

**APPROVAL OF THE PRINCIPLES AND CRITERIA FOR THE DETERMINATION, ALLOCATION AND ASSIGNMENT OF THE COMPONENTS MAKING UP THE TOTAL COMPENSATION AND BENEFITS DUE TO EXECUTIVE CORPORATE OFFICERS (CHAIRMAN AND CEO AND EXECUTIVE VICE PRESIDENTS)**

***(Ninth to Eleventh Resolutions)***

This section comprises the report of the Board of Directors prepared in application of article L. 225-37-2 of the French Commercial Code. It is specified that this report was finalised by the Board of Directors prior to the publication of the French decree for the application of the abovementioned provisions.

In the determination of the overall compensation of the executive corporate officers, the Board of Directors, acting upon recommendation from the Compensation Committee, takes into account the following principles, in accordance with the recommendations of section R13 of the Middlednext Code, relative to corporate governance, of September 2016 as provided in the appendix to this document.

As a general rule, it should be noted that the Compensation Committee ensures the consistency of the rules for the determination of the compensation of the executive corporate officers of DBV Technologies ("the Company") with the annual evaluation of their individual performance that it compares to Company performance. It also takes into account the alignment of objectives that are assigned to them with the Company's mid-term strategy, shareholder interests and changes in the Middlednext Code.

The Compensation Committee relies on external consultant studies indicating market practices for comparable companies in order to propose the structure of this compensation. These studies are conducted on the basis of a range of companies with similar characteristics.

It ensures that none of the components making up the compensation are disproportionate and analyzes compensation as a whole, taking into account all of its components: fixed compensation, variable compensation, long-term share-based compensation plan (free shares, BSA [share subscription warrants], stock options).

**1/ Principles and criteria for the determination, allocation and assignment of the components making up the total compensation and benefits of any kind, due to the executive corporate officers of DBV Technologies**

These principles and criteria set by the Board, acting on recommendations from the Compensation Committee, are the following:

- ***Fixed compensation (with respect to the corporate mandate)***

The fixed compensation of the executive corporate officers is determined by taking into account the level and the difficulty of responsibilities, experience in the post, seniority in the Company, and practices in comparable companies, as noted above.

This compensation is payable monthly, by twelfths.

- ***Annual variable compensation (with respect to the corporate mandate)***

The executive corporate officers receive an annual variable compensation for which, the Board of Directors, acting upon recommendation from the Compensation Committee, defines the complex, demanding, precise and predetermined performance criteria each year, allowing for the comprehensive analysis of performance, aligned with the company's mid-term strategy and shareholder interests (primarily related to the status of R&D programs and the status of the pre-marketing of the products).

The precise nature and the level of achievement expected from these criteria is set by the Board of Directors, acting upon recommendation from the Compensation Committee, but they are not made public for reasons of confidentiality.

The target amount of the annual variable compensation of the Chairman and CEO and the Chief Operating Officer/CFO corresponds to 50% of the annual fixed compensation, it being specified that in the event of overperformance, the amount of the reference compensation for the calculation of the variable may be adjusted. In any event, the annual variable compensation of the latter is capped at a maximum of 65 percent of the annual fixed compensation.

In addition, the target amount of the annual variable compensation of the Executive Vice President/Responsible Pharmacist corresponds to 40% of his annual fixed compensation, it being specified that in the event of overperformance, the amount of the reference compensation for the calculation of the variable may be adjusted.

The payment of the components of the variable compensation for the year 2017 is subject to approval by the Ordinary General Meeting of the elements of compensation of executive corporate officers (Chairman and CEO, Executive Vice Presidents) paid or awarded for said fiscal year (ex-post vote).

- ***Exceptional compensation (with respect to the corporate mandate)***

The Board of Directors may decide, acting on a proposal from the Compensation Committee, to grant an exceptional compensation to executive corporate officers under very particular circumstances (for example, because of their importance to the Company, of the involvement they require and the difficulties they present, especially in the case of a major Company operation.)

The exceptional compensation is capped at a maximum of 20% of the annual fixed compensation.

The payment of the elements of the exceptional compensation, as required, with respect to the year 2017 is subject to approval by the Ordinary General Meeting of the elements of compensation of executive corporate officers (Chairman and CEO, Executive Vice Presidents) paid or awarded for said fiscal year (ex-post vote).

- ***Long term compensation (free shares, BSA [share subscription warrants], stock options)***

The Company bases its long-term compensation policy on a global strategy of retention and motivation of its executives and employees that is competitive in terms of market practices in the pharmaceutical industry.

The long-term compensation policy established for executive corporate officers is based on the assignment of performance shares with **(i)** performance conditions linked to the status of the R&D programs and the achievement of specific objectives related to the preparation for the launch of the Company's main product in the North American market as well as a **(ii)** condition of presence.

These conditions apply equally to all executives benefiting from such assignments, as well as the vesting and presence conditions, and the vesting and retention periods.

The definitive acquisition of the free shares granted to the executive corporate officers is subject to a finding by the Board, acting on a proposal from the Compensation Committee, of the satisfaction of performance conditions set by the Board at the time of grant of said free shares.

The transfer of shares definitively acquired by the executive corporate officers is not possible during the abstention periods, in accordance with the applicable laws and regulations and the Company's "Insider trading" procedure.

Furthermore, executive corporate officers are, in accordance with the law and according to the terms adopted periodically by the Board of Directors, subject to a retention obligation of a significant number of shares.

In terms of grant of free shares, the Board decided to set the amount of shares granted for free that must be retained by the executive corporate officers, until the termination of their duties, at 10 percent.

The Board grants free shares every year, during the same calendar periods, except in the case of justified decision and exceptional circumstances.

Given the fact that the Company, under its employee recruitment and compensation policy, has already granted nearly 10% of its capital in the form of free shares, the Board of Directors reserves the right to assign BSAs [share subscription warrants] and stock options (subject to performance condition(s)) to executive corporate officers.

In terms of stock options, the Board has set the number of registered shares to be retained by the Chairman and Chief Executive Officer, until the termination of his duties, at 10% of the acquired shares.

- **Attendance fees**

Nil

- **Benefits of any kind**

Nil

**2 / Commitments with respect to the executive corporate officers on the basis of article L.225-42-1 of the French Commercial Code.**

- **Severance Pay**

Any commitment to pay severance to an executive corporate officer is subject to the approval of the Company's General Shareholders' Meeting, in accordance with article L.225- 2-1 of the French Commercial Code.

Moreover, the payment of severance to an executive corporate officer is subject to the finding by the Board of the satisfaction of performance conditions set by the Board.

To date, only the Chairman and Chief Executive Officer receives severance pay in the event of termination of his duties as Executive Officer, for any reason, except in the case of dismissal or non-renewal that he did not consent to, pursuant to a violation of the law or of the Company bylaws or serious misconduct or gross negligence.

The gross amount of the allowance is equal to the sum of the gross compensation that the Chairman and Chief Executive Officer will have received from the Company in any capacity, over the course of the eighteen (18) months prior to departure, if at least two of the following three criteria are met on the date of departure:

- a management structure allowing for the marketing or a collaboration relative to Viaskin® Peanut is in place, it being specified that this criterion will be considered fulfilled if, at the date of departure, the 5 following functions are actually carried out within the Company: Technical Director, Development Director, Chief Financial Officer, Head of Strategic Marketing and Head of Research;
- a market capitalization equal to at least € 80 million;
- at least three Viaskin® projects currently being developed.

- **Non-compete commitment**

Nil

- **Retirement**

Nil

### **3/ Agreement(s) between the Company or a subsidiary and the executive corporate officers**

#### **- *Employment contract***

Mr. Pierre-Henri Benhamou, in his capacity as Chairman and CEO does not have an employment contract.

The Executive Vice Presidents, namely, Mr. David Schilansky (COO) and Mr. Laurent Martin have an employment contract, respectively as the Company's Chief Financial Officer, on the one hand, and the Company's Development Director and Responsible Pharmacist, on the other.

The variable and fixed portions of the compensation received by the Executive Vice Presidents with respect to their technical functions, as opposed to their executive corporate officers mandate, follow the same rules and criteria of determination, allocation and assignment as those established for the compensation paid to them as executive corporate officers.

We invite you to approve, by means of a vote in favor of the ninth to eleventh resolutions, the principles and criteria presented above.

**The Board of Directors**

## APPENDIX 1: RECOMMENDATIONS OF SECTION R13 OF THE MIDDLENEXT CODE OF SEPTEMBER 2016 RELATIVE TO CORPORATE GOVERNANCE

- ◆ **Exhaustiveness:** The determination of the compensation of the executive corporate officers must be comprehensive: fixed portion, variable portion (bonus), stock options, free shares, attendance fees, retirement conditions and specific benefits must be retained in the global assessment of the compensation.
- ◆ **Balance** between the components of the compensation: each component of compensation must be justified and be in the general interest of the Company.
- ◆ **Benchmark:** this compensation should be assessed, to the extent possible, within the context of a trade and of the reference market, and proportionate to the company's situation, while paying attention to its inflationary effect.
- ◆ **Coherence:** the compensation of the executive corporate officer should be determined in line with that of the other company executives and employees.
- ◆ **Legibility** of the rules: the rules must be simple and transparent; the performance criteria used to determine the variable portion of the compensation or, where applicable, for the awarding of options or shares must be related to the company's performance, corresponds to its objectives, being demanding, explainable and, as long-term as possible. They must be specified without, however, calling into question the confidentiality that may be justified for certain elements.
- ◆ **Measurement:** the determination of compensation and assignments of options or shares must strike a balance and take into account the company's general interest, market practices and executive performance.
- ◆ **Transparency:** the annual information to the "*shareholders*" relative to all of the compensation and benefits received by the executives is provided in accordance with the applicable regulations.