

English version for information purposes only

This policy has been translated in English for information purposes only. In the event of any differences between the text in French and the text in English, the French language version shall prevail

Extract from GENFIT 2021 Universal Registration Document filed with the French Autorité des marchés financiers on April 29, 2022

3.2.1 Compensation Policy

This section presents the compensation policy for the executive officers and non-executive directors of the Company. As such, it serves as the *Say on Pay* report, and will be submitted to the ordinary Shareholder's Meeting, which will vote on the financial statements for the financial year ending December 31, 2021.

The information and tables below have been established in accordance with Ordinance No. 2019-1234 of November 27, 2019 relating to the compensation of corporate officers of public companies, supplemented by Decree No. 2019-1235 of the same day relating to transposition of the second Shareholders' Rights Directive.

They comply with the governance standards taken into account by the Board of Directors to determine the total compensation of the corporate officers, which are those appearing in the Middlednext Corporate Governance Code of September 2021 (the "**Middlednext Code**").

This presentation specifies (i) the compensation policy for the Company's corporate officers for the 2022 financial year, namely the Chairman of the Board of Directors, the Chief Executive Officer and the directors, as well as (ii) the fixed, variable and exceptional components of the total compensation and benefits of all kinds paid during the course of, or granted for, the 2021 financial year to these same persons.

It incorporates the provisions of Articles L. 22-10-8 and L. 225-100 of the French Commercial Code. These elements were approved by the Board of Directors, following the proposal made by the Nomination and Remuneration Committee. In accordance with article L. 22-10-34 of the French Commercial Code, they will be subject to a vote at the Shareholders' Meeting, which will vote on the financial statements for the financial year ending December 31, 2021.

Please note that the compensation policy for officers (Chairman of the Board of Directors, Chief Executive Officer and members of the Board of Directors) for 2022 described below will be subject to an overall vote, which does not prejudice the results of the individual votes on the way in which this policy is applied to the Chairman of the Board of Directors, the Chief Executive Officer and the members of the Board of Directors.

3.2.1.1 2022 Compensation Policy – Ex Ante Vote

3.2.1.1.1 General description

As of the date of the Universal Registration Document, the corporate officers are Mr. Jean-François MOUNEY, Chairman of the Board of Directors, Mr. Pascal PRIGENT, Chief Executive Officer of the Company and the directors.

The current term of office of Chairman of the Board of Directors is of 5 years renewable and corresponds to the term of office of the directors of the Company.

The duration of the Chief Executive Officer's term of office is not specified in the Bylaws or in the appointment decision. However, its mandate is revocable *ad nutum* by the Board of Directors.

None of these corporate officers has an employment contract binding them to the Company.

The compensation policy for executive officers of the Company shall be determined by the Board of Directors on the recommendation of the Nomination and Remuneration Committee. In establishing this policy, the Nomination and Remuneration Committee and the Board of Directors ensure that it is consistent with the social interest of the Company, contributes to its sustainability and is part of its strategy, in particular through the objectives of variable compensation and, where appropriate, the performance conditions of stock options and free shares. The Nomination and Remuneration Committee and the Board of Directors aim at being consistent with market and industry practices to ensure (i) competitive compensation levels, (ii) a strong correlation between the performance of the company and the elements of executive compensation and, in particular, maintaining the balance between short-term and medium / long-term performance and (iii) compliance with the governance standards to which the Company adheres. The Nomination and Remuneration Committee and the Board of Directors shall also take account of the votes cast in the previous Shareholders' Meetings on the compensation policy for corporate officers. To date, these votes (*ex ante* and *ex post*) have always been positive.

Through proper management of conflicts of interest, the Chief Executive Officer and the Chairman of the Board of Directors shall not take part, respectively, in the discussions and votes (as regards the Chairman of the Board of Directors) concerning them.

The governance standards taken into account by the Board of Directors to determine the overall compensation of the corporate officers are those defined in Recommendation R.16 of the Middlednext Code:

- **Completeness:** Each company is free to determine the compensation of its corporate officers. Communication to shareholders of the compensation of corporate officers should be comprehensive: fixed part, variable part (bonus), stock options, free shares, compensation as a member of the Board of Directors, exceptional compensation, retirement conditions and special benefits must be comprised in the overall assessment of compensation. When included as a component of executive remuneration, variable remuneration should be based on financial and extra-financial quantitative metrics, as well as on qualitative metrics.
- **Balance between elements of compensation:** each element of compensation must be justified and correspond to the best interest of the company.
- **Benchmark:** this compensation should be assessed, as far as possible, in the context of an industry and the reference market and proportionate to the situation of the Company, while paying attention to its inflationary effect.
- **Coherence:** the compensation of the executive corporate officer must be determined in coherence with that of the other executives and employees of the company.

- Legibility of the rules: the rules must be simple and transparent; the performance criteria used to establish the variable part of the compensation or, where applicable, for the allocation of options or free shares must be linked to the performance of the company, correspond to its objectives, be demanding, explainable and, as far as possible, long-term. They must be detailed without however calling into question the confidentiality which may be justified for certain elements.
- Measure: the determination of compensation and grants of stock options or free shares must strike a fair balance and take into account both the best interest of the company, market practices and the performance of executives.
- Transparency: in accordance with the law, companies whose shares are traded on a regulated market must publish in their report on governance (included in the Universal Registration Document) all components of the compensation of executive officers. In the case of variable compensation, the weight of all criteria is communicated to shareholders.

The criteria used by the Board of Directors to determine the compensations of the Chairman of the Board of Directors and of the Chief Executive Officer are the following:

- the level and difficulty of responsibilities;
- the experience in the role;
- the length of service within the Company;
- the functions performed in the Group's subsidiaries;
- the comments and expectations of the shareholders of the Company as stem from particular of the votes cast on the occasion of the latest Shareholder's Meetings;
- the practices identified in groups or in companies of comparable size internationally; and in particular, characteristics and levels of compensation of the corporate officers of the main competitors of the Company in France and in the United States, including: Intercept Pharmaceuticals, Madrigal Pharmaceuticals, Cymabay Therapeutics, Viking Therapeutics, DBV Technologies, Erytech Pharma, Cellectis, Poxel, Inventiva, and Innate Pharma. This group of biopharmaceutical companies was chosen especially given their stage of development similar to that of the Company (some having already commercialized products, others being very close (i.e. advanced clinical trials), to their area of research (the majority of peers are companies pursuing programs in PBC or NASH, new pathologies which require specialized skills), and for many of them, because of their dual listing on both an European market and on the Nasdaq, as this dual listing requires a perfect knowledge of shareholders' expectations of both sides of the Atlantic. The relevance of this panel of companies is reassessed annually by the Nomination and Remuneration Committee; and
- the level of compensation for the Group's employees, particularly with regard to the calculation of "equity ratios".

These same criteria are applied for determining the compensation of directors, with a particular emphasis on comparison with companies listed in the United States.

Beyond the criteria listed above and the elements of comparison with the selected panel, the Board of Directors, on the proposal of the Nomination and Remuneration Committee, also wished to take into account, when determining the compensation of Mr. Jean-François MOUNEY, Chairman of the Board of Directors of the missions it decided to specifically continue to entrust him following the decision taken in September 2019 to dissociate the functions of Chairman of the Board of Directors and Chief Executive Officer of the Company with the aim to continue to ensure the most efficient possible transition with the former in 2021, following the strategic realignment of the Company triggered by the decision made in September 2020 to discontinue the development of elafibranor in NASH. These missions include *inter alia*:

- leadership of special projects with the Board of Directors related to the implementation of this new strategy; and
- leadership of special projects with the Board of Directors and some of its Committees resulting from the recruitment of three new members since June 2020.

Pursuant to the policy of the Company and in accordance with Recommendation R.16 of the Middledex Code mentioned above, the compensation of the Chief Executive Officer includes a fixed part, an annual variable part (bonus), the grant of stock options and/or free shares and certain benefits in kind.

Regarding the variable part, the Board of Directors has set since 2020 the principle of annual variable compensation for the Chief Executive Officer of a gross amount between 0% and 50% of the gross amount of his fixed annual compensation, depending on the achievement of objectives that are determined and reassessed annually by the Board of Directors.

Regarding stock-options and free shares:

- The number of stock options or free shares (and the value of such grant based on the share price of the Company at that time) reflects the level of responsibility of the beneficiary and their performance, the proportion of stock options and free shares increasing with the level of responsibility and performance, other components of their compensation and market practices of comparable public companies;
- In addition to a condition of attendance, the exercise of stock options and the final grant of free shares is governed by serious and demanding performance conditions (internal and/or external) to be satisfied over a period of several consecutive years. The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, determines these performance conditions according to the strategic and operational objectives of the Company, and in coherence with the general objective of the compensation policy for corporate officers of the Company;
- The plans for the grant of free shares and/or stock options provide for a holding obligation for the Chief Executive Officer;

The compensation of the Chairman of the Board of Directors is mainly composed of a fixed compensation under article L. 22-10-16 of the French Commercial Code and, if applicable, a cash compensation formerly known as "attendance fees" (*jetons de présence*), granted annually (out of convenience, the term "attendance fees" is used in this document).

The compensation of the other non-executive directors, natural persons members of the Board of Directors, is mainly composed of attendance fees, granted annually. The Board of Directors may also decide to exceptionally compensate one of its members to exercise a special mission within the meaning of Article L.225-84 of the French Commercial Code.

3.2.1.1.2 Compensation of the Chairman of the Board of Directors

The various components of the overall compensation of the Chairman of the Board of Directors for his duties within the Company for the 2022 financial year are as follows:

- fixed compensation under article L.225-47 of the French *Code de commerce*;
- where applicable, attendance fees remunerating his participation in the work of some of the Committees of the Board of Directors (as a member and/or Chairman), in accordance with to the grant decided by the Board of Directors (see below); and
- other elements attached to the exercise of its mandate, including in particular:

- the provision of a company vehicle;
- the benefit of the Group's employee welfare and mutual insurance scheme.

Furthermore, the Chairman of the Board of Directors has not entered into an employment contract with the Company.

I. Fixed compensation

The annual fixed compensation of the Chairman of the Board of Directors of the Company for the 2022 financial year under Article L.22-10-16 of the French *Code de commerce* corresponds to a gross annual salary of €210,000, a slight increase compared to the fixed compensation paid to the Chairman in 2021. This compensation reflects the strong and durable engagement of the Chairman of the Board of Directors in the support of the Chief Executive Officer of the Company in the implementation of the strategic orientation of the Company.

II. Attendance fees

Mr. Jean-François MOUNEY is eligible for attendance fees awarded because of his participation in some of the Committees of the Board of Directors, according to the attribution rules determined by the Board of Directors which take into account the attendance at meetings (see below). For information and considering the projected frequency of meetings in which he may participate, these fees could reach a total of about €42,000 (gross) per year. The final amount will depend on the number of meetings actually held during the 2022 financial year.

III. Other elements

The benefits in kind granted to the Chairman of the Board of Directors consists essentially in the provision of a company vehicle, and in the benefit of the Group's employee welfare and mutual insurance scheme. For information, during the 2021 financial year, the company vehicle represented a benefit in kind worth €7,200.

3.2.1.1.3 Compensation of the Chief Executive Officer

The various components of the overall compensation of the Chief Executive Officer for his duties within the Group for the 2022 financial year are as follows:

- a fixed component and a variable component which may represent between 0% and 50% of the fixed component depending on the completion of annual objectives and evaluated by the Board of Directors;
- medium-term incentive elements consisting of the grant of free shares and free stock options, subject to conditions of attendance and fulfillment of related internal performance conditions, including the clinical and regulatory progresses of the R&D programs of the Company and the R&D programs pipeline reinforcement objectives of the Company and/or external performance conditions linked to changes in the Company's share price;
- other elements attached to his position, including a commitment to pay compensation in the event of termination of service at the initiative of the Company, under certain conditions, in particular performance conditions, and the benefit of a company vehicle and of the Group's employee welfare and mutual insurance scheme.

Furthermore, it is specified that the Chief Executive Officer is not party to an employment contract with the Company.

I. Fixed compensation

The annual fixed compensation of the CEO of the Company for the 2022 financial year under its contract term corresponds to a gross annual salary of €375,000 (gross). This compensation

represents a significant increase compared to the compensation paid to the Chief Executive Officer in 2021, while remaining in line with comparable compensations. It reflects the experience acquired by the Chief Executive Officer since his nomination in September 2019, in a context where it had not evolved since he took this position, and his accomplishments since then.

II. Variable compensation

At the start of the year, the Board of Directors determines, on the recommendation of the Nomination and Remuneration Committee, the annual variable compensation of the Chief Executive Officer, expressed as a percentage of fixed compensation and the objectives to be achieved as well as their weighting.

For the 2022 financial year, the Board of Directors set the maximum variable compensation at 50% of fixed compensation if 100% of the annual targets are met.

At the beginning of the following year, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, determines the level of achievement of the objectives. If 100% of the objectives are reached, 100% of the variable compensation is paid. In the event that less than 100% of the objectives are met, the percentage of variable compensation paid is proportional to the percentage of achievement of the objectives. In addition, in the case of a manifest exceptional performance the achievement of which would not have been taken into account in the definition of the objectives, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, may decide to award an exceptional bonus.

The Board of Directors has determined the various objectives for the Chief Executive Officer for 2022. These annual objectives are operational criteria that are part of the deployment of the Company's strategic plan and allow the performance of the Company to be measured in the achievement of the said plan.

The annual objectives of the Chief Executive Officer and their weighting in the annual evaluation of his performance for the 2022 financial year are defined around the following three pillars/assessment criteria:

- Reinforcement of the R&D programs portfolio of the Company through the acquisition of rights to new innovative compounds or progress in internal research programs (representing a relative weight in the evaluation of the performance of 35%);
- Execution of R&D programs (representing a relative weight in the evaluation of the performance of 35%);
- Improvement of the Company's valuation (representing a relative weight in the evaluation of the performance of 30%);

The exact targets of each pillar/criterion cannot be fully disclosed for strategic and confidentiality reasons. Nevertheless, the following can be mentioned as examples: targets to quantify progress in internal research programs for the criterion "Reinforcement of the R&D programs portfolio of the Company", targets to evaluate progress, in accordance with the operating plan, in the various clinical studies evaluating elafibranor, NTZ and GNS-651 for the criterion "Execution of R&D programs", targets to assess the efforts made by the Company in corporate social responsibility or the improvement of its stock price in light of its potential for the criterion "Improvement of the Company's valuation".

The rate of achievement of the objectives and the amount of the variable part are determined by the Board of Directors, on the proposal of the Nomination and Remuneration Committee. The Board of Directors discusses the performance of the Chief Executive Officer in his absence.

The Company does not foresee cases in which the variable compensation must be returned.

As mentioned hereafter, per the recommendation of the Nominations and Compensation Committee, the Board of Directors evaluated that all objectives of the Chief Executive Officer were met in 2021 and proposes to set the variable compensation to be paid out at 50% of its fixed compensation if approved by the Shareholder's Meeting.

III. Elements of medium-term incentive

As part of its policy of granting free shares and stock options, the Board of Directors applies Recommendation R.21 of the Middlednext Code, namely:

- free shares and stock options are subject to the relevant performance conditions reflecting the medium/long term interest of the company, assessed over a period of significant duration. As indicated above, these instruments will be subject to a condition of attendance and the achievement of internal performance conditions linked, in particular, to clinical and regulatory advances in the Company's R&D programs and/or external performance conditions linked to changes in the Company's share price. The achievement of these performance conditions will be evaluated at least 3 years after grants of the instruments.
- they are not concentrated on corporate officers; and
- new bonus shares or stock options are not granted when corporate officers leave the company.

Under this policy, the maximum number of free shares and stock options granted to the Chief Executive Officer will be respectively 35,000 and 20,000. In this respect it is recalled that, in accordance with what was approved by the shareholders and what is described above, these stock options and free shares will be subject to a vesting period of at least three years after which the performance conditions that the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, will define and a condition of presence within the Group will be assessed. These performance conditions will be linked to:

- the achievement of milestones in ongoing or planned clinical trials;
- the achievement of regulatory milestones in the approval process for products under development;
- progress in internal research programs;
- the signing of new strategic alliance commercial agreements as part of the reinforcement of the R&D programs portfolio of the Company; and
- the performance of the Company's share price.

IV. Severance pay and non-competition

In accordance with the decision of the Shareholders' Meeting of November 27, 2019, the Chief Executive Officer benefits from a non-compete indemnity equal to (i) twelve months of fixed compensation, calculated on the basis of the gross amounts due to for the past twelve months and (ii) increased, where applicable, by the amount of the annual variable compensation due for the previous year.

This compensation is intended to compensate the prohibition made to the Chief Executive Officer, for a period of 12 months following the termination of his functions, for whatever reason, to collaborate in any way whatsoever with certain companies carrying out an activity directly competing with the Company.

In addition, the Chief Executive Officer receives, except in the case of a termination of office due to the commission of a serious misconduct within the meaning of labor law, severance pay equal to (i) twelve months of fixed compensation, calculated on the basis of the gross amounts due for the past

twelve months and (ii) increased, where applicable, by the amount of the annual variable compensation due for the previous year. This compensation will be paid one month after the effective cessation of its activity within the Group, provided that at least one of the following criteria or events has occurred:

- elafibranor has received a market authorization from the FDA or EMA in NASH or PBC or NIS4™ has obtained an FDA approval or CE mark in Europe;
- an operating rights license agreement for elafibranor or NTZ has been signed for the US market and/or for at least two of the five largest European markets (Germany, France, Italy, United Kingdom, Spain) and/or for Japan;
- an affiliation transaction with a biopharmaceutical group has taken place and that the valuation retained within the framework of this transaction is at least equal to the market valuation of the Company.

Compliance with these performance conditions will be assessed by the Board of Directors, taking into account the best interests of the Company, before any payment is made and after receiving advice from the Nomination and Remuneration Committee.

The compensation will not be paid if, on his own initiative, the Chief Executive Officer leaves the Company to exercise new functions or changes functions within the Group, or even if he has the possibility of exercising in the short term his retirement rights.

Any amount paid under the non-compete clause will count as money owed for severance pay and vice versa.

V. Other elements

Benefits in kind and other benefits granted to the Chief Executive Officer consist of:

- the provision of a company vehicle, the benefit of the Group's employee life and health insurance scheme;
- the payment of premiums for unemployment insurance Social Security for Business Managers (GSC) whose purpose is to guarantee the payment of compensation in the event of unemployment (up to 70% of net professional tax income for the uncapped share for 24 (twenty-four) months following the loss of the position), in the absence of the opportunity to benefit as corporate officer benefits of the ASSEDIC. At the date of the Universal Registration Document, the payment is capped at 55% of net professional tax income for a maximum period of 12 months. The request to increase these caps to 70% and 24 months is under review by the organization in charge of GSC management, GAN Assurances.

For information, during the 2021 financial year, the company vehicle represented a benefit in kind valued at €6,609.

3.2.1.1.4 Remuneration granted to directors

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors has proposed to the Shareholders' Meeting a global envelope for the compensation granted to the directors. The amount of the global envelope is €600,000 per year.

The Company compensates all the members of its Board of Directors, with the exception of the permanent representative of Biotech Avenir, a shareholder of the Company and a non-independent member of the Board of Directors. If Ipsen SAS were to become a member of the Board of Directors of the Company following the Shareholder's Meeting called to approve the financial statements for the financial year ended December 31, 2021, it would not be eligible for this compensation as only

directors who are independent natural persons (as defined in recommendation R.3 of the Middlednext Code) and do not represent legal entities may benefit from it.

The compensation of the directors includes a fixed part for each member of the Board of Directors and a variable part depending on their attendance.

The fixed part varies according to:

- the role played by each director on the Board of Directors and the Committees of the Company;
- the function of Vice-Chairman of the Board of Directors or Chairman of a specialized committee, which is more remunerative.

Given the frequency of meetings observed in recent years, the variable portion linked to attendance is preponderant compared to the fixed portion.

The table below shows the manner in which directors' fees are allocated, applicable to financial year 2022, unchanged from financial year 2021.

(in euros)	Annual fixed amount⁽¹⁾	Variable amount (per administrator and per session)
Member of the Board of Directors	10,000	2,500
Member of a Committee of the Board of Directors	2,500	2,500
Vice-Chairman of the Board of Directors	10,000	Not applicable
Chairman of a specialized Committee of the Board of Directors	5,000	Not applicable

(1) calculated *pro rata temporis* of the terms of office of each director.

The Board of Directors may also decide to pay one of its members exceptionally for the exercise of a special mission within the meaning of article L.225-46 of the French Commercial Code.

As of the date of this Universal Registration Document, no such mission has been entrusted to a member of the Company's Board of Directors.

The directors will be reimbursed for reasonable travel and accommodation expenses and other expenses of similar nature incurred in the interest of the Company in connection with the preparation and participation in meetings of the Board of Directors and at meetings of the committees of the Board of Directors.

The Chairman of the Board receives compensation for its Chairmanship of fixed compensation under Article L.22-10-25 of the French Commercial Code (see below). The only additional compensation for his director's mandate is that linked to his chairmanship and / or his participation in the work of some of the committees of the Board of Directors (on the date of this Universal Registration Document, the Nomination and Remuneration Committee, the ESG Committee and the Strategy and Alliances Committee), in accordance with the grid above.

Finally, the Board of Directors, in accordance with article 24 of the Bylaws, decided on March 11, 2021, to nominate a censor. Their compensation will be deducted from the overall allowance of €600,000 granted by the Shareholder's Meeting to the directors, at a rate of €1,250 for each meeting of the Board of Directors and the CSR Committee they attend.

3.2.1.2 Components of the Total Compensation and Benefits of All Kinds Paid or Granted to the Directors during the 2020 Financial Year – *ex post* Vote

This paragraph presents the compensation policy for executive and non-executive corporate officers of the Company for the 2021 financial year.

3.2.1.2.1 General policy

Total compensation for the year ended December 31, 2021 complies with the 2021 compensation policy adopted by the Shareholders' Meeting of the Company of June 30, 2021.

As a reminder, the shareholders' general meeting of June 30, 2021 voted 94.54% in favor of the compensation policy for the Chairman of the Board (resolution no. 10) and 95.52% in favor of the compensation policy for the Chief Executive Officer (resolution no. 11) and 95.94% in favor of the compensation of directors (resolution no. 12).

In addition, the 2021 compensation policy of the Company's corporate officers, like its 2022 policy described above, is adopted by the Board of Directors on the recommendation of the Nomination and Remuneration Committee and aims at being part of and contributing to the Group's strategy and its long-term performance, in particular through the objectives of variable compensation and the performance conditions applicable to the granting of stock options and free shares

The tables below show the compensation of executive corporate officers and the equity ratios.

It is recalled that, in addition to the separation of the functions of Chairman of the Board of Directors and Chief Executive Officer which took place on September 16, 2019, the Company changed its mode of administration on June 16, 2017, going from a *société anonyme* with a Management Board and a supervisory board to a *société anonyme* with Board of Directors. The Company applied the "Compensation Multiples Guidelines" published by AFEP on January 28, 2020 to make its calculations. In particular, it considered that the function of Chairman of the Management Board could be assimilated, if not perfectly identical, to the function of Chairman of the Board of Directors and Chief Executive Officer for the application of these guidelines for the period preceding September 16, 2019.

- From September 16, 2019 to December 31, 2021

Chairman of the Board of Directors	2019	2020	2021
Compensation	€230,196	€235,196	€227,696
"Average" equity ratio	3.52	3.55	3.23
"Median" equity ratio	5.59	5.18	5.00
"SMIC" equity ratio	12.61	12.73	11.94
Chief Executive Officer			
Compensation	€328,834	€384,413	€470,407
"Average" equity ratio	5.03	5.81	6.67
"Median" equity ratio	7.98	8.47	10.33
"SMIC" equity ratio	18.01	20.81	24.66

- From June 16, 2017 to September 15, 2019

Chairman of the Board of Directors and Chief Executing Officer	2017 (June 16 -December 31)	2018	2019 (January 1 st – September 15)
Compensation	€616,436	€1,251,286	€1,263,696
"Average" equity ratio	11.21	17.77	19.31

"Median" equity ratio	15.61	29.74	30.67
"SMIC" equity ratio	34.7	69.59	69.22

- From January 1, 2017 to June 15, 2017

Chairman of the Management Board	2017 (January 1 st - June 15)
Compensation	€526,180
"Average" equity ratio	4.78
"Median" equity ratio	13.32
"SMIC" equity ratio	14.81

The table below shows the evolution of the average annual compensation (in euros) of the employees of the Company (excluding the executive directors covered by the tables above) since 2017.

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
€55 012	€70 410	€65 426	€66,171	€70,560

The compensation retained for both corporate officers and employees corresponds to the gross elements granted during the year, including the long-term incentives (bonuses resulting from the application of the Incentive plan, formerly used as a compensation framework variable and described in section 17.5 "Incentive and profit-sharing contracts" of the 2018 Registration Document, grant of stock subscription or purchase options and free shares at their IFRS values).

The population taken into account for the calculation of the denominator is made up of all employees present on December 31 of the relevant financial year.

Remuneration is reconstituted in annual full-time equivalent when the interested parties were not present throughout the year.

The table below shows the results and the Company's revenues on IFRS in the past five years in accordance with article L.22-10-9 of the French Commercial Code and the "Compensation Multiples Guidelines" published by AFEP on January 28, 2020.

Financial year ended on December 31 (in thousands of euros)	<u>2017</u>	<u>2018¹</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Net profit (loss)	(55,728)	(79,521)	(65,144)	(101,221)	67,259
Shareholders' equity	101,457	20,939	84,065	(16,162)	119,097
Revenue	118	69	30,839	765	80,069
Other income	6,737	7,425	10,122	6,993	5,510
Revenues and other income	6,856	7,494	40,961	7,758	85,579

¹ See note to the financial statements 6.2.3 to the consolidated financial statements of the Company for the financial year ended December 31, 2018 appearing in appendix 1 "Annual consolidated financial statements established in accordance with IFRS accounting standards" of the 2018 Reference Document.

However, these financial performance indicators do not reflect on their own, the performance of the Company over the past five years. Indeed, the performance of a biotechnology company at this stage of development does not lie in these financial aggregates insofar as the Company had structurally been in deficit until today. The advances in the Company's portfolio of product candidates and programs, and its ability to translate them into fundraising and partnerships are more adequate performance indicators.

In early 2017, the Company's portfolio of product candidates and programs was comprised of:

- elafibranor in phase 3 in NASH;
- one exploratory program to find biomarkers in NASH; and
- other drug candidates at the preclinical or fundamental research stage.

As a comparison, on December 31, 2021 the Company's portfolio of product candidates and programs was comprised of:

- elafibranor in Phase 3 in PBC (licensed to Terns Pharmaceuticals in the Greater China market and Ipsen SAS on other key global markets);
- NIS4™ diagnostic technology (commercialized in the clinical research market and as an LDT for NASH diagnostic in the routine clinical care market in partnership with Labcorp Covance and licensed to Labcorp in the United States and Canada);
- NTZ, in Phase 1 clinical trials for repositioning and development in ACLF;
- GNS561, a compound that completed a Phase 1 clinical trial, to which the rights been acquired from Genoscience for its development in cholangiocarcinoma;
- Other drug candidates at a fundamental research or preclinical stage;
- Other programs aiming to extend our diagnostic technology to new applications.

In addition, at January 1, 2017, the Company cash and cash equivalents amounted to €152 million. In comparison, it was €259 million as at December 31, 2021, and partly due to the completion of several fundraising transactions representing for the period a gross total of around €412 million. Finally, at the end of 2016, the Company had not entered into a license agreement on any of these products. In comparison, as at December 31, 2021, the Company granted an exclusive license to use elafibranor in certain indications and in Greater China territories to Terns Pharmaceuticals, with an up-front payment of \$35 million, and an exclusive license for the rights to elafibranor on all other key global markets with an upfront payment of €120 million. The Company also granted a license to use its NIS4™ technology for the clinical research market to the Labcorp/Covance Group in 2019 and to Labcorp in 2020 for the exploitation of the same technology in the United States and Canada as an LDT on the routine clinical care diagnostics market.

3.2.1.2.2 Compensation of the directors for the year 2021

As a reminder, director fees, set by the Board of Administration for the year 2020, are allocated as follows were:

(in euros)	Annual fixed amount ⁽¹⁾	Variable amount (per administrator and per session)
Member of the Board of Directors	10,000	2,500

Member of a Committee of the Board of Directors	2,500	2,500
Vice-Chairman of the Board of Directors	10,000	Not applicable
Chairman of a specialized Committee of the Board of Directors	5,000	Not applicable

(a) calculated *pro rata temporis* of the terms of office of each director.

Attendance fees and other forms of remuneration payable to each of the non executive officer (in euros)	Amounts due*	Amounts paid*	Amounts due*	Amounts paid*
	During the year ended December 31,			
	2020		2021	
Jean-François MOUNEY (1)				
Attendance fees	49,937	49,939	45,863	39,232
Other remuneration (outside compensation as CEO)	286,469	286,469	286,553	286,553
Total	336,406	336,408	332,416	325,785
Xavier GUILLE DES BUTTES				
Attendance fees	85,020	80,660	89,822	85,020
Other remuneration	—	—	—	—
Total	85,020	80,660	89,822	85,020
Frédéric DESDOUITS				
Attendance fees	53,360	44,640	43,600	47,960
Other remuneration	—	—	—	—
Total	53,360	44,640	43,600	47,960
BIOTECH AVENIR				
Represented by Florence Séjourné				
Attendance fees	—	—	—	—
Other remuneration	—	—	—	—
Total	—	—	—	—
Philippe MOONS				
Attendance fees	45,780	41,420	16,986	25,161
Other remuneration	—	—	—	—
Total	45,780	41,420	16,986	25,161
Anne-Hélène MONSELLATO				
Attendance fees	50,140	45,780	52,320	52,320
Other remuneration	—	—	—	—
Total	50,140	45,780	52,320	52,320
Catherine LARUE				
Attendance fees	43,600	43,600	47,651	45,780
Other remuneration	—	—	—	—
Total	43,600	43,600	47,651	45,780
Katherine KALIN				
Attendance fees	15,805	4,360	43,600	39,240
Other remuneration	—	—	—	—
Total	15,805	4,360	43,600	39,240
Eric BACLET				
Attendance fees	20,165	6,540	62,881	62,336
Other remuneration	—	—	—	—
Total	20,165	6,540	62,881	62,336
Jean-François TINE				
Attendance fees	—	—	39,724	23,919
Other remuneration	—	—	—	—
Total	—	—	39,724	23,919
TOTAL	650,276	603,408	729,000	707,521

3.2.1.2.3 Compensation of the Chairman of the Board of Directors and the Chief Executive Officer

3.2.1.2.3.1 Compensation of Mr. Jean-François MOUNEY as Chairman of the Board of Directors of the Company

The various components of the overall compensation of Mr. Jean-François MOUNEY as Chairman of the Board of Directors for the 2021 financial year were the following:

- fixed compensation under article L.22-10-16 of the French Commercial Code; and
- attendance fees remunerating his participation in the work of the Committees of the Board of Directors (as a member and/or Chairman), according to the distribution decided by the Board of Directors.
- other elements attached to the exercise of its mandate, including in particular:
 - the provision of a company vehicle,
 - the benefit of the Group's employee welfare and mutual insurance scheme.

Furthermore, the Chairman of the Board of Directors is no longer bound by an employment contract with the Company.

I. Fixed compensation

The gross fixed compensation granted to the Chairman of the Board of Directors for the year 2021 amounted to €192,996.

II. Attendance fees

The Chairman of the Board of Directors received in 2021 attendance fees for his participation in the work of some of the Committees of the Board of Directors, according to attribution rules decided by the Board of Directors and which take into account in particular attendance at meetings (see above). The gross amount due to him as such amounts to €32,382.

III. Other elements

The benefit in kind granted in 2021 to the Chairman of the Board of Directors consisted mainly in the provision of a company car (€7,200 gross for the period) and benefit of the Group's employee welfare and mutual insurance scheme.

In accordance with Recommendation R.19 of the Middlednext Code, severance pay approved by the Shareholders' Meeting of June 13, 2019 was not paid to Mr. Jean-François MOUNEY when he left his role as Chief Executive Officer. Since then, he is no longer entitled to such compensation.

3.2.1.2.3.2 Compensation of Mr. Pascal PRIGENT as Chief Executive Officer of the Company

The various components of the Chief Executive Officer's overall compensation during the 2021 financial year (from September 16) were as follows:

- a fixed component;
- a variable component;
- stock options subject to certain conditions of presence and performance;
- other elements attached to the exercise of its function, including:

- a commitment to pay compensation in the event of termination of service at the initiative of the Company, under certain conditions, in particular performance; and
- the provision of a company car and the benefit of the Group's employee welfare and mutual insurance scheme.

The Chief Executive Officer is no longer bound by an employment contract with the Company.

I. Fixed compensation

The gross fixed compensation granted to a Chief Executive Officer under his corporate officer contract for the financial year 2021 amounts to €325,008.

II. Variable compensation

As the Board of Directors evaluated that all objectives of the Chief Executive Officer were met in 2021, per the recommendation of the Nominations and Compensation Committee, the Board of Directors set the variable compensation to be paid out if approved by the Combined Shareholder's Meeting called to approve the financial statements for the financial year ended December 31, 2021 at €162,504, i.e. half of his fixed compensation for the year 2021.

III. Medium-term incentive

As provided for in the 2021 *Say on Pay* ex ante report, a maximum allocation of 15,000 free shares were granted to the Chief Executive Officer in 2021. In this respect it is recalled that, in accordance with what was approved by the shareholders and what is described above, these free shares will be subject to a vesting period of at least three years after which the performance conditions that the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, will define and a condition of presence within the Group will be assessed.

In accordance with that report, 35,000 stock options were granted to the Chief Executive Officer. Once again, these stock options will be subject to a vesting period of at least three years after which the performance conditions that the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, will define and a condition of presence within the Group will be assessed.

These performance conditions will be linked to:

- the achievement of milestones in ongoing or planned clinical trials;
- the achievement of regulatory milestones in the approval process for products under development;
- the signing of new strategic alliance commercial agreements as part of the promotion of the Company's therapeutic or diagnostic programs.

IV. Severance pay and non-competition

The Chief Executive Officer receives a non-compete indemnity equal to (i) twelve (12) months of fixed compensation, calculated on the basis of the gross amounts due for the past twelve months and (ii) increased, where applicable, by the amount of annual variable compensation due for the previous year.

This compensation is intended to compensate the prohibition made to the Chief Executive Officer, for a period of 12 months following the termination of his functions, for whatever reason, to collaborate in any way whatsoever with certain companies carrying out an activity directly competing with the Company.

In addition, the Chief Executive Officer receives, except in the case of a termination of office due to the commission of a serious misconduct (*faute grave*) within the meaning of labor law, severance pay equal to (i) twelve (12) months of fixed compensation, calculated on the basis of the gross amounts due for the past twelve months and (ii) increased, where applicable, by the amount of the annual variable compensation due for the previous year. This compensation will be paid one month after the effective cessation of its activity within the Group, provided that at least one of the following criteria or events has occurred:

- elafibranor has received a market authorization from the FDA or EMA in NASH or PBC or NIS4™ has obtained an FDA approval or CE mark in Europe;
- an operating rights license agreement for elafibranor or NTZ has been signed for the US market and/or for at least two of the five largest European markets (Germany, France, Italy, United Kingdom, Spain) and/or for Japan;
- an affiliation transaction with a biopharmaceutical group has taken place and that the valuation retained within the framework of this transaction is at least equal to the market valuation of the Company.

Compliance with these performance conditions will be assessed by the Board of Directors, taking into account the best interests of the Company, before any payment is made and after receiving advice from the Nomination and Remuneration Committee.

The compensation will not be paid if, on his own initiative, the Chief Executive Officer leaves the Company to exercise new functions or changes functions within the Group, or even if he has the possibility of exercising in the short term his retirement rights.

Any amount paid under the non-compete clause will count as money owed for severance pay and vice versa.

V. Other elements

The benefits in kind and other benefits granted to the Chief Executive Officer consisted of:

- the provision of a company vehicle (€6,609 gross for the period),
- the benefit of the Group's employee welfare and mutual insurance scheme,
- the payment of premiums for unemployment insurance Social Security for Business Managers (GSC) whose purpose is to guarantee the payment of compensation in the event of unemployment (up to 55% of net professional tax income for the uncapped share for 12 (twelve) months following the loss of the position), in the absence of the opportunity to benefit as corporate officer benefits of the ASSEDIC.