] treatments in a timely fashion to European cancer patients is hampered by a pricing/reimbursement approach that differs markedly between individual European countries, thus accentuating disparities in access to optimal cancer care." —

Source: "Challenging the Europe of Disparities in Cancer", published by the European Cancer Patient Coalition on behalf of the Europe of Disparities in Cancer Working Group (Chair: M. Lawler. Members: K. Apostolidis, I. Banks, F. Florindi, M. Militaru, R. Price, R. Sullivan, F. De Lorenzo).

BEATA AMBROZIEWICZ "And the registration process should be more coordinated, especially in the EU. When we have registration, it is registered in every country, but then problems occur."

Of course, the healthcare system is different in every country, but there might be some changes that can speed up the whole thing, and we are now trying to implement compassionate use and some other early-access mechanisms in Poland. We're keeping our fingers crossed that this will happen, maybe this year. It will really help patients. Of course, we also support patients financially so they can buy therapy until they are reimbursed, so we never wait

Low- and middle-income countries

According to the World Health Organization's "World Cancer Report 2014", the incidence of cancer increased from 12.7 million in 2008 to 14.1 million in 2012 and is expected to rise by 75% over the next two decades, to around 25 million. "The greatest impact will unquestionably be in low- and middle-income countries, many of which are ill-equipped to cope with this escalation in the number of people with cancer." —

Source: "World Cancer Report 2014", edited by Bernard W. Stewart and Christopher P. Wild.

There are many differences in access to innovative treatment in different European countries and in different diseases. —

Beata Ambroziewicz

and always try to find a solution to a problem. We in Poland are still lacking many crucial therapies, even in the most common cancers, for example, lung or colon cancer. We have some, but they do not meet the standards. For example, we treat very advanced colon cancers, but we do not start with early disease. This is a problem, and the decision-makers sometimes look only at cost-effectiveness; they do not see the whole perspective. That's what we are trying to enhance and make decision-makers and experts aware of. This is crucial because time is everything, especially in oncology and some advanced diseases. And we also lack a lot of therapies for rare-diseases because there are not many patients and the therapy is really expensive – we are also dealing with that in Poland."

DAVID MEEK "Speaking of cancer, this is something I get pretty energized about."

"I think when patients have a disease state, physicians are treating that disease state, and it's taking years for a product to go to the development cycle, and a year more for the

Patients who are participating, who are really taking an active role in their disease management, achieve much better outcomes. —

Teodora Kolarova

registration cycle. I believe every day matters to these patients. A phrase I use is 'leave no patient behind'. As an industry, we will do this. We're doing this today with a recently approved drug for renal cell carcinoma. We are trying to, and we are, providing expanded access, compassionate use for the patients who develop that particular cancer and don't have access. This is an area that I think the industry and patient groups need to look at, not just as a cost but as an investment. If these innovative products don't add true value to society, then maybe they should not be reimbursed. This is all of us working together to prove that value. But the access speed needs to improve.

Sticking to the cancer theme, there are a lot of cancers that are turning into chronic diseases, where five or ten years ago it was a death sentence for a patient. Now these patients are back to work, contributing to society; they're with their families. There are more therapies like that today and there will be more tomorrow."

TEODORA KOLAROVA "You're very right that cancer is now a chronic disease for many types of cancer. Patients now have to live with their medical teams for many years when they are living for fifteen or twenty-plus years."

"This really is about partnership and about having the patient understand what is going on and contributing to this dialogue, and the physician understanding what is going on with the patient, how they cope with the disease, what it is that concerns them, how it is that they can help. There are already a lot of studies out there showing that patients who are participating, who are really taking an active role in their disease management, achieve much better outcomes. This is a direction all stakeholders should be pushing towards."

See all the exchanges
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Building bridges for patient care means listening to patients so we can truly understand their needs and the many challenges they face as we accompany them throughout their life.
Building bridges for patient care means focusing our research and development efforts on delivering innovative treatments.
Building bridges for patient care means doing our very best to ensure that patients have access to the treatments they require.
Building bridges for patient care means adhering to the highest ethical standards to ensure that our decisions are made in the best interests of patients. —


#IpsenGroup

Highlights

A year focused on pursuing collaboration and development to meet the medical needs of patients worldwide. —

FEBRUARY 17, 2016

Ipsen entered into a licensing agreement with 3B Pharmaceuticals to develop novel radiopharmaceuticals in oncology.

- This collaboration strengthened Ipsen's radiopharmaceuticals pipeline in niche oncology indications.

MARCH 1, 2016

Ipsen acquired the rights outside the US, Canada and Japan to Exelixis' cabozantinib.

- Ipsen bolstered its oncology pipeline by acquiring the rights outside the US, Canada and Japan to Exelixis' cabozantinib, a treatment for medullary thyroid cancer and advanced renal cell carcinoma.

MARCH 8, 2016

Partnership formed with PeptiMimesis.

- The agreement involved investigating novel therapeutic peptides in oncology and gave Ipsen an option to acquire exclusive rights to develop and market new drug candidates.

APRIL 26, 2016

Probi and Ipsen sign extensive primary care distribution agreement.

- Ipsen will be commercializing Probi's clinically documented probiotic strain *Lactobacillus plantarum* 299v (LP299V®) in 18 countries while Probi will supply bulk LP299V® capsules.

MAY 17, 2016

The Institute of Molecular and Cell Biology (IMCB) in Singapore will work with Ipsen to research botulinum neurotoxin biology.

› Scientists are studying the intracellular trafficking of botulinum neurotoxins within neurons.

AUGUST 1, 2016

Dysport® for injection approved in the US for the treatment of lower limb spasticity in children aged 2 and older.

› This is the first and only FDA-approved botulinum toxin for the treatment of pediatric lower limb spasticity.

SEPTEMBER 14, 2016

The European Commission approved Cabometyx® for the 2nd line treatment of advanced renal cell carcinoma following prior VEGF-targeted therapy.

› This is the only targeted therapy shown to improve overall survival, objective response rate and progression-free survival.

DECEMBER 21, 2016

Exelixis and Ipsen amended licensing agreement for Cabometyx® to include Canada.

› The agreement expanded the geographic footprint and strengthened the oncology franchise in North America.

JANUARY 8, 2017

Ipsen entered into a definitive agreement to acquire global oncology assets from Merrimack Pharmaceuticals.

› Ipsen was granted exclusive commercialization rights for the current and potential future Onivyde® indications in the US, as well as the current licensing agreements with partners for ex-US and Taiwan. The transaction also includes Merrimack's commercial and manufacturing infrastructure, and generic doxorubicin HCl liposome injection. In April 2017, Ipsen completed its acquisition of the global oncology assets.

JANUARY 31, 2017

Ipsen acquired primary care platform in Italy from Akkadeas Pharma.

› The deal included an option to eventually take control of the privately held company, which has a diversified gastrointestinal-focused portfolio. Akkadeas Pharma will become Ipsen's Italian distributor for Smecta® (Diosmectal®).

FEBRUARY 13, 2017

Ipsen entered into a definitive agreement to acquire five consumer healthcare products from Sanofi in certain European territories.

› One of the products, the analgesic Prontalgine®, has grown at double-digit rates over the last four years and is available only in France. Combined with other drugs, these regional brands span a geographic scope of eight European countries. In May 2017, Ipsen completed its acquisition of the Consumer Healthcare products.

MARCH 13, 2017

MHRA approved new indication for Decapeptyl® in breast cancer.

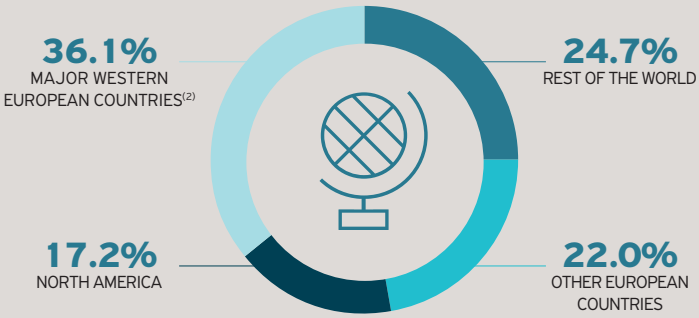
› The Medicines and Healthcare Products Regulatory Agency (MHRA) in the UK, in coordination with 14 other European regulatory agencies, has approved Decapeptyl® as adjuvant treatment in combination with tamoxifen or an aromatase inhibitor, of endocrine-responsive early-stage breast cancer in women at high risk of recurrence who are confirmed as premenopausal after completion of chemotherapy.

2016 SALES GROUP

€1,584.6 M

+11.8%[1]

SALES BY GEOGRAPHIC AREA



CORE OPERATING INCOME

€363.9 M

+11.1%

CORE OPERATING MARGIN

23.0%

+0.3pt

CONSOLIDATED NET PROFIT

€226.6 M

+18.8%

DIVIDEND PER SHARE IN 2016

€0.85[3]

Flat

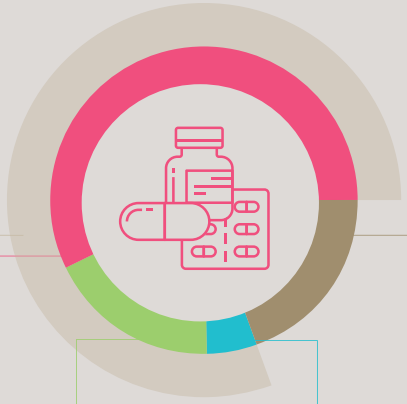
R&D EXPENSES

€208.9 M

+8.7%

NB: Growth rates compare 2016 vs 2015.
NB: Reporting of Ipsen sales per therapeutic area differs from the breakdown per pathology as presented in the Developing patient-focused solutions.
(1) At constant exchange rates.
(2) France, Germany, Italy, United Kingdom, Spain.
(3) The Ipsen SA Board of Directors has decided to propose at the annual shareholders' meeting on June 7, 2017 the payment of a dividend of €0.85 per share.

SALES BY SEGMENT



SPECIALTY CARE
80.3%
€1,273.0 M
+16.1%(1)

CONSUMER HEALTHCARE
19.7%
€311.6 M
−2.7%(1)

ONCOLOGY
57.1%

NEUROSCIENCES
18.1%

ENDOCRINOLOGY
5.1%

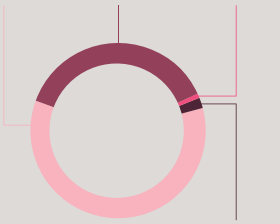
SALES BY THERAPEUTIC AREA AND BY PRODUCT

€904.8 M
+22.1%(1)

SOMATULINE® €538.3 M +35.5%(1)

DECAPEPTYL® €339.8 M +4.2%(1)

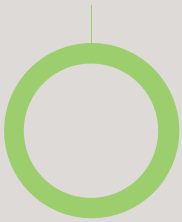
CABOMETYX® €7.2 M



OTHER ONCOLOGY PRODUCTS
€19.5 M
+14.0%(1)

€286.7 M
+4.3%(1)

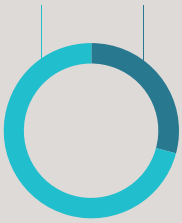
DYSPORT®
€284.7 M
+4.0%(1)



€81.5 M
+1.7%(1)

NUTROPINAQ® €57.7 M −3.5%(1)

INCRELEX® €23.7 M +16.9%(1)

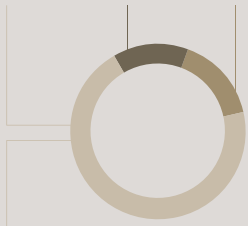


€311.6 M
−2.7%(1)

GASTRO ENTEROLOGY
€219.1 M
+0.0%(1)

COGNITIVE DISORDERS TANAKAN®
€43.6 M
−14.3%(1)

OTHER PRIMARY CARE
€49.0 M
−2.8%(1)



GASTROENTEROLOGY PRODUCTS

SMECTA® €111.0M +0.6%(1)

FORLAX® €39.3 M +0.5%(1)

ETIASA® €29.3 M +19.5%(1)

FORTRANS® €23.2 M +2.7%(1)

NB: Reporting of Ipsen sales per therapeutic area differs from the breakdown per pathology as presented in the Developing patient-focused solutions.
(1) At constant exchange rates.

Board of Directors & Committees

The Board of Directors[1] determines the Company's business strategy and oversees its implementation. On February 16, 2016, Ipsen has decided to adapt its corporate governance by separating the functions of Chairman and Chief Executive Officer. —

BOARD OF DIRECTORS

Chairman:
Marc de Garidel

Vice-Chairman:
Antoine Flochel

Members:
Hélène Auriol-Potier[2]
Anne Beaufour
Henri Beaufour
Hervé Couffin[2]
Michèle Ollier[2]
Pierre Martinet[2]
Mayroy SA (represented by Philippe Bonhomme)
Christophe Vérot
Carol Xueref

More than 40 meetings in 2016

STRATEGIC COMMITTEE

Chairman:
Marc de Garidel

Members:
Henri Beaufour, Anne Beaufour, Antoine Flochel, Michèle Ollier[2] and Carol Xueref.

Its role is to study all significant investment and strategic issues of interest for Ipsen SA and the Group. The Committee also studies, approves and monitors the Group's Strategic plan.

AUDIT COMMITTEE

Chairman:
Pierre Martinet[2]

Members:
Hervé Couffin[2] and Christophe Vérot.

Its role is to ensure the relevance and permanence of the accounting policies, examine the press releases on financial results and guidance. The Committee also monitors the effectiveness of internal control and risk management systems.

NOMINATION AND GOVERNANCE COMMITTEE

Chairman:
Anne Beaufour

Members:
Henri Beaufour, Hervé Couffin[2], Marc de Garidel, Christophe Vérot and Michèle Ollier[2].

Its role is to review the corporate governance of the Group and make proposals to the Board of Directors concerning re-election, replacement or appointment of new Directors. The Committee gives its opinion on the recruitment or the replacement of the Chief Executive Officer.

COMPENSATION COMMITTEE

Chairman:
Antoine Flochel

Members:
Hélène Auriol-Potier[2] and Pierre Martinet[2].

Its role is to make proposals to the Board of Directors on all components paid to the Group's corporate officers, senior management and senior executives. It also gives its opinion on Director's fees and makes recommendations notably about compensation policies, employee savings plans and performance shares.

ETHICS COMMITTEE

Chairperson:
Hélène Auriol-Potier[2].

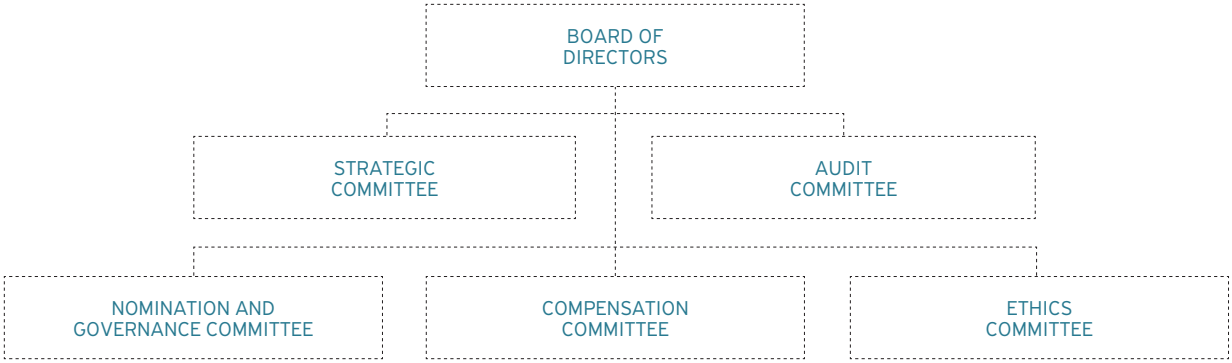
Members:
Carol Xueref and Mayroy SA (represented by Philippe Bonhomme).

Its role is to review the definition of the Group's fundamental values as well as of its ethics and compliance policies. The Committee ensures the dissemination throughout the Group of the Code of Ethics and general ethics policies defined by the Group and their updates.

(1) See chapter 4 of the 2016 Registration Document for further information.
(2) Independent Director.

The Board of Directors

It has established five permanent specialized Committees to assist in fulfilling its control and monitoring responsibilities. —



Ipsen's new corporate structure will help accelerate its international development —

— Now that the functions of Ipsen's CEO and Chairman have been separated, my job as non-executive Chairman is to ensure that the Board of Directors makes the best decisions for Ipsen while operating at the highest level of integrity and accelerating our international development in an increasingly complex environment.

This clearly defined new structure lets the CEO concentrate on business strategy and operations. As Chairman, I must represent all shareholders and ensure long-term protection of their interests. I must also make sure that our strategy can be delivered in a defined period, on target, and can be monitored.

We want to guarantee that Ipsen continues to innovate and to offer products and services that set it apart in this fast-changing industry. To this end, our highly committed and active Board makes a great effort to keep in touch with all aspects of the business.

The Board is also responsible for proper succession planning of key executives. In this area, we are committed to increasing diversity and are proud of the fact that Ipsen is one of the top French companies in terms of the number of women on the Board and in top management. We promote diversity at every level.

Marc de Garidel /
Non-executive Chairman

Developing patient-focused solutions —

Building on recent successes, we will continue to put patients' needs first in each of our areas of expertise —

“Our ambition is to become a leading global biotechnology company focused on innovation and specialty care” —

Interview with
David Meek, CEO of Ipsen —

2016 was an exceptional year for Ipsen as we established a solid foundation for continued growth and entered an exciting era of transformation.

What were Ipsen’s major achievements in 2016?

— Our strong operating performance in 2016 serves as a solid foundation for the new era of momentum and transformation. Sales grew by nearly 12%, a record high for Ipsen, and core operating margin improved to reach 23% of net sales.

We are a different company than we were twelve months ago. The momentum of the business is accelerating, and the shape of the business is changing. Specialty Care now represents 80% of total sales and Oncology accounts for 57% of total sales. Also, in North America, our fastest growing region, became our largest region in sales.

Our commitment to strengthening our Oncology franchise was exemplified by the in-licensing and subsequent approval and launch of Cabometyx® for second-line renal cell carcinoma (RCC) in Europe. We also continued to build our neurotoxin franchise with the approval and launch of the pediatric lower limb spasticity indication in the US.

Our pipeline has expanded in the past year. We now have 6 phase 3 programs, 6 phase 2 programs, 2 phase 1 programs and 5 registration dossiers pending health authority approval.

What is driving the sales growth?

— The significant sales growth in 2016 was driven by Specialty Care, particularly Somatuline®, our largest and fastest-growing product. Somatuline® reached a milestone of surpassing €500 million in sales in 2016, with an important contribution from the US. The strong momentum continues into 2017 as we gain market share worldwide and continue to build our leadership position in the neuroendocrine tumor market.

How is the Consumer Healthcare business evolving?

— The Consumer Healthcare (CHC) business is transforming from a prescription-based promotional model to a combination of prescription and over-the-counter (OTx). It will optimally position Ipsen in the dynamic CHC market and after a few challenging years, is expected to accelerate the business back to growth. The OTx model is supported by our best-in-class products like Smecta® and through

"Patients don't have time to wait." —

recent transactions of acquiring a portfolio of consumer healthcare products, including market leader Prontalgine® in France, and acquiring a platform in Italy with Akkadeas Pharma.

What is your focus in 2017?

— In 2017, we are focused on execution. We need to continue the momentum of our established portfolio while successfully executing on two important oncology product launches. We initiated the launch of Cabometyx® for second-line renal cell carcinoma in late 2016 and are committed to effectively building on the launch in 2017.

Additionally, in early 2017, we acquired Onivyde® rights (exclusive commercialization rights in the US, as well as the current licensing agreements) for the treatment of metastatic pancreatic cancer, the biggest transaction in Ipsen's history. This will significantly leverage our US commercial infrastructure and strengthen our oncology pipeline with potential new indications in development.

In terms of pipeline milestones, in oncology, regulatory decisions are anticipated for Somatuline® for the treatment of symptom control of gastroenteropancreatic neuroendocrine tumors in the US and for telotristat for the treatment of carcinoid syndrome in Europe. For Cabometyx®, we expect to submit the regulatory filing for first-line RCC and also anticipate phase 3 results for the CELESTIAL study for second-line hepatocellular carcinoma.

In neurosciences, we are expecting a regulatory decision on adult lower limb spasticity in the US which will build the critical mass of our portfolio of approved spasticity indications. We also plan to submit the regulatory filing of our botulinum toxin liquid solution in Europe to continue building our neurotoxin franchise with our expertise in this specialized market.

How Ipsen is "Building Bridges for Patient Care"?

— "Building Bridges for Patient Care" means having a pipeline of innovative assets that provide effective solutions for those with the greatest unmet medical needs. To bring the right medicine to the right patient at the right time, we need to work with patients, for patients and also work closely with patient groups.

No patient should be left behind. They should all have access to the treatment they need as fast as possible. Patients don't have time to wait.

What are your ambitions for Ipsen?

— Our vision is to become a leading global biotechnology company focused on innovation and specialty care. We aim to launch at least one new drug or new meaningful indication each year and thus provide new solutions for patients in therapeutic areas where we have strong expertise and the capacity to improve the treatment paradigm.

We'll make it happen by building a pipeline of innovative assets, establishing our leadership position in key therapeutic areas and, importantly, with the great people throughout the organization. We are accelerating growth in Specialty Care – especially in oncology, neurosciences and rare diseases. We are also intensifying our focus in strategic markets such as the United States and China.

I want to thank all Ipsen employees worldwide for their significant contribution to Ipsen's performance and strong commitment to improving the lives of patients.

Executive Leadership Team

The Executive Leadership Team leads the Group business, in the areas of scientific, legal, financial, commercial and strategic matters. —

David Meek
Chief Executive Officer

Jonathan Barnsley
Executive Vice President, Technical Operations

Stéphane Bessette
Executive Vice President, Human Resources

François Garnier
Executive Vice President, General Counsel

Benoît Hennion
Executive Vice President and President, Consumer Healthcare

Christophe Jean
Executive Vice President, Strategy and Business Development

Alexandre Lebeaut
Executive Vice President, R&D and Chief Scientific Officer

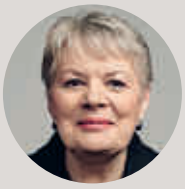
Aymeric Le Chatelier
Executive Vice President, Chief Financial Officer

Cynthia Schwalm
Executive Vice President and President, North American Commercial Operations

Harout Semerjian
Executive Vice President and President, Specialty Care International & Global Franchises

Other members of Senior Management reporting to CEO

Dominique Bery
Senior Vice President, Group Transformation



Dominique Laymand
Senior Vice President, Chief Ethics and Compliance Officer

Christopher Masterson
Senior Vice President, Global Quality

Didier Véron
Senior Vice President, Public Affairs and Corporate Communication

Heather White
Vice President, Global Internal Audit

Oncology and rare diseases

Ipsen's patient-focused approach to oncology and rare diseases delivers for some conditions benefits along every step of the treatment pathway and uses targeted therapies to address conditions with high unmet needs. —

In the fields of oncology and rare diseases, Ipsen takes a patient-focused approach to improving the lives of people affected by cancers and rare disorders, and develops high-quality, innovative treatments that address unmet needs. Our goal is to support patients with drugs, services and solutions across the entire continuum of care, from diagnosis to treatment follow-up.

An increased focus to oncology

— Ipsen has been active in oncology since 1986, and over the years has grown its reputation and portfolio, branching out from a solid base in prostate, neuroendocrine tumors (NETs), bladder, kidney, pancreatic and breast cancers. Somatuline® is key to Ipsen's leadership in the treatment of NETs. New indications were launched in 2015 in the United States and in 2016 in Europe, as Somatuline® was shown by the CLARINET® study to reduce the risk of disease progression or death by 53% in gastroenteropancreatic NETs patients whose disease is unresectable or metastasized.

In addition, the efficacy of Somatuline® in patients with lung NETs is being assessed in the multinational SPINET® study. Ipsen is the first and only company assessing the efficacy and safety of a somatostatin analog (SSA) in a prospective phase 3 trial in these patients. Somatuline® is marketed in over 55 countries, 27 of them in Europe.

Effective treatments to improve the health and lives of patients whose carcinoid syndrome is not adequately controlled with SSA therapy are needed. Ipsen and Lexicon Pharmaceuticals entered into an exclusive licensing agreement for Ipsen to commercialize telotristat outside of the United States and Japan in October 2014. Lexicon received FDA approval for Xermelo® in the USA at the end of February 2017 and outside the USA telotristat is still subject to the evaluation of the benefits and risks by regulatory authorities before being made available.

Ipsen's leadership in NETs was further supported by the 2015 acquisition of OctreoPharm Sciences, and is expected to be enhanced by the potential approval of telotristat in carcinoid syndrome in EU.

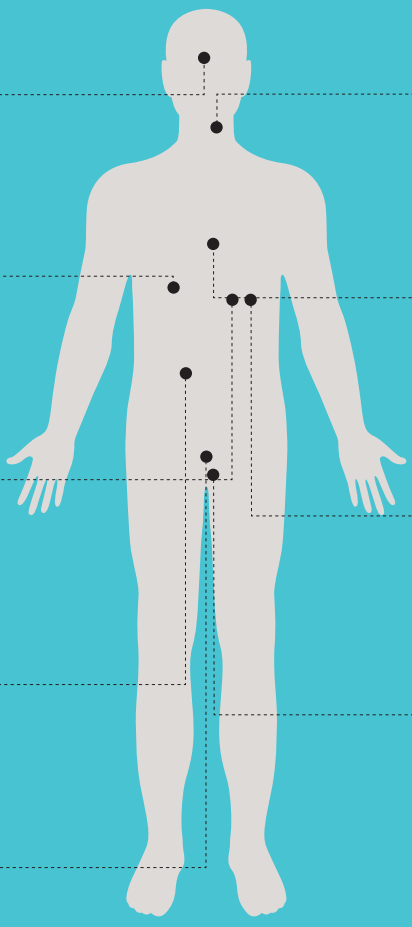
A reinforced oncology pipeline

Ipsen's oncology pipeline was reinforced in March 2016 with the in-licensing of cabozantinib from Exelixis. In September 2016, the European Medicines Agency approved Cabometyx® (cabozantinib tablets) for the treatment of second-line advanced renal cell cancer based on the results of the METEOR phase 3 trial. In September 2016 also, Ipsen and Exelixis announced positive results from the phase 2 CABOSUN trial of cabozantinib versus sunitinib in previously untreated advanced RCC. This treatment offers an opportunity to extend survival for patients suffering from RCC, responsible for nine out of ten cases of kidney cancers.

A major strategic step forward in bolstering Ipsen's growing oncology presence and leveraging its oncology infrastructure in the United States was taken in early 2017 with the acquisition of oncology assets of Merrimack Pharmaceuticals. The highlight of the transaction is the acquisition of commercialization rights for Onivyde® (irinotecan liposome injection), a landmark, FDA-approved treatment for metastatic pancreatic cancer *(see box p. 16)*.

Boosting our portfolio

Ipsen offers a broad range of high-quality, innovative treatments to help improve the lives of patients with cancer and rare diseases.



ACROMEGALY
69,000 patients worldwide
LANREOTIDE
Early and sustained long-term biochemical control as well as improvement in symptoms, tumor size, and quality of life

PANCREATIC CANCER
3rd leading cause of cancer-related death in the US
IRINOTECAN LIPOSOME INJECTION(4)
Significant improvement of overall survival in adult patients with metastatic adenocarcinoma of the pancreas

NEUROENDOCRINE TUMORS
112,000 people living with NETs in the US and 178,000 people in Europe
LANREOTIDE
Reduction of risk of disease progression or death by 53%

RENAL CELL CARCINOMA
More than 250,000 new cases per year worldwide
CABOZANTINIB (tablets)
1st and only multi-targeted therapy to prolong survival, slow disease progression, and shrink tumors

BLADDER CANCER
2nd most frequent urological cancer, after prostate cancer
HEXAMINOLEVULINATE
Improved treatment and improved detection and resection of non-invasive bladder cancer

MEDULLARY THYROID CANCER
5% of thyroid cancers
CABOZANTINIB (capsules)
Significant difference in the duration of progression-free survival with cabozantinib (11.2 months) versus placebo (4.0 months)(3)

BREAST CANCER
20% of invasive breast cancer in premenopausal patients
TRIPTORELIN
86.6% disease-free survival at 5 years when added to tamoxifen
22% risk reduction in distant recurrence when added to exemestane

CARCINOID SYNDROME
Occurs in about 20% of all neuroendocrine tumors
LANREOTIDE
Reduction by 50% in bowel movement and flushing episodes in more than 50% of lanreotide treated patients

PROSTATE CANCER
2nd most common type of cancer in men(1)
TRIPTORELIN
Over 90% of patients achieve and maintain medical castration below the most stringent threshold levels (< 20 ng/dl)(2)

(1) Globocan 2015.
(2) Future Oncol. 2013;9(1): 93-102 – Prog Urol. 2007;17(2) ; 235-9 – Adv. Ther, 2016;33:1072-1093.
(3) Stratified Hazard Ratio [HR] = 0.28; 95% CI: 0.19, 0.40; p<0.0001 J Clin Oncol. 2013 Oct 10;31(29):3639-46.
(4) Liposome injection with fluorouracil and folinic acid.

Fighting pancreatic cancer

› Pancreatic cancer, a rapidly progressive disease with high unmet treatment needs, is the third leading cause of cancer-related death in adults in the United States (surpassing breast cancer). Ipsen now owns US commercialization rights for Onivyde®, an FDA-approved treatment for metastatic pancreatic cancer.
Additional indications are being studied including first-line, previously untreated metastatic pancreatic cancer, relapsed small-cell lung cancer and breast cancer. —

Decapeptyl® (triptorelin) is a synthetic hormone therapy primarily indicated for the hormonal treatment of locally advanced metastatic prostate cancer, that can be now injected subcutaneously too. In early March 2017, the MHRA in the UK, in coordination with 14 other European regulatory agencies, has approved a new indication for Decapeptyl® as adjuvant treatment in combination with tamoxifen or an aromatase inhibitor, for women at high-risk of breast cancer recurrence.
Hexvix® (hexaminolevulinate), a significant improvement for urologists and their patients, is a photosensitizing agent that improves detection and resection of non-invasive bladder cancer.

Becoming a key player in rare diseases

— Ipsen has been an active actor in the rare disease field and intends to bringing new solutions to these patients, notably for children. Somatuline® is also used for the long-term treatment of acromegaly – a rare disease caused by excess growth hormone production as a result of a tumor in the pituitary gland – in patients who cannot be treated with surgery or radiation. We are currently developing extended-release formulations of Somatuline® so that fewer injections would be required.
NutropinAq® is a liquid formulation of recombinant human growth hormone administered with the NutropinAq® Pen. Available in more than 20 countries, notably in Europe and Australia, it is indicated for the treatment of growth failure stemming from various origins.
Increlex® is a recombinant insulin-like growth factor (IGF-1) that treats growth delay in children who lack it in their bodies. If IGF-1 is not present in sufficient quantities, the patient will not reach normal stature, despite having normal or high growth-hormone levels. As a result, these children do not respond adequately to growth hormone treatment. Increlex® has obtained orphan drug status based on the low incidence of the disease, which affects fewer than 5 people per 10,000.
Besides, Ipsen offers a number of other important solutions for patients with other debilitating or life-threatening conditions. For instance, Decapeptyl® (triptorelin) is also approved for the treatment of central precocious puberty (CPP) endometriosis, uterine fibroma, and *in vitro* fertilization.

Partnerships with patients and healthcare providers

— To ensure that NETs patients are fully informed, Ipsen launched the website www.livingwithnets.com at the end of 2016. Designed by and with patients for the use

Patients inspire our strategy and our innovations —

of patients, the site provides the full picture of the condition and offers all the information and support patients need to help them on their journey.

Ipsen's support for acromegaly patients also goes beyond treatments. The Acromunity.com website, to be launched in 2017, will offer them a platform, developed in conjunction with patients and healthcare professionals, that delivers content, tools and services to match their needs, from the time the first symptoms are noticed to years after diagnosis.

In the United States, Ipsen supports IPSEN CARES™ (Coverage, Access, Reimbursement and Education Support), a program that assists patients in overcoming obstacles to start or continue treatment with Somatuline® for gastroenteropancreatic NETs and acromegaly, as well as Increlex® and Dysport®, including coverage access, distribution and financial concerns.

In Europe, the Group has set up INKEP (Ipsen Network of Knowledge Exchange Program) for small groups of physicians specializing in pediatric endocrinology. It combines scientific presentations, case discussions and interactive sit-in clinic visits.

Other initiatives in pediatric endocrinology include APPRI in France, a personalized training program for patients that helps increase their autonomy at home during treatment with the recombinant growth hormone NutropinAq® and the NutropinAq® injection pen, and improves treatment compliance.

Furthermore, Ipsen is committed to promoting transparent and evidence-based discussions between stakeholders on policies concerning the management of conditions on which it focuses – including NETs, rare diseases and urological cancers.

In 2016, Oncology represents more than 57% of sales.

Neurosciences

Ipsen continues its long-standing commitment to a multi-modal approach to treating mobility impairment in adult and pediatric patients and improving their quality of life. —

Since 1990, Ipsen has focused on pioneering research in neurotoxins and more recently on recombinant neurotoxin engineering. Our drug treatment Dysport® is based on the type-A botulinum toxin, which inhibits the transmission of nerve impulses to the muscle. Botulinum toxin injections cause contracted muscles to relax, relieving patients' symptoms and helping to improve the quality of their daily lives.

The recent approval in the United States of Dysport® for the treatment of upper limb spasticity in adults and lower limb spasticity in children aged 2 and older was a strong endorsement of our clinical trials.

Clinical trials are underway to generate additional data in support of therapeutic uses of Dysport®. In areas where national labels are currently in place, the Group will submit evidence in support of improved Dysport® labeling for adult and pediatric spasticity.

Ipsen aims to explore and develop additional Dysport® indications in neurology and urology (as with neurogenic detrusor overactivity, a condition often associated in patients with multiple sclerosis, or spinal cord injuries).

Research is underway on the development of a liquid formulation for both Aesthetics and Therapeutic uses.

We are dedicated on our ambition to lead and shape the future of neurotoxins. Ongoing efforts to advance our innovative recombinant toxin platform drives each Ipsen associate to exceed today's standards and provide better therapies to the patients we serve.

Engagements for patient care

— Ipsen has built a strong, long-term partnership with Dystonia Europe, an organization representing dystonia patients across the continent, and with the American Dystonia Society. We also continue to support initiatives for physicians who seek further research in cervical dystonia, disease awareness campaigns for patients and the creation of patient networks in Europe.

Ipsen's I-CAN program (*see box*) is an innovative spasticity management program that engages patients in their own treatment.

Commitment to healthcare professionals

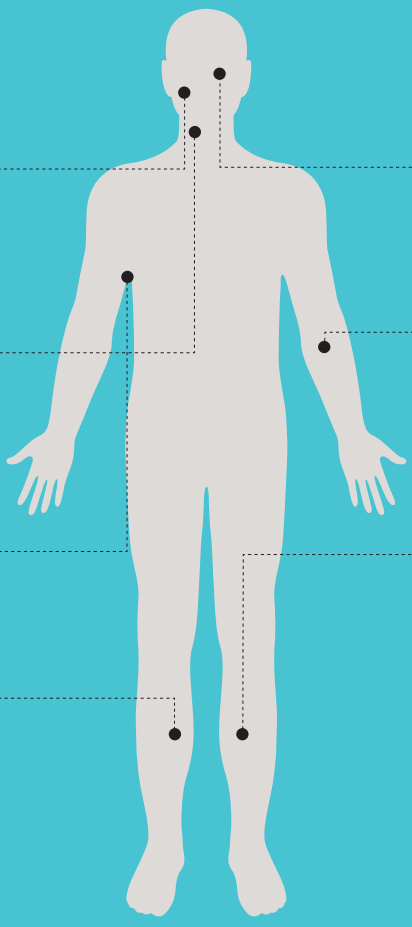
— Ipsen provides ongoing local and regional training for physicians who want to improve results using Dysport®. Ipsen's long-running "Ixcellence Network" trains physicians in more than 20 countries and helps them set goals for self-guided rehabilitation. For aesthetics practitioners, our educational master classes increase clinical and practical expertise for better outcomes.

Partnership with Galderma

— In aesthetic medicine Ipsen has granted the right to distribute Dysport® in aesthetic medicine to Galderma, a pharmaceutical company specializing in the research, development and marketing of dermatological treatments. As a function of the partnership Ipsen predominantly promotes therapeutic indications for Dysport®, while Galderma distributes aesthetic treatment under the brand names of Dysport® and Azzalure®. Under the

Boosting our portfolio

With Botulinum toxin type A, Ipsen is able to offer a single product to treat a range of therapeutic indications.



HEMIFACIAL SPASM
Prevalence of 14.5/100,000 in women and 7.5/100,000 in men
Significant reduction in functional disability and improvement of quality of life

CERVICAL DYSTONIA
Prevalence of ~ 9 per 100,000, likely underestimated
Sustained symptom control and a significant reduction of disease-associated pain with reduction of symptoms for up to 12-16 weeks

HYPERHIDROSIS
Epidemiology of ~ 1% of the adult population
Adequate suppression of sweat secretion for approximately 48 weeks

ADULT LOWER LIMB SPASTICITY
Epidemiology of ~ 33% after stroke, ~ 65% in multiple sclerosis patients, ~ 75% after severe traumatic brain injury(1)
Improvements in muscle tone, spasticity and walking speed

BLEPHAROSPASM
Prevalence from 16 to 133 cases per million(3)
Significant reduction for the frequency and intensity of facial spasms(4)

ADULT UPPER LIMB SPASTICITY
Frequency of ~ 33% after stroke, ~ 65% in multiple sclerosis patients, ~ 75% after severe traumatic brain injury(1)
Significant reduction of muscle tone, improvement of clinical benefit (Physician Global Assessment)

PEDIATRIC LOWER LIMB SPASTICITY
Incidence of cerebral palsy (1st cause of spasticity in children): from 1.5 to 4 per 1,000 live births worldwide(2)
Improvements in muscle tone, spasticity and achievement of patient goals, as early as 2 years of age

(1) Martin_2014, p. 111.
(2) Centre for Disease Control and Prevention: cdc.gov/Features/CerebralPalsy/index.html., SCPE-Prevalence of CP in Europe, p. 635, Table 2.
(3) Defazio and Livrea, 2002.
(4) Truong *et al.*, 2008.

I-CAN program

I-CAN is a spasticity management program that engages patients in their treatment to increase motivation and improve results. It combines Dysport® with new standards of care in spasticity management:
• agreement on individualized treatment goals based on optimal patient assessment;
• the efficient use of Dysport® in the right muscles with the right dose at patient-tailored frequency;
• a partnership between the multidisciplinary team and patients for their guided self-rehabilitation program, in synergy with physical and occupational therapy.
The I-CAN program is supported by the i-GSC application, now available in seven languages, which helps patients perform guided self-rehabilitation (with videos) to complement traditional physiotherapy. —

terms of the partnership, Ipsen and Galderma also collaborate on the future development and commercialization of new neurotoxin therapies. The partnership with Galderma now includes the United States, Canada, Europe, Brazil, Australia and some Asia-Pacific countries.

Ipsen's solutions

Dysport®, one product for a range of indications

— Dysport® was first registered for the treatment of blepharospasm in the United Kingdom in 1990 and has been marketed since 1991. Today, Dysport® is used primarily for patients with spasticity, cervical dystonia, hemifacial spasm, blepharospasm, and hyperhidrosis. In aesthetic medicine, Dysport® is indicated for the reduction of glabellar lines (frown lines). Dysport® is authorized in more than 80 countries for 7 therapeutic and aesthetic indications.
Ipsen is committed to continuing a tradition of delivering high-level scientific evidence with current post-marketing studies such as: the On-Time pilot study, focused on early treatment with Dysport® in stroke patients, and the Upper Limb International Spasticity (ULIS) study, involving 1,000 people in 14 countries. A newly launched ENGAGE study was launched in 2016 to assess the effect of abobotulinumtoxinA administered simultaneously in upper and lower limbs in conjunction with a guided self-rehabilitation contract in adult patients with spastic hemiparesis.

Next-generation neurotoxins

— Botulinum toxins have the potential for broad applications across multiple therapeutic areas, including urology, neurology, oncology, endocrinology and regenerative medicine.
Ipsen is planning for the future with research on new recombinant botulinum toxins and on the promising area of targeted secretion inhibition.
Collaborative partnerships with renowned university research centers are ongoing and at the center of finding new ways to use our neurotoxin pipeline to combat debilitating conditions that burden the lives of patients. Research partnerships continue with Harvard University, while a new research partnership with the IMCB in Singapore, under the aegis of the Agency for Science, Technology and Research (A*STAR), aim to advance understanding of botulinum neurotoxin biology.

Commitment to spasticity in multiple sclerosis

— Ipsen and GW Pharmaceuticals have an agreement giving Ipsen promotion and distribution rights in Latin America for Mevatyl®,

Our goal is to help physicians understand patients' needs to improve their quality of life —

an oromucosal spray indicated as treatment for symptom improvement in adult patients with moderate to severe spasticity due to multiple sclerosis. GW Pharmaceuticals and Ipsen are conducting regulatory filings in selected countries in Latin America for this indication and have won approval for it in Brazil.

Online
* **http://pediatrics.aappublications.org/content/early/2016/01/24/peds.2015-2830**

Milestones

> January 2016: the scientific journal *Pediatrics* published a phase III study confirming the efficacy and safety of Dysport® in the treatment of lower limb spasticity in children with cerebral palsy and demonstrating improvement in functional benefit after a single injection of Dysport®. Also known as pediatric lower limb spasticity, this debilitating condition is the most common cause of chronic motor disability in childhood.

> January 2016: Ipsen and Galderma expanded the geographical scope of their partnership, with Galderma acquiring exclusive rights to develop, promote and distribute Dysport® for aesthetic indications in some key Asia-Pacific markets, including China, India, South Korea and Indonesia.

> August 2016: the US FDA approved Dysport® for injection for the treatment of lower limb spasticity in children aged 2 and older, making it the first and only FDA-approved botulinum toxin for the treatment of pediatric lower limb spasticity. FDA approval of Dysport® for use in adult lower limb spasticity is anticipated in the second half of 2017.

> October 2016: 80 employees of Ipsen UK moved to the new Ipsen Bioinnovation site in Milton Park, near Oxford, bringing all UK-based R&D personnel together in one location.

> November 2016: the French regulatory authority ANSM (Agence nationale de sécurité du médicament et des produits de santé) approved the use of partner Azzalure® for the treatment of lateral canthal lines (crow's feet).

> December 2016: a study on the effectiveness of Dysport® in the treatment of urinary incontinence in adults with neurogenic detrusor overactivity due to spinal cord injury or multiple sclerosis began recruiting subjects worldwide.

> January 2017: following its approval in France, approval for use of Galderma's Azzalure® for the treatment of lateral canthal lines was obtained in the UK, Ireland, Germany and Austria, with the remaining EU member states expected to follow in the near future.

> January 2017: Brazil's Anvisa (national agency for sanitary surveillance) approved the use of GW Pharmaceuticals' cannabis-based oral spray Sativex®, under the name Mevatyl®, for treatment of certain multiple sclerosis symptoms. Ipsen is the distributor of the drug in certain Latin-American countries. —

Consumer Healthcare

Ipsen's long-standing expertise spans the value chain, from active principle to finished product to the patient, with special expertise in gastrointestinal (GI) disorders, neurodegenerative pathologies and rheumatology, and a constantly expanding portfolio. —

Once primarily driven by physicians' prescriptions, the origination of Ipsen's Primary Care business has evolved in recent years into a mix of physicians' prescriptions, recommendations by pharmacists and patients' demand originated through direct communication.

Recently renamed "Ipsen Consumer Healthcare", the division's identity is now fully aligned with both the reality of our day-to-day activity worldwide and the development that we are envisioning for the coming years.

Ipsen's Consumer Healthcare division puts the patient first by designing simple, safe, effective and accessible treatments – an essential approach at a time when consumers are playing an increasingly active role in making their own treatment choices and are looking for convenient, ready-to-use solutions.

In 2016, the division continued its strategy of reinforcing its gastrointestinal portfolio, expanding its capacity and portfolio in the over-the-counter (OTC) segment and expanding its geographical reach.

Three major actions were taken to these ends in 2016 and early 2017. First, a license and distribution agreement with the Swedish firm Probi for the commercialization of the probiotic strain *Lactobacillus plantarum* 299v (LP299V®). This compound has shown strong clinical evidence for reduction of signs and symptoms of irritable bowel syndrome in adults. Second, the acquisition from Sanofi of five consumer healthcare products in certain European territories. The most important is Prontalgine®, an analgesic for the treatment of moderate to severe pain. The portfolio also includes Buscopan®, an antispasmodic; Suppositoria Glycerini, a laxative; and the expectorants Mucothiol® and Mucodyne®. This transaction further accelerates the development of our Consumer Healthcare business and our conversion to an OTx (combined prescription and over-the-counter) business model.

The third event was the acquisition of an equity stake in Akkadeas Pharma, a privately-held consumer healthcare company in Italy, with an option to take control of the company in the future. Akkadeas Pharma's diversified portfolio includes probiotics, medical devices and food supplements. It will become Ipsen's Italian distributor for Smecta® (Diosmectal®).

Key products

> Gastroenterology

Smecta®, Ipsen's trusted flagship product, is primarily indicated for the symptomatic treatment of acute diarrhea. A ready-to-use liquid solution is also available now in some countries. Other members of this family include Smebiocta® – LP299V®, the first probiotics launched by Ipsen which provides an innovative solution for GI disorders.

The GI portfolio also includes Forlax®, an osmotic laxative; Fortrans®, a colon-cleansing solution; and Eziclen®/Izinova®, a second-generation bowel-cleansing preparation.

> Neurodegenerative diseases

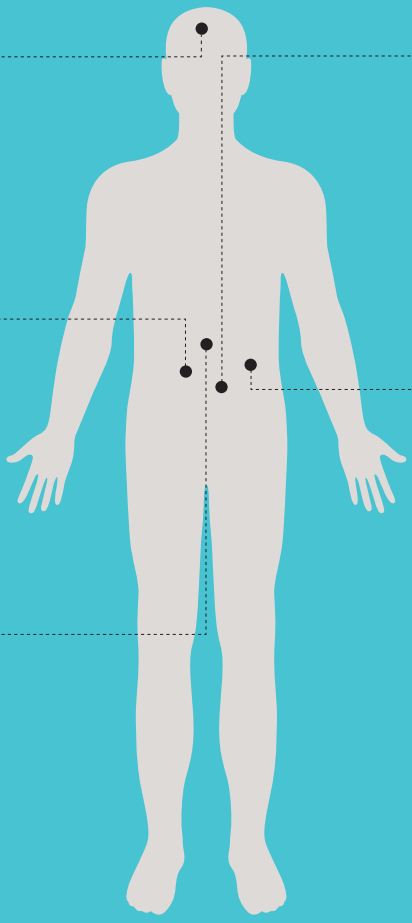
Tanakan® is a standardized, patented ginkgo biloba extract (EGb 761®) for the symptomatic treatment of such cognitive disorders as memory deficit and concentration disturbances in the elderly, and for vertigo and tinnitus.

> Rheumatology (gout)

Adenuric® is a therapy for the management of gout, an inflammatory form of arthritis caused by elevated levels of uric acid in the blood.

Boosting our portfolio

The Ipsen Consumer Healthcare product portfolio continues to grow, improving existing treatments and addressing new healthcare issues.



COGNITIVE IMPAIRMENT

Subjective memory complaint (SMC) is the most frequent cognitive disorder in elderly. SMC prevalence depends on age, education, sex, mood and cognitive performance. It rises from 24% in the 65-69 age groups to 57% in the 90 and above group[1]

TANAKAN®

The most scientifically documented gingko biloba extract

HYPERURICEMIA

Hyperuricemia or gout is a painful disease that occurs when uric acid builds up in the blood and forms crystals in the joints and/or kidneys. If not treated early, gout can lead to joint damage and cause kidney stones in some people. Global epidemiology is estimated to range from 0.5 to > 4% of the adult population[2]

ADENURIC®

First major treatment of gout for more than 40 years and best in class for the treatment of symptomatic gout

IRRITABLE BOWEL SYNDROME (IBS)

Worldwide prevalence is estimated to be 11.2% in 2016[3]. This chronic condition is characterized by recurrent abdominal pain and transit disorders, usually associated with bloating

SMEBIOCTA®

Scientifically proven multi-action probiotic that interacts with the multiple mechanisms of functional GI disorders

CONSTIPATION

7% to 27% of the adult population can suffer from chronic constipation
Most of the patients use prescribed or over-the-counter medication to improve their condition

FORLAX®

Reactivates the bowel's natural efficacy and gently liberates the stools within 24 to 48 hours to respect the natural rhythm. It restores stools regular frequency by re-educating the bowel without irritating the bowel nor making it dependent

DIARRHEA

1 in 9 child deaths worldwide, making diarrhea the 2nd leading cause of death among children under the age of 5

SMECTA®

Stops and treats diarrhea, removes the toxins and germs at the heart of the problem, helps repair intestinal damage with its natural coating properties and relieves abdominal pain

(1) These rates can be dramatically affected by minor alterations to individual criteria. Source: Clin Geriatr Med. November 2013.
(2) Nature Reviews Rheumatology Volume: 11, Pages: 649–662 published on line on July 7, 2015.
(3) Enck P. *et al.*, Irritable Bowel Syndrome – Nature Review 2016; 2-16014.

Customers centricity

To be as close as possible to its customers, Ipsen carried out in 2016 extensive market research studies with healthcare professionals, consumers and patients, to better identify their unmet needs, get their insights, and adapt the Consumer Healthcare strategy accordingly.

115 **HCPs**
(gastroenterologists, general practitioners and pharmacists)

2,970 **consumers**

1,627 **hours of interviews**

178 **questions**

3 **largest markets**
(China, France, Russia)

Driving innovation for patients —

Our search for innovative new treatments is driven by both cutting-edge science/technology and human collaboration —

A patient-centric R&D model

R&D's mission is the timely delivery of a valuable and sustainable portfolio of innovative therapeutic solutions that focuses on unmet medical needs in neurosciences, oncology and rare diseases. —

Ipsen's R&D motto is "Dare, Care and Share." "Dare" means to continue to innovate and seek faster ways to deliver differentiated therapeutic solutions to patients who are at the heart of our development strategies.
Medical needs are addressed first to improve patients' lives and change medical practices.
"Share" refers to vital external collaboration through open R&D and cooperation with academic research institutes and innovative companies. Ipsen's goal is to become a major integrator of knowledge while using internal resources to develop new drugs.
"Care" means putting the patient first. Our primary aim is to provide patients with safe, effective and accessible therapeutic solutions. The key to the process is to uncover what matters most to patients in terms of their symptoms, the impact of disease on their lives, drug profiles tolerability and access.
Our robust lifecycle management programs ensure that the drugs we develop are safe, effective and available on the marketplace for patients who need them.
In 2016 Ipsen conducted 20 clinical studies (phase I to IV), some still in progress in 2017, with more than 2,000 patients, in more than 30 centers in over 30 countries.

Ipsen's main innovation campuses

> United Kingdom
The Milton Park site, near Oxford, is home to all United Kingdom R&D functions and hosts about 100 employees including researchers in drug development devoted to R&D on neurotoxins as well as other R&D professionals.

> France
The Les Ulis R&D open campus is located in the Paris-Saclay newly created scientific ecosystem. This R&D center seeks new chemical or biological candidates for development in oncology and neurosciences.

> United States
The R&D center based in Cambridge, Massachusetts, specializes in synthesizing complex peptides for innovative targets in collaboration with leading research and medical centers and partners in the global hub for research and innovation.

Collaboration as a source of strength

In pursuing its goal of developing safe, effective drugs, Ipsen relies on an extensive network of renowned research institutions to help us stay abreast of scientific breakthroughs that will benefit human health now and in the future. Spotlight on three major collaborations undertaken in 2016. —

Institute of Molecular and Cell Biology

— In May, Ipsen joined forces for the first time with the Institute of Molecular and Cell Biology (IMCB), a research institute of the Agency for Science, Technology and Research in Singapore, to study the intracellular trafficking of botulinum neurotoxins within neurons.
The IMCB has an outstanding record of excellence in biological research and is the ideal partner for Ipsen, with its expertise in recombinant toxin. The collaboration will expand our research capabilities in innovative therapeutic solutions in neurosciences.
With the two partners working closely together, the collaboration could potentially facilitate the design of new therapeutic toxins to address neurological disorders, at the same time showing how IMCB's research capabilities in the system biology of membrane trafficking can be leveraged by large pharmaceutical companies like Ipsen to develop new therapeutics.

PeptiMimesis

— Ipsen signed a partnership agreement and licensing option in March with PeptiMimesis, an INSERM (French national institute of health and medical research) start-up spin off from Strasbourg university.
The agreement covers the development and marketing of novel therapeutic peptides in oncology. Ipsen will combine its expertise in peptide design and development with PeptiMimesis's knowledge in the identification of transmembrane peptides and intracellular signaling.
Ipsen has been working with PeptiMimesis since 2014 to assess the potential of transmembrane targeting of a specific receptor involved in cancer development. The strengths and expertise of the two organizations will now be combined to identify and develop new treatments for cancer patients. This project, perfectly in line with Ipsen's research strategy, will extend our expertise in peptides.

3B Pharmaceuticals

— Ipsen and 3B Pharmaceuticals, a private German company, signed a licensing agreement for targeted radiopharmaceutical drugs and diagnostics for oncology indications with high unmet needs in February. The deal will help Ipsen strengthen its radiopharmaceuticals pipeline in this area.
Ipsen acquired exclusive worldwide rights to develop and commercialize novel radiopharmaceuticals targeting the neurotensin receptor. Ipsen will focus on the development of the lead program, currently in preclinical development, for the treatment of pancreatic adenocarcinoma and potentially other cancers.
This agreement reinforces Ipsen's strategy of strengthening our pipeline in niche oncology indications and in radiopharmaceuticals following the acquisition of OctreoPharm, and underscores the growing importance of nuclear medicine in targeted cancer therapy. It is hoped that the neurotensin receptor-targeting radiopharmaceuticals will improve the lives of seriously ill cancer patients.

The Fondation Ipsen: driving scientific collaboration

Created in 1983 under the auspices of the Fondation de France, the Fondation Ipsen is a unique, independent organization that aims to identify emerging scientific thinking, foster interaction among top researchers and kick-start ideas for research fields to find new treatment options for patients. —

The Fondation Ipsen facilitates cross-disciplinary fertilization and drives progress in biomedical research. With the American Association for the Advancement of Science, we launched the Bridging Biomedical Worlds conference series in 2014 to boost cooperation among researchers, clinicians and industry scientists from East and West. The third edition took place in Hong Kong in 2016 and explored the "Frontiers in Human Microbiota Symbiotic Interactions" – addressing questions such as how our gut microbiome preserve our health and protect us from diseases like cancer or inflammatory disorders. The advent of microbiome-wide association studies, which have been enabled by advances in DNA sequencing, metabolomics, proteomics and computation, provide a roadmap for realizing the promise of microbiome-based precision diagnostics and therapeutics.

From left to right: **Dr. Jean-Marie Robine** (INSERM U1198, Montpellier); **Pr. Thomas Kirkwood,** President of the jury (University of Newcastle, England, and University of Copenhagen, Denmark); **Kaare Christensen** (University of Odense, Denmark); **Yannick Tanguy** (Fondation Ipsen).

Meetings of minds

— Every year we organize medicine and research meetings to foster interaction among top researchers worldwide. In March 2016, some 40 internationally renowned experts gathered in Chile to focus on the role of metabolism in the origin and progression of cancer. In April, an international panel of 12 leading scientists came together for a neuroscience event and reviewed how genome editing techniques are advancing understanding of the development and functioning of the nervous system. Some 200 participants were in attendance. The last meeting of 2016 was dedicated to endocrinology. Speakers included 12 international experts who shared their knowledge about hormones, metabolism and the benefits of exercise with more than 200 participants.

In pursuit of scientific excellence

— The Fondation Ipsen awards top scientists with several prizes every year. In 2016 the 21st Longevity Prize was awarded to Kaare Christensen of the University of Southern Denmark for his pioneering work on the importance of genes and environment in aging and longevity. Pierre Magistretti, David Altwell and Marcus Raichle, a team of scientists based in Switzerland, the UK and the US respectively, won the 26th Neuronal Plasticity Prize for their groundbreaking work in the domain of neuroenergetics. In Beijing, at the International Congress of Endocrinology – Chinese Society of Endocrinology, John W. Funder received the 2016 Endocrine Regulations Prize for his pioneering work on the endocrine aspects of arterial hypertension and more specifically on primary aldosteronism.

With our partners from the Salk Institute in La Jolla and the top scientific journals AAAS's *Science* and *Nature*, we have also organized a series of annual meetings that analyze "Biological Complexity". In 2016, some 25 scientists gathered together to explore the exciting new field of synthetic biology.

Discovery of potential highly differentiated and competitive products

Our Research aims at the discovery of potential highly differentiated and competitive products in neurosciences, oncology and rare diseases. —

Clinical proof of concept is the cornerstone of the drug discovery process, the principle used by all involved that determines the entire lifecycle of the molecule in R&D as early as possible. This mindset means that key questions are being asked in order to rapidly determine the unique properties of the molecule and its potential clinical differentiation and benefit to patients at each stage of the process.

Neurosciences

— The toxins platform, exemplified within the world-leading engineering activities for recombinant toxins located at Ipsen Bioinnovation, comprises modifying the sequence of a toxin to introduce new properties "on demand" and to produce the resulting toxin in a well-characterized bacterial strain. This R&D center has complementary expertise and technologies which will allow us to consolidate the toxins platform and ensure we stay a step ahead of the competition. Furthermore, by combining peptides and toxin domains to obtain targeted secretion inhibitors (TSIs), a new class of molecule has been created in which the toxin-derived secretion inhibitor is directed towards different types of cells depending on the peptides used. Ipsen is one of very few entities to master the manufacture and development of TSIs, together with the technologies required to explore new applications and to develop new toxin-based products.

Scientists at Ipsen Bioinnovation collaborate with colleagues at Ipsen Innovation in Paris-Saclay, as well as our manufacturing facility in Wrexham (UK) in order to advance our portfolio of novel botulinum toxin-based medicines to address unmet medical needs.

Oncology and rare diseases (includes endocrinology)

The acquisition of OctreoPharm in 2015 has added another innovative technology, peptide receptor radionuclide therapy (PRRT), to the Ipsen peptide platform.

PRRT uses the ability of peptides to target specific receptors to deliver a radionuclide directly to a tumor. This targeted approach provides an exciting "theranostic" opportunity that offers the promise of use for both detection and treatment of the disease. This research field is also at the heart of the partnership signed in early 2016 with the German company 3B Pharmaceuticals, to develop and commercialize novel targeted radiopharmaceutical drugs and diagnostics for oncology indications worldwide. The phase I is planned to start in 2017. The focus is on the treatment of pancreatic adenocarcinoma with the potential for additional oncology indications.

To achieve its goal of developing highly differentiated drugs for unmet medical needs in endocrinology and oncology, the R&D network includes Ipsen BioScience in Cambridge MA, Ipsen Innovation in Paris-Saclay, and our manufacturing facility in Dreux (France).

As of 04/15/2017.

Expanding our footprint —

Our geographical footprint depends not only on our resources or the market: it is defined by the needs of patients —

Our manufacturing & R&D sites

CHINA

TIANJIN

Manufacturing

Present since 1992, Ipsen created a local production facility in Tianjin for Smecta® in 2000. The site packages this product for the Chinese market and is also the distribution platform for Ipsen portfolio and other medical products in China.

BEIJING

Development

Created in Beijing in 2012, the Asia Group Drug Development is the platform in charge of clinical trial coordination in Asia.

IRELAND

CORK

Manufacturing

The industrial site in Cork is the result of a joint venture with Schwabe. The extract of ginkgo biloba – EGb 761® – produced there is used for Tanakan® and Ginkor® drugs.

DUBLIN

Development and manufacturing

The Dublin site, opened in 1989, is the Group's center for the production and development of peptide active pharmaceutical ingredients (APIs). The site currently produces the APIs for both Somatuline® and Decapeptyl®. Ipsen in Dublin also has responsibility for the development of small molecule APIs and analytical development.

UNITED KINGDOM

WREXHAM

Biological development and manufacturing

Ipsen Biopharm Ltd is the Group's sole biological manufacturing and development facility. The site is a fully integrated neurotoxin manufacturing and development center of expertise including active ingredients, drug clinical and commercial manufacturing and distribution. The site currently manufactures Dysport® and Azzalure®. The site also has Chemistry, Manufacturing and Control (CMC) development teams involved in lifecycle management and new recombinant toxin projects.

OXFORD

R&D

Ipsen's site at Milton Park, close to Oxford, opened in October 2016, hosts the Group's UK R&D functions on one new multipurpose site. In addition to hosting the Drug Discovery experimental team (with focus on engineering toxins to discover and develop new therapies in neurosciences), this innovative site also includes Project Management, Regulatory Affairs, Patient Safety, Publications, Drug Development and Scientific Affairs.

FRANCE

DREUX

Development and manufacturing

The manufacturing site, specialized in the production of oral formulation, also handles global distribution of Ipsen products. The CMC Development activity for both Specialty Care and Consumer Healthcare products is also hosted at this site. This facility also hosts the clinical supply chain activities for all Ipsen clinical studies around the world.

L'ISLE-SUR-LA-SORGUE

Manufacturing

L'Isle-sur-la-Sorgue is Ipsen's only site for processing clays, notably used in Smecta®, Bedelix®, Actapulgite® and Gelox®. Approximately two thirds of the production are for Europe and China.

SIGNES

Manufacturing

The Signes facility was created in 1990. It specializes in the manufacturing and packaging of injectable formulations, particularly sustained-release formulations of peptides (Decapeptyl®/Pamorelin®, Somatuline® and NutropinAq®). The site manufactures about half of the Group's drug sales and exports to over 70 countries worlwide.

LES ULIS

R&D

One of the site's missions is to advance knowledge of the molecular, pharmacological, pharmacodynamic, pharmacokinetic, and safety properties of new chemical or biological entities as candidates for development in the fields of oncology and neurosciences. This facility is evolving into an open campus. Partnerships are established to enhance scientific and technological know-how.

UNITED STATES

CAMBRIDGE

R&D

Ipsen's R&D center in Cambridge (MA) supports an active policy of developing partnerships with the Scientific Affairs team. This center is specialized in the synthesis of complex peptides designed to address innovative targets.

CAMBRIDGE

Manufacturing

Acquired in April 2017 as part of the Onivyde® acquisition from Merrimack Pharmaceuticals, the site currently produces the bulk drug product for Onivyde® and a number of other nano-liposome products in development.

Ipsen worldwide, our main sites

Ipsen operates in 115 countries. Our most important sites in R&D and manufacturing are located in China, France, Ireland, the United Kingdom and the United States. —

115
countries

8
industrial sites

3
major R&D centers

1 Algeria
2 Australia
3 Belgium
4 Brazil
5 Canada
6 China
7 Czech Republic
8 Denmark
9 Finland
10 France
11 Germany
12 Greece
13 Hungary
14 Ireland
15 Italy
16 Kazakhstan
17 South Korea
18 Lebanon
19 Lithuania
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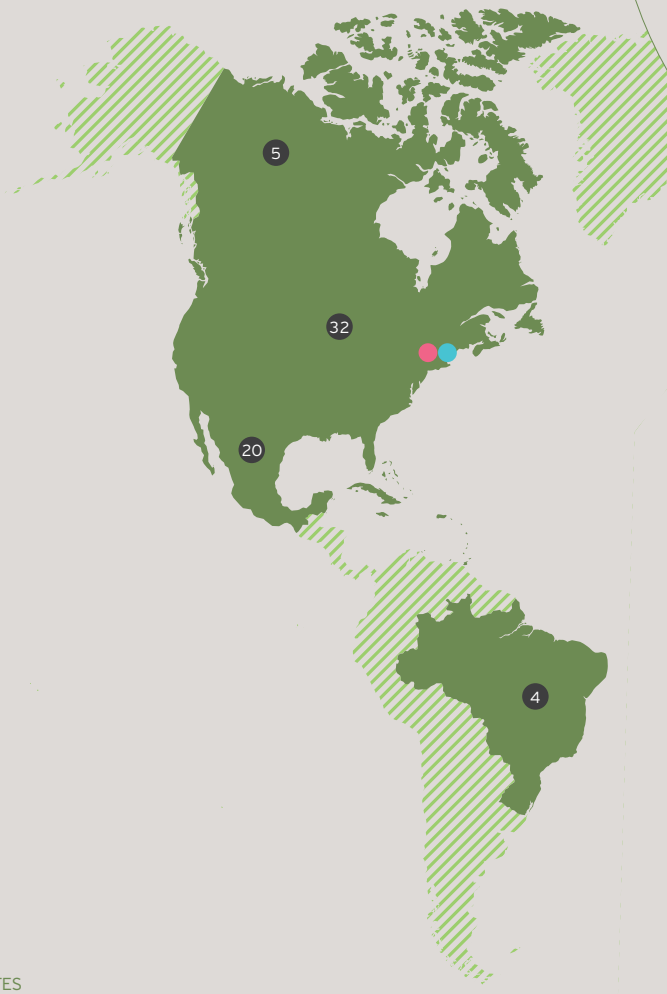
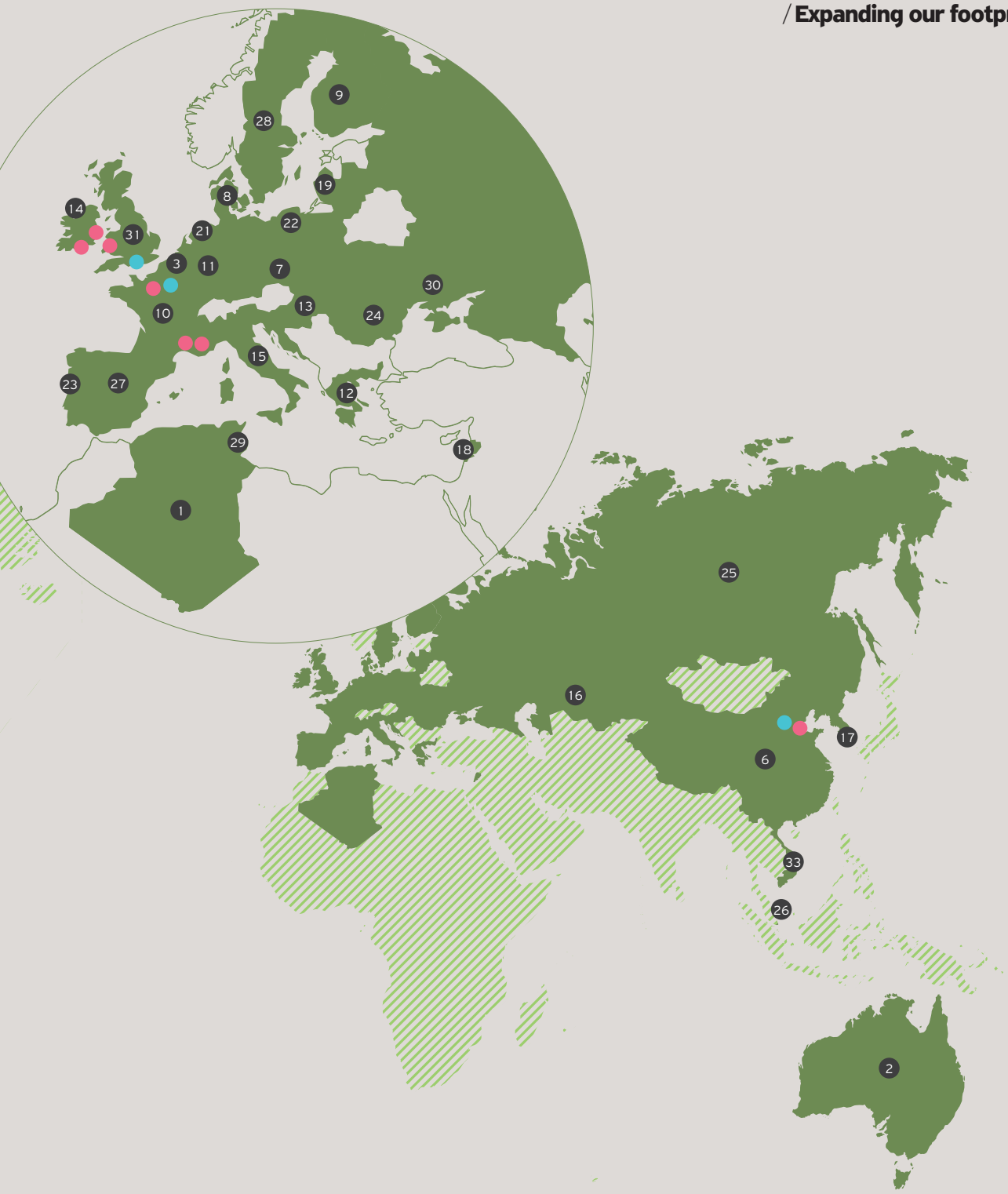
33 Vietnam



DIRECT PRESENCE
MANUFACTURING SITES
RESEARCH & DEVELOPMENT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Fostering engagement —

At Ipsen, we are committed to our employees, stakeholders, patients and society at large —

For employees
Focused on patient benefits

A dynamic, innovation-driven Group, Ipsen aims to be an employer of reference in the biotech/pharmaceutical industry, offering employees a wealth of challenges and opportunities. The end goal of every job is a better life for our patients. —

Ipsen's Human Resources policy is designed to support the Group's strategy while fostering the professional growth of all employees.

Recruitment

— In 2016, a five-year roadmap was defined with the objective of strengthening the human resources infrastructure to focus on the Group's strategic plan and growth.

An ambitious re-engineering project of the recruitment process was launched to streamline and simplify it and to make it more efficient. In 2017, this project will revisit our employer branding strategy and help improve the quality of talent hired, speed up the recruitment process and reduce costs.

More than 1,100 new employees were hired during the year, over half (57%) of which are women.

We are now focusing on recruiting employees with oncology expertise for the launch of the new drug in renal cancer Cabometyx® in the European Union. In China, almost 250 people were brought in to strengthen Consumer Healthcare expertise. Ipsen's global footprint expanded, with 70% of new hires made in France, China, the UK and the US.

iPeople, Ipsen's human resources information system, will replace the existing one and will allow both managers and employees to manage all employee-related information and processes using best-in-class technology.

Talent management and development

The Ipsen Management Academy offers high-performance development resources for managers combining online learning with other solutions, helping to develop our four action principles: accountability, team spirit, result-orientation and agility.

We are also modernizing and expanding our training and development management capability through the Ipsen Learning Platform.

In 2017, a new process framework called iPerform – a combination of policies and process designed to take employees' and the company's performance to the next level – is being rolled out to redefine how goals are set and performance is evaluated adding a new link with the employee's professional development.

A revised short-term incentive was redesigned for 2017 to reward employees financially according to their performance and to balance collective and individual goals while empowering managers to make more differentiated decisions.

In 2016, Ipsen's employee stock purchase plan (ESPP) attracted record-breaking participation. A total of €8,578,106 was invested for 159,037 shares, equal to 0.19% of the Group's capital.

Ipsen, a company with a commitment to diversity and equal opportunity at all levels, has a truly global Executive Leadership team, with members from France, the US, the UK and Lebanon.

For stakeholders
EHS: laying the foundation for excellence

People are the driving force behind our Environment, Health and Safety (EHS) policy. We believe in empowering all stakeholders – employees, partners, suppliers and patients – to foster continuous EHS improvement. Our activities worldwide require a high level of safety and a development strategy that respects the environment. —

Ipsen is committed to finding effective therapeutic solutions to cure diseases, relieve suffering and bring value to the community. We are responsible for developing safe and sustainable products that limit the impact on the environment at every stage – R&D, clinical research and manufacturing. This means promoting Green Chemistry, and driving innovation to find new ways to administer drugs that improve absorption and reduce pharmaceuticals in the environment.

Safe and sustainable products

— We launched an innovative syringe technology, Somatuline® Depot Injection, for the treatment of NETs to reduce medical waste and protect against needle stick injuries. Ipsen won the California Product Stewardship Council's 2015 Green Arrow Award for System Design and Innovation for this industry-changing product. The impact of this new delivery system could be estimated to 61 tons of CO_2 emissions avoided, a toxics reduction of 48 tons of solvents and savings of 2,765 kilograms of packaging in 2016.

Focus on 2020

— Our 2017-2020 EHS strategy is paving the way for excellence. With the help of our EHS Group Council, we are setting goals and establishing metrics to follow our progress. Our S3 policy was clarified and vetted in 2016, affirming our commitment to empower employees to "Step Up, Speak Out and Stay Safe". This approach has already had a positive impact on the accident frequency rate, which was 2.33 in 2016, down from 3.48 in 2015. Our goal is to reduce this rate to less than 2.00 by 2020. We are also well on our way to achieving another goal: reducing our energy consumption and carbon emissions 5% by 2020. Our third key goal focuses on reducing water consumption 30% by 2020, and we are on track to reach this objective. In 2015-2016, we audited a total of six manufacturing sites and established a list of 60 EHS initiatives which are being considered for implementation.

Certification is an integral part of Ipsen's continuous improvement policy. We are focusing on Group ISO 14001 and OHSAS 18001 certification for our manufacturing sites worldwide in 2017. For our Research & Development sites, we seek to achieve Group certification by 2020. Ipsen's EHS Manual is being rolled out to our eight largest affiliates in France, the UK, Germany, Italy, Spain, Portugal, Russia and China in 2017. All other significant affiliates will be covered in 2018.

Our EHS Culture Surveys helped us to establish future objectives and to embed the EHS culture further within the organization.

For society
Committed to innovation for patient care

At Ipsen, our commitment to patients is both our mission and our engagement. —

Our commitment involves working and interacting with the highest ethical standards in everything we do – ensuring that all decisions are made independently, in the best interests of patients, and in compliance with all applicable laws, regulations, industry codes and the Ipsen Code of Ethical Conduct.

An ethics and compliance culture

— We consider ethics and compliance as a strategic asset for our company, supporting a culture of accountability and responsibility.
In 2016, we further developed and operationalized the Ethics and Compliance Program by issuing and reviewing key business procedures and education courses addressing interactions with healthcare professionals and organizations, and Ipsen anti-corruption policy. In addition, the Third Parties Compliance Due Diligence Program has been fully deployed.
Ipsen disclosed interactions with healthcare professionals/healthcare organizations in a large number of countries, in application of provisions of transparency laws and codes (e.g., US Sunshine Act, EFPIA disclosure code, etc.).

Ipsen's guiding principles for interactions with stakeholders

Ipsen interacts with highest ethical standards with the aim to ensure that decisions are made independently in the best interests of patients.

> Healthcare and patient focus
Everything we do is intended to benefit patients' health.

> Integrity
We are committed to quality, compliance, ethics and integrity in everything we do.

> Independence
We respect the need for independent and autonomous decision-making by all parties.

> Legitimate intent
We commit that everything we do is aligned with Ipsen's mission to discover, develop and deliver innovative medicines that help patients to prevail over serious diseases.

> Transparency
We seek to be transparent about our actions while respecting legitimate intellectual property rights and data privacy.

> Accountability
We take our commitment seriously and feel accountable for our actions and interactions.

For patients
Our focus on patients' needs

Our activities worldwide require a large Ipsen investment in the community, with efforts focusing on patient associations and charitable work. Our commitment reflects the Group's corporate social responsibility policy, for which Ipsen's employees are our leading ambassadors. Here are some examples. —

AUSTRALIA/NEW ZEALAND **Ipsen Australia/New Zealand staff held a fundraising event** to raise money for the Cure Brain Cancer Foundation, the leading organization for brain cancer research, advocacy and awareness in Australia, which has a time-critical mission of increasing the five-year survival rate from the current 20% to 50% by 2023. With a strong patient focus, the Group has forged global collaborations to fund innovative research and bring world-class clinical trials to Australia, giving children and adults with brain cancer faster access to new treatments.

BRAZIL **Ipsen supported the fourth Annual Acromegaly Patients Meeting,** organized by Instituto Vidas Raras (formerly APMPS/DR), in October. This one-day meeting was held in the city of Guarulhos (State of São Paulo) and attended by more than 50 patients. The program included the following topics: Living with Acromegaly, Understanding Clinical Trials, Optimizing Nursing Service, Talking on the Couch (psychology) and Social Interactions. The presenters were physicians, nurses, psychologists and Patient Association members.

CHINA **Ipsen China sponsored a disease information campaign** held by the China Health Promotion Foundation's (CHPF) Inflammatory Bowel Disease (IBD) Fund in 19 cities. The project's objectives were to provide patients with accurate information on IBD and its treatment, and ultimately improve disease management and long-term care. It also aimed to improve public awareness of IBD. Around 400 doctors and nurses specializing in IBD and over 3,000 IBD patients participated in these activities in hospitals. Twenty-four hospitals were recognized as "Excellent Public Welfare Teams", and 10 were named "IBD Education Centers".

FRANCE **Ipsen France succeeded in getting temporary authorization for use (ATU)** approval for Cabometyx® in five months instead of twelve. An ATU is an early access program for unlicensed medicines with major clinical benefits. In France, it can be granted only before formal marketing authorization. The French made it happen, however, thanks to smart in-house and external collaboration. Today, we are very proud of this achievement as it gave patients access to the treatment almost one year sooner than expected.

GERMANY **In 2016, Ipsen Germany supported "Das Lebenshaus e.V.",** a nationwide patient organization for kidney cancer patients, to enable them to hold events at which patients can share experiences with other patients, family members, doctors and specialists in various locations all over Germany.

ITALY **"Ipsen for Children" engaged 100 Ipsen Italy employees in the building**
of 10 playgrounds for five patient associations involved in supporting children suffering from cancer and their families.

RUSSIA **To improve quality of life of children with neurological diseases,**
Ipsen Russia employees took part in the annual volunteering campaign originally launched in 2014. Its goal is to improve quality of life of sick children staying in medical facilities by ensuring that the hospital's territory is clean and well-equipped with child-friendly amenities.

SPAIN **Ipsen Spain supported NET España (Spanish neuroendocrine tumor patients association)**
and a discussion session involving relevant stakeholders: the president of GETNE

(Spanish neuroendocrine tumor group), oncologists, nurses, primary caregivers, health authorities and patient organizations. A report on this session was presented by the president of NET España and GETNE to the specialists participating in the "XII GETNE International Symposium", which took place in Barcelona on September 29, 2016. A disease awareness campaign was also organized for the first time in the main hospitals in Madrid and Barcelona.

UNITED KINGDOM **In 2016, the European Neuroendocrine Tumour Society (ENETS)**

published a set of new and updated consensus guidelines on the management of patients with NETs. To help National Health Service NET specialist centers audit their practices against these new guidelines, a program was set up to offer Medical Education Goods and Services (MEGS) funding to perform this type of clinical review and enhance patient care by following evidence-based recommendations.
Four MEGS awards were given in 2016.

UNITED STATES **The Ipsen US Oncology Educational Grants Committee approved funding**
to support the Los Angeles Carcinoid Neuroendocrine Tumor Society's (LACNETS) 2016 Monthly Patient Education Seminars and 2016 Annual Patient & Caregiver Educational Conference. Ipsen's support went to the direct costs associated with conducting the seminars and conference. This enabled LACNETS to focus on content to ensure that the sessions were as informative as possible and to provide ongoing patient education in 2016.

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