

## DBV TECHNOLOGIES

Limited company (société anonyme) with share capital of €3,615,777.70

Registered office: 177-181 avenue Pierre Brossolette – 92120 Montrouge

Trade and Companies Register No. 441 772 522 Nanterre.

### REPORT OF THE BOARD OF DIRECTORS TO THE COMBINED GENERAL MEETING OF MAY 24, 2019

#### 1. Approval of the corporate and consolidated financial statements for the year ended December 31, 2018 (*First and Second Resolutions*)

We would ask you to kindly approve the corporate financial statements for the financial year ended on December 31, 2018, recording a loss of € (141 678 752,92), as well as the consolidated financial statements for the year ended on December 31, 2018, as they have been submitted, recording a loss (group share) of € (166 075 606,26).

#### 2. Allocation of income for the year (*Third Resolution*)

Our proposed allocation of our Company income is compliant with the law and our Bylaws.

We propose you to allocate the whole of the loss for the financial year ended December 31, 2018, totaling €(141 678 752,92), entirely to the loss brought forward, which as a result changes from €(277,596,280.82) to €(419 275 033,74).

Pursuant to Article 243 bis of the French General Tax Code, we would point out that no distribution of dividends or income has occurred in the past three financial years.

#### 3. Approval of the regulated conventions (*Fourth Resolution*)

We would first remind you that only the new conventions stipulated during the last year and at the start of the current year are submitted to this meeting.

We would ask that you approve the new conventions stipulated in 2018 and early 2019 as provided by Article L. 225-38 of the French Commercial Code and regularly authorized by the Board of Directors.

The conventions are as follows:

- Landing Rights Agreement between the company and BAKER BROS. ADVISORS LP (Registration Rights Agreement), authorized by the Board of Directors on March 20, 2018, and justified by the company's need to ensure the success of the March 20, 2018 issuance,
- Modification of the employment contract of Mr. David Schilansky, authorized by the Board of Directors on May 2, 2018, and justified by the need to propose to the Deputy Chief Executive Officer a motivating remuneration for a favorable development of the Company,
- Modification of the employment contract of Mr. Laurent MARTIN, authorized by the Board of Directors on May 2, 2018, and justified by the need to propose to the Deputy Chief Executive Officer a motivating remuneration for a favorable development of the Company,
- Assistance contract with Mr. Pierre-Henri Benhamou, authorized by the Board of Directors on November 28, 2018, concluded to allow the company to benefit from the experience and special skills of Mr. Benhamou,

- Service Delivery Agreement with Mrs. Julie O'NEILL, authorized by the Board of Directors on December 28, 2018, in order to allow the Company to respond favorably to FDA requests,
- Compensation for dismissal or non-renewal of the Chief Executive Officer, Mr Daniel Tassé, authorized by the Board of Directors on November 14, 2018, this commitment being a condition for the acceptance by the beneficiary of his functions,
- Severance benefits related to the termination of the employment contract of Mr. Laurent Martin, authorized by the Board of Directors on March 4, 2019, motivated by the need for the Company to terminate the said contract as part of the reorganization of the Company, needed since the withdrawal of the BLA.

They are presented in paragraph 4.1.6 of the 2018 Registration Document available on the Company's website, which includes the Statutory Auditors' special report relating thereto.

In addition, we remind you that the agreements and commitments already approved by the Shareholders' Meeting in previous financial years and which continued during the past financial year are also described in the Statutory Auditors' special report.

#### **4. Approval of the company's commitment to Daniel TASSE (Fifth Resolution)**

We would ask that you to approve the company's commitment to Daniel TASSE, Chief Executive Officer, corresponding to payments that may be due on account of the cessation of his duties.

This commitment is described in paragraph 4.1.6 of the 2018 Registration Document, available on the Company's website, which includes the Statutory Auditors' special report presenting this commitment.

#### **5. Mandates of the Board of Directors (Sixth to Eighth Resolutions)**

We remind you that Ms. Julie O'NEILL's mandate of member of the Board of Directors expire at the forthcoming General Meeting.

We propose you to renew it, for a period of two years, to expire at the end of the General Meeting to be held in 2021 to approve the financial statements for the previous financial year.

We also propose you ratify the appointment, made on a provisional basis by the Board of Directors during the meeting held on March 4, 2019, of Mr. Daniel TASSE as director, replacing Mr. Pierre-Henri BENHAMOU, who has resigned. Following his appointment, Mr. Daniel TASSE will go about his duties for the remaining term of the appointment of his predecessor, namely until the General Meeting to be held in 2020 to approve the financial statements for the previous financial year.

Finally, we propose you to appoint Ms. Viviane MONGES, as Board Member, for a period of two years, to expire at the end of the General Meeting to be held in 2021 to approve the financial statements for the previous financial year.

#### **Independence and parity**

We would like to point out that the Board of Directors, believes that Ms. Julie O'NEILL and Mr. Daniel TASSE should not be classified as independent members with respect to the independence criteria of the Middlednext Code, used by the Company as a reference code for all matters of corporate governance.

However, the Board believes that Ms. Viviane MONGES should be classified as independent members with respect to those criteria.

Thus, subject to the approval of the resolution concerning the appointment of Ms. Viviane MONGES as a Board Member, the Board would include 5 independent members and therefore continue to respect the recommendations of the Middlednext Code in this area (see paragraph 4.1.2.2.1 of the 2018 Registration Document).

Regarding the current composition of the Board and the aforementioned proposals relating to Board mandates of Ms. Julie O'NEILL, Mr. Daniel TASSE and Ms. Viviane MONGES, the Board of Directors would be composed by four women and five men, in compliance with applicable laws.

### **Expertise, experience, competence and Group knowledge**

Information about the expertise and experience of Ms. Julie O'NEILL and Mr. Daniel TASSE is detailed in paragraph 4.1.2.2.6 of the 2018 Registration Document.

The information about the expertise and experience of Ms. Viviane MONGES is detailed below:

Ms. Viviane MONGES had a diverse and international career mostly in the Pharmaceutical industry. Ms. MONGES started her career in Venezuela with Renault and in Hong Kong with the French News Agency where she was Finance Head for Asia Pacific. Ms. MONGES focused then her career in the Pharmaceutical industry, joining Wyeth Pharmaceuticals in 1997 where she held several leadership roles, including CFO for Europe Region and CFO of the Global Pharma business unit. During that time she participated in the geographic expansion in Europe as well as the launch of several key products such as Effexor, Enbrel and Tazocin. From 2006 to 2010, Ms. MONGES was with Novartis OTC, as Europe CFO, then as Global Division CFO. In 2010, she joined Galderma, a Specialty Multinational Dermatology Company, later acquired by Nestlé as Group CFO. She contributed to a fast growth by several significant major acquisitions. Ms. MONGES is currently CFO of the Nestlé Business Excellence Division at Nestlé, which has responsibility for all Group Shared Services, driving a major transformation project for the Group, focused on business solutions, processes and efficiency.

In addition to her functions at Nestlé, Ms. MONGES is currently a board member of Novo Holdings A/S in Denmark, of Union Chimique Belge Biopharmaceutical Company S.A. (UCB) in Belgium, Idorsia Pharmaceuticals Ltd. in Switzerland and Voluntis S.A. in France. She is furthermore a strategic advisor to NeoMedLight in France.

## **6. Say on Pay (Ninth to Fifteenth Resolutions)**

### **6.1 Approval of the elements of compensation paid or assigned for FY 2018 to executive corporate officers- SAY ON PAY EX POST (Ninth to Twelfth Resolutions)**

- **Say on Pay ex post of Mr. Pierre-Henri BENHAMOU, under its mandate of Chairman and Chief Executive Officer until November 29, 2019, and Chairman of the Board of Directors thereafter until March 4, 2019 (Ninth Resolution)**

We would ask you to resolve on the fixed, variable and extraordinary compensation components of all types paid or assigned during the previous year to Pierre-Henri BENHAMOU as Chairman and Chief Executive Officer until November 29, 2018 and Chairman of the Board of Directors thereafter until March 4, 2019:

<b>Elements of compensation paid or assigned for FY 2018</b>	<b>Amounts or accounting value to be put to the vote</b>	<b>Introduction</b>
<b>Fixed compensation</b>	468 839 € (including €456,339 paid in 2018 and €12,500 paid in January 2019, in respect of his duties as	Fixed Compensation for Chairman and Chief Executive Officer from January 1 <sup>st</sup> to November 29, 2018 and Chairman of the Board from

	Chairman of the Board from 30 November to 31 December 2018	November 30 to December 31, 2018
<b>Annual variable compensation</b>	No amount is to pay	Due to the withdrawal of the BLA from the FDA, no variable compensation is due to the 2018 executive officers
<b>Extraordinary compensation</b>	21 774 € (amount to be paid after approval of the general meeting)	This exceptional compensation is relating to the fundraising carried out by the Company in March 2018
<b>Free share allocation</b>	Shares = 1 716 000 € (accounting value)	Granted by the Board of Directors on June 22, 2018, on the basis of the authorization granted by the Shareholders' Meeting held on the same day in its thirtieth resolution, of 50,000 free shares.  The definitive allocation of free shares will only occur at the latest on the following two dates:  (i) expiry of the current vesting period from their initial grant and  (ii) marketing authorization of Viaskin Peanut by the US Food and Drug Administration (U.S. FDA) (performance condition).
<b>Stock option allocation</b>	None	
<b>BSA (Equity Warrant) allocation</b>	None	
<b>Elements of compensation due to the termination or change of duties, pension commitments and non-competition clauses</b>	876 389,50 € (amount paid)	After having noted that the conditions of payment were fulfilled having regard to (i) the termination of the duties of Chief Executive Officer of Mr. Pierre-Henri Benhamou and (ii) the performance conditions, the Board of Directors on November 28, 2018 decided to pay this severance

- **Say on Pay ex post of Mr Daniel TASSE as Chief Executive Officer, since November 29, 2018 (Tenth Resolution)**

We would ask you to resolve on the fixed, variable and extraordinary compensation components of all types paid or assigned during the previous year to Daniel TASSE as Chief Executive Officer, since November 29, 2018 :

Elements of compensation paid or assigned for FY 2018	Amounts or accounting value to be put to the vote	Introduction
<b>Fixed compensation</b>	47 698 € (amount paid)	Fixed Compensation for Chief Executive Officer, from November 29, 2018 to December 31, 2018
<b>Annual variable compensation</b>	No amount is to pay	Due to the withdrawal of the BLA from the FDA, no variable compensation is due to the 2018 executive officers
<b>Stock option allocation</b>	Options = 4 094 832 € (accounting value)	<p>Allocation on November 29, 2018 following the decision of the Board of Directors of November 14, 2018 taken on the basis of the authorization granted by the General Meeting of June 22, 2018 in its thirty-first resolution, of 350,000 stock options. exercisable at the price of 30.02 euros.</p> <p>The stock options will be definitively granted:</p> <ul style="list-style-type: none"> <li>• after a period of 12 months from 11/29/2018, up to 25%,</li> <li>• at the end of this period, up to 12.5% at the end of each 6-month period.</li> </ul> <p>They will be exercisable as of their definitive attribution and until November 29, 2028 subject to the conditions detailed below:</p> <p>The exercise of the options is subject to the fulfillment of the following performance condition: marketing authorization of Viaskin Peanut by the US Food and Drug Administration (U.S. FDA).</p>
<b>Free share allocation</b>	None	
<b>BSA (Equity Warrant) allocation</b>	None	
<b>Extraordinary compensation</b>	None	

<p><b>Elements of compensation due to the termination or change of duties, pension commitments and non-competition clauses</b></p>	<p>No amount is subject to the vote</p>	<p>The December 12, 2018 Board of Directors decided, in accordance with the compensation committee recommendations and the provisions of Article L.225-42-1 of the French Code of Commerce, that in the event of termination of Mr. Daniel Tassé's duties as CEO, he will benefit from a severance package if all the following objectives are achieved:</p> <ul style="list-style-type: none"> <li>- Viaskin Peanut approved in a major market;</li> <li>- Build a EPIT pipeline with 3 ongoing studies;</li> <li>- 6 months cash runway as defined by the last quarter of spend on the day of severance.</li> </ul> <p>Compliance with these performance conditions will be established by the Board prior to any payment.</p> <p>In the event of Termination Without Cause or for Good Reason, the Company will pay an amount equal to the sum of:</p> <ul style="list-style-type: none"> <li>- 18 months of the base salary.</li> <li>- The Target Bonus will be paid at 100% achievement level.</li> </ul> <p>In case of Termination without Cause or for Good Reason outside of a change of control, the severance benefits get paid out over 12 months. In case of Termination without Cause or for Good Reason in connection with a change of control, those same amounts get paid in a lump sum</p>
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- **Say on Pay ex post of Mr David SCHILANSKY as Deputy Chief Executive Officer**  
*(Eleventh Resolution)*

We would ask you to resolve on the fixed, variable and extraordinary compensation components of all types paid or assigned during the previous year to David SCHILANSKY as Deputy Chief Executive Officer :

Elements of compensation paid or assigned for FY 2018	Amounts or accounting value to be put to the vote	Introduction
<b>Fixed compensation</b>	48 990 € (amount paid)	Fixed Compensation for the Deputy Chief Executive Officer during 2018
<b>Annual variable compensation</b>	No amount is to pay	Due to the withdrawal of the BLA from the FDA, no variable compensation is due to the 2018 executive officers
<b>Extraordinary compensation</b>	None	
<b>Free share allocation</b>	Shares = 1 716 000 € (accounting value)	Granted by the Board of Directors on June 22, 2018, on the basis of the authorization granted by the Shareholders' Meeting held on the same day in its thirtieth resolution, of 50,000 free shares.  The definitive allocation of bonus shares will only occur at the latest of the two following dates, subject to compliance with a condition of presence (with some exceptions):  (i) expiry of the current vesting period from their initial grant and  (ii) marketing authorization of Viaskin Peanut by the US Food and Drug Administration (U.S. FDA) (performance condition).
<b>Stock option allocation</b>	None	
<b>BSA (Equity Warrant) allocation</b>	None	

In accordance with the provisions of Article L.225-100 II of the French Commercial Code, the compensation subject to the vote is exclusively that paid or assigned under the terms of office of Deputy Chief Executive Officer.

- **Say on Pay ex post of Mr. Laurent MARTIN as Deputy Chief Executive Officer** (*Twelfth Resolution*)

We would ask you to resolve on the fixed, variable and extraordinary compensation components of all types paid or assigned during the previous year to Laurent MARTIN as Deputy Chief Executive Officer:

Elements of compensation paid or assigned for FY 2018	Amounts or accounting value to be put to the vote	Introduction
<b>Fixed compensation</b>	26 138,32 € (amount paid)	Fixed Compensation for the Deputy Chief Executive Officer during 2018
<b>Annual variable compensation</b>	No amount is to pay	Due to the withdrawal of the BLA from the FDA, no variable compensation is due to the 2018 executive officers
<b>Extraordinary compensation</b>	None	
<b>Free share allocation</b>	Shares = 686 400 € (accounting value)	Granted by the Board of Directors on June 22, 2018, on the basis of the authorization granted by the Shareholders' Meeting held on the same day in its thirtieth resolution, of 20,000 free shares.  The definitive allocation of bonus shares will only occur at the latest of the two following dates, subject to compliance with a condition of presence (with some exceptions):  (i) expiry of the current vesting period from their initial grant and  (ii) marketing authorization of Viaskin Peanut by the US Food and Drug Administration (U.S. FDA) (performance condition).
<b>Stock option allocation</b>	None	
<b>BSA (Equity Warrant) allocation</b>	None	

In accordance with the provisions of Article L.225-100 II of the French Commercial Code, the compensation subject to the vote is exclusively that paid or assigned under the terms of office of Deputy Chief Executive Officer.



**6.2 Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and extraordinary components of the fixed, variable and extraordinary components of overall compensation and benefits of all types to be attributed to the Chairman of the Board of Directors, to the Chief Executive Officer, and to Deputy Chief Executive Officers and/or any other executive Corporate Officers, because of their mandate – SAY ON PAY EX ANTE (Thirteenth to Fifteenth Resolutions)**

Pursuant to of Article L.225-37-2 of the French Commercial Code, we ask you to kindly approve the principles and criteria for the determination, distribution and allocation of the fixed, variable and extraordinary components of overall compensations and benefits of all types assigned by virtue of their mandates to the Chairman of the Board of Directors, to the Chief Executive Officer [and/or any other executive director], and to Deputy Chief Executive Officers, as specified in Annex 1 of this Board Report.

**7. Proposed renewal of authorization relating to the implementation of the share buyback program (Sixteenth Resolution) and concerning the reduction of capital by cancellation of treasury shares (Seventeenth Resolution)**

We propose, under the terms of the Sixteenth Resolution, that you renew the authorization granted to the Board of Directors for a period of eighteen months, to buy back, on one or more occasions and at the times of its choosing, Company shares up to the limit of 5% of the number of shares comprising the share capital, adjusted, if necessary, to take into account the potential increase or reduction of share capital having taken place during the course of the program.

This authorization will cancel and replace the authorization granted to the Board of Directors by the General Meeting of June 22, 2018 in its Ninth Ordinary Resolution.

If the foregoing authorization is granted, these purchases can be made in order to:

- support the secondary market or the liquidity of DBV TECHNOLOGIES shares through a liquidity contract with an investment service provider in accordance with the standard practice accepted by the regulations, it being specified that under this scope, the number of shares taken into account for the calculation of the aforementioned limit corresponds to the number of shares purchased, less the number of shares resold;
- hold the purchased shares and ultimately return them for future exchange or as payment under external growth transactions;
- provide coverage to meet obligations arising from stock option plans and/or free share allocation plans (or similar plans) for the group's employees and/or corporate officers, as well as all share allocations arising under company or group employee savings plans (or similar plans), employee profit-sharing plans and/or any other form of share allocation arrangement for the group's employees and/or corporate officers;
- hedge the securities giving access to the company's shares, pursuant to current regulations;
- where applicable, cancel the shares acquired, in accordance with the authorization granted or to be conferred by the Extraordinary General Meeting

These share purchases may be executed by any means, through the purchase of share blocks, at the time deemed appropriate by the Board of Directors. The Board may not, without the prior authorization of the Shareholders' Meeting, use this authorization during a public offer period initiated by a third party for the shares of the Company until the end of the offer period.

The Company does not intend to use options or derivatives.

We propose fixing the maximum purchase price at €100 per share and, consequently, the maximum amount of the operation is €150,000,000.

As a result of the cancellation objective, we ask you to authorize the Board of Directors, for a period of 24 months, to cancel, at its sole discretion, on one or more occasions, up to the limit of 5% of the capital,

calculated on the date of the cancellation decision, minus any shares cancelled in the previous 24 months, the shares which the company holds or may hold as a result of the purchase made under the buyback program and to reduce the capital stock to an amount in accordance with the laws and regulations in force.

It is specified that the Board may not, without prior authorization from the Shareholders' Meeting, use this authorization as of the date of filing by a third party of a public offer for the shares of the company until the end of the offer period.

Thus, the Board of Directors would have the powers needed to perform all tasks required in this respect.

## **8. Financial delegations**

The Board of Directors wishes to have the delegations necessary to proceed, if it should deem fit, with all issues as may prove necessary under the scope of the development of the Company's business, as well as all authorizations required to have the tools necessary allowing an employee shareholding incentive policy, such as, to support the Company's development and to retain employees.

This is why you are asked to renew the financial delegations that are now approaching expiry and to renew in advance all the financial authorizations and delegations (with the exception of the one aimed at increasing the capital (i) by incorporation of reserves, profits and / or premiums and (ii) to compensating contributions in kind which it was not considered necessary to renew in advance). A table is given in paragraph 4.2.2.6 of the 2018 Registration Document, setting out the current delegations and authorizations granted by the General Meeting to the Board of Directors and the state of their use as at December 31, 2018.

Moreover, considering the delegations able to increase the share capital in cash, you are therefore asked to rule on a delegation of authority to increase the share capital to the benefit of members of a company savings plan, in compliance with current regulations.

### **8.1 Delegation of powers to issue ordinary shares and/or securities, with and without pre-emptive rights**

We propose you to renew these delegations of powers with a view to proceeding with share capital increases by means of cash contributions and with and without pre-emptive rights by means of public offering and private placement, and to the benefit of categories of persons.

The purpose of these delegations is to allow the Board of Directors wide discretion, at the times of its choosing, to issue:

- ordinary shares;
- and/or ordinary shares giving access to the allocation of ordinary shares or debt securities;
- and/or securities giving access to ordinary shares to be issued.

Pursuant to Article L. 228-93 of the French Commercial Code, the securities to be issued may give rights to ordinary shares of any and all companies that directly or indirectly own over half of its capital or of which the Company directly or indirectly owns over half of the capital.

These delegations have a duration of 26 months, with the exception of that for the benefit of categories of persons which is limited to 18 months.

### **8.1.1 Delegation of powers to issue ordinary shares giving, if applicable, access to ordinary shares and/or the allocation of debt securities and/or securities giving access to ordinary shares, with pre-emptive rights (Eighteenth Resolution)**

We propose you fix the total maximum par value of the ordinary shares that may be issued subject to this delegation as 40% of the capital existing on the date of the decision of the Board of Directors to increase the share capital. To this maximum amount will be added, as necessary, the par value of the capital increase necessary to preserve the rights of the holders of rights or securities giving access to the Company's capital, pursuant to the law, and where applicable, the contractual stipulations providing for other adjustments. This maximum amount would be separate from all maximum amounts set by the other resolutions of this General Meeting

Under this delegation, issues would be carried out with pre-emptive rights assigned to shareholders.

The issue of Company's warrants (BSA) may be made by subscription offer, but also by free allocation to the owners of the existing shares, it being specified that the Board of Directors may decide that the rights of allotment forming odd lots shall not be negotiable and the corresponding securities will be sold.

If subscriptions, on an irreducible basis and, if applicable, on a reducible basis have not absorbed the entire issue, the Board of Directors may use the following options:

- limit the issue to the amount of subscriptions, if applicable within the limits established by applicable regulations;
- freely allocate all or part of the non-subscribed securities;
- offer to the public all or part of the non-subscribed securities.

Unless authorized in advance by the General Meeting, the Board cannot make use of this delegation in a period public offering initiated by a third party targeting the securities of the Company until the end of the offering period.

For the part not used, if applicable, this delegation supersedes any and all relevant prior delegations.

### **8.1.2 Delegations without pre-emptive rights**

#### **8.1.2.1 Delegation of powers to issue ordinary shares giving, if applicable, access to ordinary shares and/or the allocation of debt securities and/or securities giving access to ordinary shares without pre-emptive rights by public offering (Nineteenth Resolution)**

Under this delegation, issues would be made by public offering.

Shareholders' pre-emptive rights to ordinary shares and/or securities giving access to capital will be canceled, while retaining the Board of Directors' option to grant right of priority to shareholders, pursuant to the law.

The total par value of the ordinary shares that may be issued subject to this delegation may not exceed 30% of the share capital existing on the date of the decision of the Board to increase the share capital.

To this maximum amount will be added, as necessary, the par value of the capital increase necessary to preserve the rights of the holders of rights or securities giving access to the Company's capital, pursuant to the law, and where applicable, the contractual stipulations providing for other adjustments.

This maximum amount applies to the overall sum of the maximum nominal amount of shares able to be issued as outlined in the Twenty-Fourth Resolution.

The amount stemming from or potentially obtained by the Company for each of the ordinary shares issued, after consideration, in the event of the issue of stock warrants, of the subscription price of said warrants, will be determined in accordance with legal and regulatory provisions and will therefore be at least equal to the minimum required by the provisions of Article R. 225-119 of the French Commercial

Code when the Board of Directors implements the delegation (weighted average price during the last three trading days prior to its fixing, potentially reduced by a maximum discount of 5%).

In the case of the issue of securities in consideration of securities contributed to the Company in a public exchange offer, within the limits set out above, the Board of Directors shall have the powers required to set the list of securities for exchange, set the issue conditions, the exchange ratio, and, if applicable, the amount of the equalization payment in cash, and to set the issue terms.

If subscriptions have not absorbed the entire issue, the Board of Directors may use the following options:

- limit the amount of the issue to the amount of subscriptions, if applicable within the limits established by applicable regulations;
- freely allocate all or part of the unsubscribed securities.

Unless authorized in advance by the General Meeting, the Board cannot make use of this authorization as from the launch of a tender offer from a third party on the securities of the Company until the end of the tender offer period.

For the part not used, if applicable, this delegation supersedes any and all relevant prior delegations.

**8.1.2.2 Delegation of authority in view of the issue of ordinary shares giving, if applicable, access to ordinary shares or the allocation of debt securities and/or securities giving access to ordinary shares without pre-emptive rights by private placement (*Twentieth Resolution*)**

Under this delegation, issues will be made by means of an offer pursuant to Article L. 411-2, subparagraph II of the French Monetary and Financial Code.

Shareholders' pre-emptive rights over ordinary shares and/or securities giving access to capital would be canceled.

The total par value of the ordinary shares that may be issued, may not exceed 20% of the share capital existing on the date of the decision of the Board of Directors to increase the share capital.

To this maximum amount will be added, as necessary, the par value of the capital increase necessary to preserve the rights of the holders of rights or securities giving access to the Company's capital, pursuant to the law, and where applicable, the contractual stipulations providing for other adjustments.

This maximum amount applies to the overall sum of the maximum nominal amount of shares able to be issued as outlined in the Twenty-Fourth Resolution.

The amount stemming from or potentially obtained by the Company for each of the ordinary shares issued, after consideration, in the event of the issue of stock warrants, of the subscription price of said warrants, will be determined in accordance with legal and regulatory provisions and will therefore be at least equal to the minimum required by the provisions of Article R. 225-119 of the French Commercial Code when the Board of Directors implements the delegation (weighted average price during the last three trading days prior to its fixing, potentially reduced by a maximum discount of 5%).

If subscriptions have not absorbed the entire issue, the Board of Directors may use the following options:

- limit the amount of the issue to the amount of subscriptions, if applicable within the limits established by applicable regulations;
- freely allocate all or part of the unsubscribed securities.

Unless authorized in advance by the General Meeting, the Board cannot make use of this authorization delegation in a period public offering initiated by a third party targeting the securities of the Company until the end of the offering period.

For the part not used, if applicable, this delegation supersedes any and all relevant prior delegations.

### **8.1.2.3 Authorization, in the event of issue without pre-emptive rights, to set the issue price according to the terms set by the meeting, within a limit of 10% of the share capital per year (*Twenty-First Resolution*)**

We propose, in accordance with the provisions of Article L. 225-136-1, subparagraph 2 of the French Commercial Code, that you authorize the Board of Directors, which will decide on the issue of ordinary shares or securities giving access to capital without pre-emptive rights by means of public offer and/or private placement (*Nineteenth and Twentieth resolutions*) to make an exception, for up to 10% of the share capital per year, to the price fixing conditions envisaged in the way specified here above, and to issue price for the similar equity securities to be issued, as follows:

The issue price of the equity securities to be issued immediately or at a later date may not be lower than either of the following, at the Board of Directors' discretion:

- either the weighted average trading price of the Company's share on the trading day prior to the date on which the issue price is set, with a maximum discount of up to 15%;
- or the average of five consecutive share trading prices selected from the last thirty trading days prior to the date on which the issue price is set, with a maximum discount of up to 15%.

This exception to the price rule would allow the Board to have a certain degree of flexibility in determining the amount of the discount when fixing the issue price, according to the operation and market situation and the average reference price.

For the part not used, if applicable, this authorization supersedes any and all relevant prior authorizations.

### **8.1.2.4 Delegation of authority in view of the issue of ordinary shares giving, if applicable, access to ordinary shares or the allocation of debt securities and/or securities giving access to ordinary shares without pre-emptive rights, to the benefit of categories of persons meeting certain characteristics (*Twenty-Second Resolution*)**

Under this delegation, issues will be made to the benefit of categories of persons in accordance with the provisions of Articles L. 225-129-2, L. 225-138 and L. 228-92 of the French Commercial Code.

The duration of the validity of this delegation will be fixed at 18 months, starting from the date of this meeting.

The maximum total par value of the share capital increases that may be made subject to this authorization may not exceed 30% of the share capital existing on the date of the decision of the Board of Directors to increase the share capital.

To this maximum amount will be added, as necessary, the par value of the capital increase necessary to preserve the rights of the holders of rights or securities giving access to the Company's capital, pursuant to the law, and where applicable, the contractual stipulations providing for other adjustments.

This maximum limit applies to the amount of the share capital increase fixed at the Twenty-Fourth Resolution.

In accordance with the provisions of Article L. 225-138 of the French Commercial Code, the issue price of similar equity securities to be issued immediately or at a later date under the scope of this delegation of authority would be fixed by the Board of Directors, and must be at least equal to:

- either the weighted average trading price of the company's share on the trading day prior to the date on which the issue price is set, with a maximum discount of up to 15%;
- or the average of five consecutive share trading prices selected from the last thirty trading days prior to the date on which the issue price is set, with a maximum discount of up to 15%.

The pre-emptive rights for the subscription by shareholders of ordinary shares and other securities giving access to the capital to be issued in accordance with Article L. 228-91 of the French Commercial Code would be canceled, to the benefit of the following categories of persons:

- (i) natural persons or legal entities, including companies, trusts, investment funds or other investment vehicles, of any form, established under French or foreign law, investing habitually in the pharmaceutical, biotechnological or medical technologies sector; and/or
- (ii) companies, institutions or entities of any form, French or foreign, going about a significant portion of their business in these sectors; and/or
- (iii) French or foreign investment service providers or any foreign establishment with a similar status, able to guarantee the realization of an issue intended to be invested with the persons specified under point (i) and/or (ii) above and, under this scope, to subscribe the securities issued.

If subscriptions have not absorbed the entire issue, the Board of Directors may, at its choice, use the following options in the order that it determines, one and/or the other of the following faculties:

- limit the amount of the issue to the amount of subscriptions, if applicable within the limits established by applicable regulations;
- freely allocate all or part of the unsubscribed securities amongst the categories of persons defined.

Unless authorized in advance by the General Meeting, the Board cannot make use of this delegation in a period public offering initiated by a third party targeting the securities of the Company until the end of the offering period.

The Board of Directors will thus have full authority to be able to implement this delegation and will report back at the next General Shareholders' Meeting, in compliance with applicable law and regulations, on the use of this delegation granted under this Resolution.

For the part not used, if applicable, this delegation supersedes any and all relevant prior delegations.

### **8.1.3 Authorization to increase the total amount of issues** *(Twenty-Third Resolution)*

Under the scope of the delegations with and without pre-emptive rights as mentioned previously (*Eighteenth to Twentieth and Twenty-Second Resolutions*), we propose that you grant to the Board of Directors the faculty to increase, under the conditions set out by Articles L. 225-135-1 and R. 225-118 of the French Commercial Code and up to a ceiling limit set by the Meeting, the number of securities envisaged in the initial issue.

Thus, the number of securities may be increased within 30 days of subscription closure, up to 15% of the initial issue and at the same price as the initial issue, within the limit set by the Meeting.

### **8.2 Overall limitation** *(Twenty-Fourth Resolution)*

We propose fixing at 65% of the share capital on the date of this Meeting, the total par value of the ordinary shares to be issued, by virtue of the Nineteenth (delegation without pre-emptive rights by public offering), Twentieth (delegation without pre-emptive rights by private placement), and Twenty-Second (delegation without pre-emptive rights to categories of persons) Resolutions submitted to this Meeting, it being agreed that to this maximum amount will be added, as necessary, the par value of the capital increase necessary to preserve the rights of the holders of rights or securities giving access to the Company's capital, pursuant to the law, and where applicable, the contractual stipulations providing for other adjustments.

### **8.2.1 Delegation of authority to issue BSA, BSAANE and/or BSAAR (Twenty-Fifth Resolution)**

We propose you kindly renew the delegation of authority to the Board so that it may proceed with the issue of BSA, BSAANE and/or BSAAR for a duration of 18 months, to the benefit of a category of persons.

This delegation will have the following characteristics:

It will allow for the issue of:

- equity warrants (BSA);
- warrants for the subscription and/or acquisition of new and/or existing shares (BSAANE);
- warrants for the subscription and/or acquisition of new and/or existing reimbursable shares (BSAAR).

The BSA, BSAANE and/or BSAAR may be issued on one or more occasions, in the proportions and at the times determined by the Board and giving the right to subscribe and/or purchase shares in DBV TECHNOLOGIES at a price fixed by the Board at the time the issue decision is made, in the ways defined hereto.

The total par value of shares to which the warrants issued pursuant to this authorization give entitlement may not exceed 0.5 % of the capital existing on the day of this Meeting. To this maximum amount would be added, as necessary, the par value of the capital increase necessary to preserve the rights of the holders of rights or securities giving access to the Company's capital, pursuant to applicable laws, and where applicable, the contractual stipulations providing for other adjustments.

This maximum amount would be separate from all maximum amounts set by the other Resolutions of this General Meeting.

The issue price of the warrant would be fixed by the Board of Directors. In the case of allocation to non-executive directors, the issue price of the warrant would correspond to its market value.

The subscription and/or acquisition price of the shares acquired by exercising the warrants shall be at least equal to the average closing price of DBV TECHNOLOGIES shares of the 20 trading days preceding the decision to issue the warrants, minus the potential warrant issue price, if any.

The purpose of the allocation of warrants is to align the interests of the beneficiaries with the shareholders. In that respect, the warrants cannot be issued for free, the Board of directors having to set their price.

We propose that you decide to cancel your pre-emptive rights to the benefit of the following category of persons: corporate officers, scientific committee members, employees of the Company and persons associated with the Company and the French or foreign companies related to the Company, via a service contract or a consultant contract, in accordance with Article L.225-180 of the French Commercial Code.

This delegation means that the shareholders waive their pre-emptive rights to shares that may be issued by the exercising of warrants to the holders of BSA, BSAANE and/or BSAAR.

Unless authorized in advance by the General Meeting, the Board cannot make use of this delegation in a period public offering initiated by a third party targeting the securities of the Company until the end of the offering period.

If subscriptions have not absorbed the entire issue, the Board of Directors may use the following options:

- limit the amount of the issue to the amount of subscriptions, if applicable within the limits established by applicable regulations;
- freely allocate all or part of the unsubscribed BSA, BSAANE and/or BSAAR to persons covered by the category defined above.

The Board of Directors would have all powers necessary, under the conditions set by the law and envisaged above, to proceed with the issues of BSA, BSAANE and/or BSAAR and notably to fix the

exact list of beneficiaries from amongst the categories of persons defined above, the nature and number of warrants to be assigned to each of them, the number of shares to which each warrant shall give entitlement, the warranty issue price and the subscription and/or purchase price of the shares to which the warrants shall give entitlement, under the conditions set out above, the terms and conditions and timing for the subscription and exercise of the warrants, their adjustment methods and, more generally, all terms and conditions of the issue; to prepare a complementary report describing the final conditions of the operation; to proceed to purchase the shares necessary under the scope of the share buyback program and allocate them to the allocation plan; to acknowledge the share capital increase that may stem from the exercise of the BSA, BSAANE and/or BSAAR and to proceed to amend the Bylaws accordingly; on its own initiative, to allocate the costs of the share capital increases to the amount of the premiums relating to such and to withdraw on this amount all amounts necessary to take the statutory reserve up to one tenth of the new share capital after each increase; to delegate to the Chief Executive Officer all powers necessary to make the share capital increase and to delay such according to the terms and conditions as may be previously set by the Board of Directors; and, more generally, to do everything necessary to this end.

For the part not used, if applicable, this delegation supersedes any and all relevant prior delegations.

## **9. Authorizations and delegations relating to employee shareholders**

In order to allow for the pursuit of an employee shareholding incentive policy such as to support the Company's development, we propose you renew the authorizations and delegations in this matter.

### **9.1 Delegation of authority to increase the capital to the benefit of subscribers of a Company Savings Plan (*Twenty-Sixth Resolution*)**

We submit this resolution to your vote, so as to comply with the provisions of Article L. 225-129-6 of the French Commercial Code, under the terms of which the Extraordinary General Meetings shall also rule on a resolution intending to increase share capital under the terms of Articles L. 3332-18 *et seq.* of the Labor Code, when it delegates its authority to increase capital for cash. The Meeting, having been asked for the delegations and authorizations subject to give rise to share capital increases in cash, must therefore also rule on a delegation to the benefit of subscribers of a company savings plan, it being noted that the inclusion on the agenda of this delegation to the benefit of subscribers of a company savings plan also allows the Company to fulfill the three-year obligation envisaged by the above provisions.

Under this delegation, we propose that you authorize the Board of Directors to enact a capital increase on one or more occasions through the issue of ordinary shares or securities giving access to the Company's capital, reserved for members of one or more company employee savings plans established by the Company and/or affiliated French or international companies under the conditions of Article L.225-180 of the French Commercial Code and of Article L.3344-1 of the French Labor Code.

Pursuant to Article L.3332-21 of the French Labor Code, the Board of Directors may allocate to the beneficiaries, free shares already issued or to be issued, or other securities giving access to the Company's capital issued or to be issued (i) in respect of the contribution that may be paid pursuant to the regulations governing the company savings plans and/or (ii) where appropriate, as a discount.

In accordance with the law, the General Meeting would cancel shareholders' pre-emptive rights.

The maximum par value amount of the capital increase(s) that may be enacted under this delegation shall be 2% of the share capital arising from the decision of the Board of Directors to make this increase, with the understanding that this amount is separate from any other maximum amounts set by other delegations relating to capital increases. To this amount will be added, as necessary, the par value of the capital increase necessary to preserve the rights of the holders of rights or securities giving access to the Company's capital, pursuant to applicable laws, and where applicable, the contractual stipulations providing for other adjustments.



This delegation shall apply for 26 months.

It is specified that, in accordance with the provisions of Article L. 3332-19 of the Labor Code, the price of shares to be issued shall not be more than 20% (or 30% when the vesting period stipulated by the scheme pursuant to Articles L. 3332-25 and L. 3332-26 of the French Labor Code is greater than or equal to ten years) (or any other maximum percentage envisaged by provisions of law applicable at the time the price is fixed) below the average share opening price on the 20 trading days prior to the Board of Directors' decision to enact the capital increase and the resulting share issue, nor higher than this average.

For the part not used, if applicable, this delegation supersedes any and all relevant prior delegations.

The Board of Directors shall have the discretion to implement, or not implement, this delegation, take all measures and conduct all necessary formalities.

**9.2 Authorization to allocate free existing and/or future shares to members of staff and/or certain corporate officers of the Company or related companies or economic interest groups, shareholders' waiver of their pre-emptive rights, duration of the authorization, maximum amount, duration of acquisition periods specifically in respect of invalidity and, where applicable, holding periods (Twenty-Seventh Resolution)**

You are asked to kindly renew in advance the authorization to make free assignments of shares to Company employees and related companies and/or certain corporate officers.

Thus, we propose you authorize the Board of Directors to proceed, under the scope of Article L. 225-197-1 of the French Commercial Code, to freely assign new shares resulting from the share capital increase, by means of the incorporation of reserves, premiums or profits, or existing shares.

The beneficiaries of these attributions may be:

- members of staff of the Company or companies or economic interest groups that are directly or indirectly related to it as defined by Article L. 225-197-2 of the French Commercial Code;
- corporate officers who meet the conditions set out in Article L. 225-197-1 of the French Commercial Code.

The total number of free shares thus allocated shall not exceed 2 % of the share capital on the date of this Meeting.

The allocation of shares to beneficiaries will become final after a vesting period to be determined by the Board of Directors. This period shall be no less than two years (the acquisition period). The general meeting authorizes the Board of Directors to stipulate or not an obligation of conservation at the end of the acquisition period.

By way of exception, final allocation will take place before the end of the vesting period in the event of disability of the beneficiary classified under the second and third categories set out in Article L. 341-4 of the French Social Security Code.

This authorization shall imply that shareholders waive their pre-emptive right to subscribe to newly issued shares through the capitalization of reserves, share premiums and profits.

Thus the Board will have, within the limits set above, all powers to determine the identity of the beneficiaries of the free allocations from amongst the persons meeting the conditions established above and the number of shares to be assigned to each of them; if applicable, set the performance condition to which the definitive award of the free shares is subject; to acknowledge the existence of sufficient reserves and transfer, for each allocation, to an unavailable reserve account the amounts required for the release of the new shares to be attributed; to decide, at the relevant time, on the share capital increase(s) by means of the incorporation of reserves, premiums or profits relating to the issue of the

new shares assigned free of charge; to proceed to purchase the shares necessary under the scope of the share buyback program and allocate them to the attribution plan; to determine the impact on the rights of the beneficiaries of operations altering the capital or which may affect the value of the shares to be attributed and realized during the acquisition period and, consequently, to amend or adjust, if necessary, the number of shares attributed so as to preserve the rights of the beneficiaries; to decide whether or not to fix an obligation of conservation at the end of the acquisition period and, if applicable, determine the duration and undertake all useful measures to ensure that beneficiaries comply with any obligation to hold their shares; and generally, in connection with the legislation in effect, perform all duties that the implementation of this authorization may require.

This authorization shall imply that shareholders waive their preferential subscription right to subscribe to newly issued shares through the capitalization of reserves, share premium and profits.

This is given for a duration that expires at the General Meeting to be held in 2020 to rule on the financial statements of the previous year.

For the part not used, if applicable, it supersedes any and all relevant prior authorizations.

### **9.3 Authorization to grant share subscription and/or share purchase options to members of staff (and/or certain corporate officers) *(Twenty-Eighth Resolution)***

We propose you authorize the Board of Directors, for a period of 18 months, to allow subscription and/or share purchase options rights of shares to the benefit of employees, of some of them, or of certain categories of staff and/or corporate officers defined by applicable laws, both of the Company and of economic interest groups or companies related to it, under the terms of Article L. 225-180 of the French Commercial Code.

The total number of options that may be granted by the Board of Directors pursuant to this delegation would not give access to the subscription or purchase of more than 7.5% of the share capital at the date of this Meeting.

The share subscription and/or purchase price by the beneficiaries will be set on the day the options are granted by the Board of Directors in accordance with the regulations in effect and shall not be less than the average price over the twenty trading days preceding the date of the granting decision.

No option could be granted:

- neither within the ten trading days preceding and following the date on which the consolidated accounts are made public,
- in the period between the date on which the company's governing bodies become aware of information that, if it was made public, could have a significant impact on the market price of the company's shares, and the later date of ten trading days to the day this information is made public,
- Less than twenty trading days after the detachment of the shares of a coupon giving right to a dividend or a capital increase

The term of the options fixed by the Board may not exceed a period of ten years from the grant date.

Thus the Board will have, within the limits set out above, all powers to fix the other terms and conditions for the allocation of options and their exercise and notably to fix the conditions under which the options will be granted and draw up the list or categories of beneficiaries as envisaged above; to fix, if applicable, conditions of seniority and performance to be met by said beneficiaries; to decide the conditions under which the price and number of shares must be adjusted, notably in the hypotheses envisaged by Articles R. 225-137 to R. 225-142 of the French Commercial Code; to fix the period(s) during which the options thus granted can be exercised; to envisage the faculty to temporarily suspend the exercise of options for up to three months in the event of the implementation of financial operations that require the exercise of a right connected with shares; if applicable, to purchase the shares necessary under the scope of the

share buyback program and assign them to the option plan; to carry out or ensure the carrying out of all acts and formalities necessary to make the share capital increase(s) that may, if applicable, be carried out definitive, to amend the Bylaws accordingly and generally to do everything else necessary; at its own decision and should it deem necessary, to allocate the costs of the share capital increases to the amount of premiums relating to these increases and withdraw this against the amounts necessary to take the statutory reserve up to one tenth of the new capital after each increase.

For the part not used, if applicable, this authorization shall supersede any and all relevant prior authorizations.

**10. Authorization to be granted to the Board of Directors to lift the attendance condition for the exercise of stock options assigned on the basis of the 31<sup>st</sup> extraordinary resolution of the Combined Ordinary and Extraordinary General Meeting held on June 22, 2018 (*Twenty-Ninth Resolution*)**

We kindly ask you to authorize the Board of Directors to lift the attendance condition for the exercise of stock options assigned on the basis of the 31<sup>st</sup> extraordinary resolution of the Combined Ordinary and Extraordinary General Meeting held on June 22, 2018.

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The Board of Directors asks you to approve the wording of the resolutions that have been submitted to you.

**THE BOARD OF DIRECTORS**

## **ANNEX 1**

### **PRINCIPLES AND CRITERIA FOR THE DETERMINATION, DISTRIBUTION AND ALLOCATION OF THE FIXED, VARIABLE AND EXTRAORDINARY COMPONENTS OF OVERALL COMPENSATION AND BENEFITS OF ALL TYPES TO BE ATTRIBUTED TO OFFICERS (SAY ON PAY EX ANTE)**

***(resolutions thirteenth to fifteenth presented to the Combined General Shareholders' Meeting of May 24, 2019)***

This part constitutes the report of the Board of Directors drawn up in application of Articles L. 225-37-2 and R 225-29-1 of the French Commercial Code.

As part of the determination of the global compensation of the corporate officers (Chairman of the Board of Directors, Chief Executive Officer, Deputy Chief Executive Officers), on the proposal of the Compensation Committee, the Board of Directors considers the principles set out hereto, in compliance with the recommendations given in the September 2016 Middlednext Corporate Governance Code (R13), as referred to in the annex attached hereto.

More generally, it is recalled that the Compensation Committee monitors the consistency of the rules used to determine the compensation of executive corporate officers of DBV Technologies (the "**Company**") with the annual individual performance evaluation of the latter, which it compares with the company's performance. It also takes into account the alignment of the objectives set for them with the company's medium-term strategy, the interests of shareholders and changes to the Middlednext Code.

In order to propose the structure of this compensation, the Compensation Committee uses studies carried out by independent advisors, indicating market practices employed by comparable companies. These studies are carried out based on a panel of around twenty companies with common characteristics in terms of size, number of employees, market capitalization, clinical stage and geographical presence.

It ensures that none of the elements comprising the compensation are disproportionate and analyses the compensation as a whole, considering all its components.

#### **1/ Chairman of the Board of Directors**

##### **Principles and criteria for the determination, distribution and allocation of the fixed, variable and extraordinary components of overall compensation and benefits of all types to be attributed to the Chairman of the Board of Directors of DBV Technologies**

The principles and criteria mentioned below apply to the Chairman of the Board of Directors who does not carry out the duties of Chief Executive Officer.

These principles and criteria, set by the Board on the recommendations made by the Compensation Committee, are as follows:

- ***Fixed compensation***

The Board Chairman may receive fixed compensation, which is determined in respect of practices noted in comparable companies.

- **Attendance fees**

The Chairman of the Board may receive attendance fees, the amount of which takes into account the specific duties and, where applicable, membership of one or more specialized committees.

**2/ Chief Executive Officer**

**A/ Principles and criteria for the determination, distribution and allocation of the fixed, variable and extraordinary components of overall compensation and benefits of all types to be attributed to the Chief Executive Officer of DBV Technologies**

The principles and criteria mentioned below apply to the Chief Executive Officer, whether or not also carrying out the duties of Chairman of the Board of Directors.

These principles and criteria, set by the Board on the recommendations made by the Compensation Committee, are as follows:

- **Fixed compensation**

The fixed compensation of the Chief Executive Officer is determined by taking into account the level and difficulty of the responsibilities, experience in the role and practices noted in comparable companies.

This compensation is payable monthly, in twelfths.

- **Annual variable compensation**

The Chief Executive Officer benefits from annual variable compensation, for which, on the recommendation of the Compensation Committee, the Board of Directors each year defines demanding and diversified performance criteria, which are precise and pre-established, enabling a full analysis of performance. These criteria are aligned with the Company's short and medium-term strategy and represent significant value drivers for its shareholders, such as regulatory progress in product candidates or good expense management, geographic or product portfolio diversification.

The precise nature and level of achievement expected of these criteria are set by the Board of Directors, on the recommendation of the Compensation Committee, but they are considered confidential and therefore not published.

Every year, the Board of Directors sets the rate of achievement of each criterion of annual variable compensation according to a predetermined range.

The maximum amount of the annual variable compensation for the Chief Executive Officer amounts to 150% of the annual fixed compensation, it being specified that if the global achievement rate set by the Board of Directors is less than 50%, no annual variable compensation would be due.

Payment of the elements of variable compensation assigned to the Chief Executive Officer for the year ended is conditional on approval by the Ordinary General Shareholders' Meeting of the elements of compensation paid or assigned to him for said year (vote ex post).

- **Long-term compensation**

The Company has established a long-term compensation policy as part of the global strategy to gain the loyalty of and to motivate its managers and employees, ensuring it is competitive with market practices employed in the pharmaceutical industry.

The long-term compensation policy implemented for the Chief Executive Officer is mainly based on the allocation of stock options. Free shares may be granted. The definitive acquisition of the free shares granted to the Chief Executive Officer 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.

Moreover, the Chief Executive Officer is, in accordance with the law and methods adopted by the Board of Directors, required to retain a significant number of shares.

As regards stock options and free shares allocation, the Board has set the number of shares to be kept registered with the Chief Executive Officer until leaving office, as 10%.

- ***Benefits in kind***

In addition to the reimbursement of costs incurred in going about the relevant duties, the Chief Executive Officer may be reimbursed the cost of tax and financial planning services and shall benefit from a tax equalization payment clause in respect of his status as an American resident. He may also have expenses reimbursed, as incurred for legal advice sought during the recruitment procedure.

The Company may pay the residence expenses of the Chief Executive Officer in France.

- ***Signing bonus***

When a new Chief Executive Officer is appointed, the Board of Directors may decide, on the recommendation of the Compensation Committee, to award him a signing bonus.

**B/ Commitment with regard to the Chief Executive Officer in accordance with Article L.225-42-1 of the French Commercial Code.**

- ***Severance indemnity***

The Chief Executive Officer may benefit from severance indemnity due in the event he should cease office.

All commitments to pay severance indemnity to a corporate officer are subject to approval by the Company's General Shareholders' Meeting in compliance with Article L.225-42-1 of the French Commercial Code.

Moreover, payment of severance indemnity to a corporate officer is subject to the acknowledgment by the Board that the performance conditions set by the Board have been met.

To date, Daniel Tassé benefits from severance indemnity in the event of termination of his duties as Chief Executive Officer, for any reason whatsoever. Severance package will therefore be paid to the Chief Executive Officer if all the following criteria are met:

- Viaskin Peanut approved on a major market;
- Construction of an EPIT pipeline with 3 trials in progress;
- 6 months' cash flow as determined by the expenses of the last quarter prior to the date on which he leaves his post.

Compliance with these performance conditions will be established by the Board prior to any payment.

In the event of termination without cause or for good reason, the Company will also pay an amount equal to the sum of:

- 18 months of the base salary;
- the target bonus will be paid at 100% achievement level.

In the event of termination without cause or for good reason outside of a change of control, the severance benefits get paid out over 12 months.

In the event of termination without cause or for good in connection with a change of control, those same amounts get paid in a lump sum.

### **3/ Deputy Chief Executive Officers**

**A/ Principles and criteria for the determination, distribution and allocation of the fixed, variable and extraordinary components of overall compensation and benefits of all types to be attributed, because of their mandate, to the Deputy Chief Executive Officers of DBV Technologies**

These principles and criteria, set by the Board on the recommendations made by the Compensation Committee, are as follows:

- ***Fixed compensation***

The fixed compensation of the Deputy Chief Executive Officers is determined taking into account the level and difficulty of the responsibilities, experience in the role, seniority in the company and practices noted in comparable companies.

This compensation is payable monthly, in twelfths.

- ***Annual variable compensation***

The Deputy Chief Executive Officers benefit from annual variable compensation, for which, on the recommendation of the Compensation Committee, the Board of Directors each year defines demanding and diversified performance criteria, which are precise and pre-established, enabling a full analysis of performance. These criteria are aligned with the Company's short and medium-term strategy and represent significant value drivers for its shareholders, such as regulatory progress in product candidates or good expense management, geographic or product portfolio diversification.

The precise nature and level of achievement expected of these criteria are set by the Board of Directors, on the recommendation of the Compensation Committee, but they are considered confidential and therefore not published.

Every year, the Board of Directors sets the global rate of achievement of each predefined criterion of annual variable compensation. The maximum amount of the annual variable compensation for Deputy Chief Executive Officers amounts to 150% of the annual fixed compensation, it being specified that if the achievement rate set by the Board of Directors is less than 50%, no variable compensation annual would be due.

Payment of the elements of variable compensation assigned by virtue of the office and for the year ended is conditional on approval by the Ordinary General Shareholders' Meeting of the elements of compensation paid or assigned to Deputy Chief Executive Officers for said year (vote ex post).

- **Long-term compensation (free shares, BSA, stock options)**

The Company has established a long-term compensation policy as part of the global strategy to gain the loyalty of and to motivate its managers and employees, ensuring it is competitive with market practices employed in the pharmaceutical industry.

The long-term compensation policy implemented for the Deputy Chief Executive Officers is based on the assignment of performance shares.

The definitive acquisition of the free shares granted to the Deputy Chief Executive 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.

Moreover, the Deputy Chief Executive Officers, in accordance with the law and methods adopted by the Board of Directors, are required to retain a significant number of shares.

The Board of Directors reserves the right to assign Deputy Chief Executive Officers stock options and BSA.

As regards stock options and free shares allocation, the Board has set the number of shares to be kept registered with the Deputy Chief Executive Officers until leaving office, as 10%.

- **Signing Bonus**

When a new Deputy Chief Executive Officer is appointed, the Board of Directors may decide, on the recommendation of the Compensation Committee, to award him a signing bonus.

**B/ Agreement(s) between the Company or a subsidiary and the Deputy Chief Executive Officers**

- **Contract of employment**

The Deputy Chief Executive Officer, David Schilansky, benefits from a contract of employment as the Company's Chief Financial Officer.

The variable and fixed parts of the compensation received by the Deputy Chief Executive Officer for his technical duties, which differ from his office as corporate officer, are subject to the same rules and criteria of determination, distribution and allocation, as set for the compensation paid to him as corporate officers.

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We would ask you to vote in favor of resolutions thirteenth to fifteenth, with the principles and criteria above.

**The Board of Directors**



RECOMMENDATIONS OF THE R13 OF THE SEPTEMBER 2016 MIDDLENEXT CODE OF CORPORATE  
GOVERNANCE

- ◆ **Completeness:** the determination of the compensation of officers must be complete: fixed part, variable part (bonus), stock options, free shares, directors' fees, pension conditions and special benefits must be considered in the overall appreciation of the compensation.
- ◆ **Balance** between the elements of the remuneration: each element of compensation must be explained and must be in the company's general interests.
- ◆ **Benchmark:** this compensation must be considered, as far as possible, within the context of a role and reference market and proportional to the company's situation, whilst paying attention to inflation effects.
- ◆ **Consistent:** the compensation of a corporate officer must be determined consistently with that of other company officers and employees.
- ◆ **Readability** of rules: rules must be simple and transparent; the performance criteria used to establish the variable part of the compensation or, if applicable, for the assignment of free shares or options, must be connected with the company's performance, coincide with its objectives, be demanding, explainable and, where possible, long-term. They must be detailed yet without breaching the confidentiality that may be justified for certain elements.
- ◆ **Measurement:** determination of the compensation and the award of options or free shares must strike a fair balance and take into account the general interests of the company, market practices and officer performance.
- ◆ **Transparency:** the annual information to "shareholders" about the full compensation and benefits received by officers is provided in compliance with applicable regulations.