Ipsos 2018

REFERENCE DOCUMENT

GAME CHANGERS

General Summary

Persons responsible for the Reference document, the audit of financial statements and the financial information

A research leader to understand the world

A socially responsible Group

Results and financial situation

Corporate governance

Financial statements

Additional information

General meeting of shareholders of 4 May 2018

Cross-reference tables

Reference document

This Reference document was filed with the Autorité des Marchés Financiers on 23 April 2019 in accordance with Article 212-13 of the AMF's General Regulations. It may be used in support of a financial transaction, provided it is accompanied by a transaction note approved by the Autorité des Marchés Financiers. The document has been prepared by the issuer and its signatories incur liability in this regard. The document has been prepared by the issuer and its signatories incur liability in this regard.

This Reference document contains an annual financial report in accordance with Article L.451-1-2 of the French Commercial Code and a management report in accordance with Articles L.225-100 et seq. of the French Commercial Code. Finally, this document corresponds to the annual report that will be submitted to the shareholders at the General Meeting of 4 May 2018.

This Reference document is available from Ipsos SA, 35 rue du Val de Marne – 75013 Paris as well as on the Ipsos website: www.ipsos.com and on the website of the Autorité des Marchés Financiers: www.amf-france.org

GAME CHANGERS

« Game Changers » is the Ipsos signature.

At Ipsos we are passionately curious about people, markets, brands and society.
We make our changing world easier and faster to navigate and inspire clients to make smarter decisions.
We deliver with security, simplicity, speed and substance.
We are Game Changers.

www.ipsos.com

Message **from the President**

In 2018, Ipsos implemented a project called Total Understanding. While Ipsos' growth was moderate at +0.7%, Ipsos had once again proved its ability to grow faster than its direct competitors.

In an uncertain environment where public and private players must anticipate the evolutions of an increasingly fragmented and competitive market, Ipsos quickly realised that its success will depend on its ability to adapt to the new challenges its customers are facing. Therefore, we designed and implemented a transformation project to achieve sustainable growth.

Set up between 1 July and 31 December 2018, this transformation plan draws on all Ipsos' strengths, in particular, its expertise in know-how, science and technology, and the talent of its expert and passionate teams. These relevant choices ensure a good understanding of society, markets nd people.

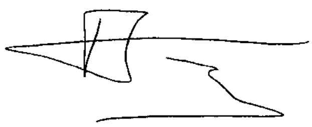
"Total Understanding" is a growth project focused on the added value of our offer. Its deployment requires the following elements:

- The creation of 17 Service Lines, bringing together more than 75 different services offered to our customers, for greater specialisation, speed and consistency in all markets;
- The creation of a new organization dedicated to managing our customer relationships at the global and local levels, and to strengthening our position in areas such as platforms and media;
- The strengthening of our presence in key markets such as the United States, the United Kingdom, Germany and France, but also ,and probably above all,in the new major markets of China, India, Russia and Turkey;
- Improving our means of access to the best of science and technology, in particular, through the homogenization of our scientific organization, to better understand, developand actionall that our customers need;
- Targeting strategic acquisitions to provide the structures and solutions that will enable us to provide precise answers to the new business questions our clients are asking themselves. In 2018, we continued to strengthen our social media intelligence capabilities with the acquisition of Synthesio, a leader in platforms dedicated to listening to the web and analyzing social media data. We were extremely pleased to acquire four key divisions of GFK Research and to welcome these teams of experienced professionals in October 2018.

2019 will be a pivotal year, the first year following the implementation of this project in the various markets where Ipsos operates. It is expected to be a year of higher growth than that observed in 2018.

Paris, 19 April 2019

Didier Truchot



Preliminary Note

In accordance with Article 28 of the European regulation No.809/2004/EC of 29 April 2004, the present Reference document incorporates by reference the following information to which the reader is invited to refer to:

- the consolidated financial statements and the Auditors' report on the consolidated financial statements for the year ended 31 December 2016 as presented respectively in Parts 20.2 (p.161) and 20.1 (p.159) of the 2016 Reference document filed with the *Autorité des Marchés Financiers* on 6 April 2017 under number D.17-0338;
- the parent-company financial statements and the Auditors' report on the parent-company financial statements for the year ended 31 December 2016 as presented respectively in Parts 20.4 (p.215) and 20.3 (p.214) of the 2016 Reference document filed with the *Autorité des Marchés Financiers* on 6 April 2017 under number D.17-0338;
- the Auditors' special report on related-party agreements for the year ended 31 December 2016 as presented in Part 19.2 (p.154) of the 2016 Reference document filed with the *Autorité des Marchés Financiers* on 6 April 2017 under number D.17-0338;
- Chapter 3 "Selected financial information" of the 2016 Reference document (p.11) filed with the *Autorité des Marchés* Financiers on 6 April 2017 under number D.17-0338;
- the consolidated financial statements and the Auditors' report on the consolidated financial statements for the year ended 31 December 2015 as presented respectively in Parts 20.2 (p.160) and 20.1 (p.192) of the 2015 Reference document filed with the *Autorité des Marchés Financiers* on 31 March 2016 under number D.16-0251;
- the parent-company financial statements and the Auditors' report on the parent-company financial statements for the year ended 31 December 2015 as presented respectively in Parts 20.4 (p.215) and 20.3 (p.214) of the 2015 Reference document filed with the *Autorité des Marchés Financiers* on 31 March 2016 under number D.16-0251;
- the Auditors' special report on related-party agreements for the year ended 31 December 2015 as presented in Part 19.2 (p.155) of the 2015 Reference document filed with the *Autorité des Marchés Financiers* on 31 March 2016 under number D.16-0251;
- Chapter 3 "Selected financial information" of the 2015 Reference document (p.11) filed with the *Autorité des Marchés* Financiers on 31 March 2016 under number D.16-0251;

Parts not included by reference to the 2015 and 2016 Reference documents are either of no relevance to investors or are covered by another Section of this Reference document.
The 2015 and 2016 Reference documents are available on the Ipsos website www.ipsos.com and in French only on the *Autorité des Marchés Financiers* website (www.amf-france.org).

Persons responsible

for the Reference Document, the audit of the financial statements and the financial information

1. Persons responsible

1.1. Persons responsible for the information

Mr Didier Truchot Chairman and CEO of Ipsos SA.

1.2. Declaration by the persons responsible

I hereby confirm that, to the best of my knowledge, and having taken all reasonable measures to that effect, the information contained in this Reference Document is correct and that there is no omission that would affect its meaning. I certify that, to the best of my knowledge, the financial statements have been drawn up in accordance with applicable accounting standards and give an accurate image of the assets, financial situation and results of Ipsos SA and of all the companies included in the scope of consolidation; and that the management report, whose different topics are listed in section 27 of this Reference Document ("Document de référence"), gives a faithful account of development in the business, results and financial position of Ipsos SA and of all companies included in the scope of consolidation, as well as a description of the main risks and uncertainties faced by these companies. I have received a letter of completion of work from the Statutory Auditors in which they state that they verified the information concerning the financial position and the accounts contained in this document and read the entire document.

The consolidated financial statements for the year ended 31 December 2018 presented in this document were approved without reservation in a report by the Statutory Auditors.

Paris, 23 April 2019

Didier Truchot

2. Principal Statutory Auditors

Mazars

Member of the Versailles Regional Association of Statutory Auditors
Represented by Isabelle Massa
61, rue Henri Régnault – Tour Exaltis – 92075 Paris La Défense Cedex

- First appointed: 28 April 2017 (to replace PricewaterhouseCoopers Audit, which has resigned)
- Date of expiration of current term of office: Ordinary General Meeting called to approve the financial statements for the year ended 31 December 2021.

Grant Thornton

Member of the Paris Regional Association of Statutory Auditors
Represented by Solange Aïache
29 rue du Pont, 92200 Neuilly-sur-Seine

- First appointed: 31 May 2006.
- Renewal date: General Meeting of 28 April 2017.
- Date of expiration of current term of office: Ordinary General Meeting called to approve the financial statements for the year ended 31 December 2022.

A research leader

to understand the world

3. Selected financial information

The selected financial information presented below is based on Ipsos' consolidated financial statements for the years ended 31 December 2016, 2017 and 2018.

In millions of euros	2018	2017	2016
Revenue	1,749.5	1,780.5	1,782.7
Gross profit	1,138.4	1,156.7	1,160.4
Operating margin	172.4	182.3	180.1
Adjusted net profit attributable to the Group [1]	125.2	127.4	121.7
Net profit (attributable to the Group)	107.5	128.5	106.9
Number of employees on December 31st	17,987	16,664	16,598

[1] For further details, please refer to note 4.8.2 "Adjusted net earnings per share" in the consolidated financial statements in section 20.2 of this Reference Document.

Financial situation

In millions of euros	2018	2017	2016
Total shareholder's equity	1,034.9	966.5	939.4
Net financial debt	742.9	602.9	712.8
Cash and cash equivalents	167.8	137.3	164.9
Net debt [1]	574.6	464.2	544.5
Net gearing [2]	55.52%	48.03%	57.96 %
Balance sheet total	**2,374.9**	**2,140.8**	**2,293.7**

[1] For more details, please refer to Note 5.9.1 "Net financial debt" of the consolidated financial statements in Part 20.2 of this Reference Document

[2] Gearing = Net debt/total shareholders' equity

4. Main risks factors and uncertainties facing the Ipsos group

We draw your attention to the risks described below. These risks could have a material adverse effect on the Ipsos group's business, financial position or results (or its ability to achieve its targets or forecasts) or share price. The below description of risks is not exhaustive. In addition, other risks and uncertainties that are currently unknown to us or that we may currently regard as minor may in the future have a material impact on our business, financial position, consolidated net income or cash flows.

All of the risks described below are naturally inherent in our business and the economic, competitive and regulatory framework in which we operate. In view of the many eventualities and uncertainties relating to these risks, management is not always able to quantify their impact with any degree of accuracy.

If the risks described here result in quantifiable financial consequences and/or material contingent liabilities, these financial consequences and/or contingent liabilities will be reflected in the Group's consolidated financial statements in accordance with applicable IFRS standards. The purpose of this risk presentation is to reflect the Executive Management's current view of the potential consequences of each risk for the Group. Although Executive Management allocates resources on an ongoing basis to managing risk, the Group's risk management activities, like any control system, are subject to limits that are inherent to these activities and cannot provide absolute certainty or protect the Group against all the risks described in section 4 of the Reference document or losses that may be caused by these risks.

In accordance with the regulations in force, in particular pursuant to European Regulation 2017/1129 of 14 June 2017 (known as "Prospectus 3"), the risks faced by Ipsos are presented below by type and in decreasing order of importance.

4.1. Sector and operational risks

4.1.1. Client risk

The Ipsos group works with numerous clients (more than 5,000) operating in a wide variety of sectors and in a large number of countries (89). The top ten clients, all of whom have global operations and work with Ipsos group in several local markets, represented 16% of the revenues of the Group in 2018. The largest client represented less than 3% of those revenues.

To preserve and develop its relationships with its major clients, in 1999, Ipsos created a programme for them called the Global PartneRing. The programme is a key component of the future security and development of the Group's business.

In addition, several measures have been implemented to oversee client relationships and optimise the quality of our services, particularly through reinforced training programmes for its staff, and a satisfaction survey conducted once a year with the main clients of the Ipsos group. Furthermore, transactional polls sent at the end of each survey makes it possible to very quickly track and process any shortcomings and set up ad hoc monitoring and action plans to remedy them.

Also, the specific purpose of the Total Understanding project implemented on 1 July 2018 is to protect and promote Ipsos's relationships with its clients in increasingly fragmented, competitive and volatile markets (see Section 4.1.2 "Competition risk" of this Reference Document). A new customer organisational structure has been defined and put in place, with dedicated teams at the global level and in local markets as well. These teams are the voice of the client within Ipsos and the voice of Ipsos within our clients. They are composed of several hundreds of senior executives with major experience. Working closely with our new Services Lines, they work in a holistic and continuous way, bringing the best solutions to clients, understanding their challenges and speaking their language.

4.1.2. Competition risk

The market for market research is characterised by very strong competitive intensity at both the global and local levels. At the international level, the Ipsos group directly competes with other players such as Nielsen, the Kantar group, GfK, IQVIA (formerly IMS Health), Information Resources (in the United States and Western Europe), and Intage (in Asia). These companies, although not all operating in the same market segments may either develop their offering to compete Ipsos, or acquire companies operating in market segments similar to those of the Ipsos group, in either such case thus reinforcing or expanding their offering to gain market share. Also, beyond these known and established direct competitors, the recent transformation of the market and the new requirements that define it have generated two new types of competitors: strategic and/or operational consulting companies, which are now directly involved in issues that were specific to research companies, and new and well-funded technology-based companies that focus more specifically on platform development and operation. The arrival of new so-called "Do It Yourself" tools can also be an opportunity for some customers to conduct some research themselves.

In order to limit the competitive risk inherent in its business, the Ipsos group aims to be a top ranking player in its market by continually innovating its product offering, growing the market segments in which it operates, enhancing specific client programmes (see section 4.1.1 "Client risk"), pursuing its strategy of targeted acquisitions and always seeking to adapt its offer of services to the clients' expectations, while remaining competitive in terms of price, notably through the use of technological innovation programmes (see section 4.1.3 above). The definition and the very recent implementation of the Total Understanding project is meant to limit this risk especially.

Finally, international or regional players or new entrants may attempt to hire employees of the Ipsos group, especially in sales or development functions, which may have an adverse effect on operations.

The Group has adopted and implemented a retention policy for its key managers to reduce this risk (see section 4.1.4 “Risk of loss of revenue linked to the departure of key managers” of this Reference Document).

4.1.3. Risks linked to technological changes

Certain market segments in which the Ipsos group operates are highly competitive. The Ipsos group’s continued success will depend on its ability to enhance the effectiveness and reliability of its services in such segments. The Ipsos group could encounter difficulties that might delay or prevent the successful development, launch or marketing of new services and could also bear costs higher than expected should its services and infrastructures need to be adapted to any such technological changes at a quicker pace than planned.

In order to prevent such risk, the Ipsos group dedicates significant resources to the research and development of innovative methods and solutions for its surveys. Ipsos continues to explore and develop new methods and solutions for surveys using the study of neurosciences and the exploitation of information through social networks or new digital technologies.

In 2012, Ipsos established the Ipsos Science Centre, with a view to conducting analytical R&D and expanding Ipsos’ technical offerings, providing value-added analytical services and consultation directly to clients (particularly Big Data analysis) (for more information on these innovations, see section 6 of the Reference document). Based in Cape Town, South Africa, Ipsos Group Laboratories carries out product researches for the Group’s various business lines.

One of the key elements of The New Way multi-year programme was to transform the Ipsos organisational structure with the goal of ensuring that it can develop, market and sell new services while maintaining a high level of performance for its clients.

Also, one of the main objectives of the new Total Understanding project implemented in July 2018 is to simplify all service offerings and bring them in line with the technological and scientific developments inherent to our company.

4.1.4. Risk of loss of revenue linked to the departure of key managers

Like all business-to-business service providers, the sales relationships of the Ipsos group primarily depend on the quality and the continuity of the relationships developed by its managers with their contacts at the client companies. The departure of an important key sales manager or account director may therefore lead to the loss by the Group of certain clients.

The Ipsos group believes that this risk is minimised by the Group’s revenue distribution, as explained in Paragraph 4.1.1Client risk” above.

In order to limit this risk, in collaboration with the Group's human resources department, the Group identifies the key staff, offers them an attractive compensation package including a long-term incentive plan and includes them in the Group's long-term benefit sharing schemes in order to maintain their loyalty. For example, the IPF 2020 long-term incentive plan was implemented in 2012 to replace a similar plan launched in 2002. This plan is described in more detail in paragraph 21.1.4.2 of this Reference document. Also, the employment contracts for these key employees generally include non-compete or non-solicitation clauses that protect Ipsos's interests.

The Group’s Human Resources Department also carries out "Talent Reviews" to identify high-potential employees.

4.1.5. Risk of a lack of qualified staff

Although Ipsos has adopted an engaged policy to retain its key managers (see 4.1.4 above), the Group remains exposed to the risk that it will face a shortage of qualified personnel.

To better meet the Group's recruitment needs, which require teams with a high level of skills, the job descriptions are provided as part of the hiring process and Human Resources Department teams use various recruitment tools to explore the labour market as widely as possible.

Finally, a training questionnaire is sent to Ipsos employees by the Human Resources Department to determine as accurately as possible the quantity and format of the training sessions offered to employees and adapt their training process to their skills and aspirations, thus ensuring that they become more skilled.

4.1.6. Risk linked to information systems

The operations of the Ipsos group are heavily reliant on information systems. Any malfunctioning of the information systems of the Group may have negative consequences (loss of the results of a survey, inability to access databases, etc.). In practice, the Group aims to limit this risk by using off-the-shelf systems and software that are dispatched over several locations, and by implementing back-up procedures and replications of crucial databases. If a problem occurs concerning a particular system or site, the Ipsos group has procedures in place to transfer operations to its other sites.

The Ipsos group network uses security equipment from first-tier suppliers based on Cisco technologies. This equipment ensures that our network remains coherent and minimises the risks of intrusion. The majority of our sites are connected to each other and hooked up to the Group data centre using encrypted communications protocols over the Internet based on VPN technology (Virtual Private Network). This project to deploy a secure global network is being finalised and covers the 89 countries of the group and its 260 offices.

The Ipsos group has introduced a policy of automatic security and antivirus software updates on all its computers. In addition, each Internet access point at Ipsos group sites is protected by a firewall.

4.1.7. Risks relating to the integration of new acquisitions

The Ipsos group has made numerous acquisitions, including Synovate in October 2011 and most recently, in the last quarter of 2018, four divisions of Gfk and Synthesio SAS and its foreign subsidiaries. External growth through acquisitions remains a key pillar of the Group's strategy.

The identification of acquisition and investment candidates is difficult, and there is always the possibility of misjudging the risks of any given acquisition or investment. In addition, while the Ipsos group has in the past successfully integrated the companies and businesses it has acquired, new acquisitions may be concluded on terms that are less favourable than anticipated, and the newly acquired companies may either fail to be successfully integrated into Ipsos' existing operations and culture or fail to generate the synergies or other benefits that were expected. Such cases could have negative consequences for the Group's earnings and profitability.

To limit risks relating to acquisitions, the Ipsos group has established a specific process for managing acquisitions and their integration: (i) the opportunity of each acquisition is studied beforehand by an acquisitions review committee that meets every month and reviews all of the issues related to the relevant proposal, (ii) each acquisition proposal is examined by the Board of Directors of Ipsos SA for approval, and (iii) during the acquisition process, the Ipsos group surrounds itself with specialist advisors.

Furthermore, in evaluating a potential acquisition target, the Ipsos group places particular emphasis on preparing for the acquisition's integration into the Group and analysing the target's compatibility with the Group's culture. For middle-sized acquisitions, primarily regional ones, the regional management teams are responsible for organising and supervising a successful integration in coordination with the corporate teams. Also, for all acquisitions, a follow-up process of contractual commitments has been put in place centrally.

4.1.8. Sensitivity to macroeconomic conditions

The various markets in which the Ipsos group operates are sensitive to changes in the economic situation. However, in the history of the industry, economic fluctuations have not had any long-lasting impact on the market research industry. Indeed, economic uncertainty has customarily generated an increased demand for information viewed as necessary to help decision-makers in making decisions. Today, this trend has nevertheless weakened due to the effects of market change. In recent years the market for market research has recorded growth below expectations, in particular in the retail sector. At the moment it is driven mainly by emerging countries, certain industries, such as pharmaceuticals, and new research services such as EFM (Enterprise Feedback Management). The slowdown in growth in a large number of sectors has a direct impact on our clients, for which demand may decrease in some cases.

The Ipsos group believes that, except in the case of a significant economic downturn in a major country, the geographical footprint of its operations in 89 countries, and its multi-specialist positioning, together offer resistance against deterioration in any local economic situation.

A significant part of the revenue of the Ipsos group is generated by contracts either with a term of less than one year or that are made up of short-term projects. In the event of a deterioration of macro-economic conditions and a decision of the clients of the Ipsos group to control their variable costs, some projects allocated to the Ipsos group may be delayed or cancelled and orders for new projects may be less numerous than anticipated. The level of activity generated from any given client may vary from one year to the next, and these evolutions may adversely impact or contribute to a variation in the operating profit and net profit of the Ipsos group.

Although the occurrence of such external risks is beyond the control of the Ipsos group, Ipsos has nevertheless implemented measures to monitor and assess the level of these risks and their impact. For this purpose, summaries consisting of financial data and macro-economic indicators are regularly prepared by the country managers, regional management and business managers and submitted for review to the management of the Ipsos group.

This data and these indicators are integrated into the budget process and their integration can lead into measures aimed at adapting the strategy of the Group to the macro-economic evolutions.

4.1.9. Seasonality of revenue and results

Traditionally, the Ipsos group posts higher revenue in the second half of the financial year, as is the case with most market research agencies. Half-year results generally represent less than 50% of the full year revenue and operating margin. Consequently, the operating profit and cash flow of the Group can vary significantly over any given financial year.

The Ipsos group periodically assesses the cash flow of the Group and its subsidiaries, notably through the implementation of a programme aimed at optimising cash flow throughout all the entities of the Group. This programme, which is internally known as “Max Cash”, is monitored by the Group treasury department.

4.2. Legal and regulatory risks

4.2.1. Risks relating to industry-specific regulations applicable to the protection of personal data or privacy

Protection of personal data - All Group companies are entirely devoted to market research, ancillary operations or underlying research. Its teams have a detailed knowledge of the laws and regulations applicable to market research, particularly concerning data protection and the dissemination of opinion polls. Group companies have always taken the utmost care when processing personal data, which is done in strict compliance with the relevant laws and regulations. In particular, Ipsos has always applied the ICC/ESOMAR professional code, which defines principles for the protection of respondents. In this regard, to comply with all the regulatory requirements of the new General Data Protection Regulation 2016/679 applicable in all countries of the European Economic Area (also known as the "GDPR", which entered into force on 25 May 2018), in the second half of 2017, Ipsos launched a major programme to update its internal policies and procedures in this area.

This programme included all personal data protection stakeholders (Legal, Human Resources, Communication, Information and Security Systems, Operations, Service Lines) and was placed under the direction of the global CPO (Chief Privacy Officer), who was appointed in 2017. A set of measures have been implemented. These include the appointment of a Data Privacy Officer (DPO) for each country, the establishment of institutional communication between the Group and its clients and suppliers as well as the amendment of the relevant contracts, internal communication to employees regarding the impacts on employment contracts, information updates on the Group's institutional websites and the launching of data protection training for all Ipsos entity employees.

Furthermore, the Group has identified all of the business and support processes that involve personal data (the recruitment process, interactions with respondents, panelists, etc.) and the major applications that process that data. Concrete actions have been set up in these areas, including the creation of a GDPR register to facilitate the traceability, identification and implementation of technical protection solutions for data in both applications and infrastructures (*anonymisation, encryption*) and the amendment of IT security policies, including the procedure for reporting security incidents internally and to the regulatory authorities (Personal Data Breach Management Procedure).

The actions initiated as part of this programme are now integrated into the day-to-day activities of employees, who must make their own one of the founding principles of the regulation, namely, consideration of personal data protection starting with the design phase (Privacy by Design).

However, although it cannot be entirely certain that the above measures will protect Group companies from any infringements of the applicable data protection regulations, they have been put in place, which significantly reduces risks in that area.

Other regulations - In the future, the Ipsos group businesses could also be affected by the introduction of privacy legislation, similar to the legislation allowing consumers to protect themselves against unsolicited telemarketing. Legislation relating to unsolicited telemarketing calls has, in particular, been introduced in the United States, Canada and Australia (Do Not Call List) and in most European countries. In other countries, existing legislation tends to be interpreted narrowly by courts. Similar rules exist concerning unsolicited e-mails (spam). While in general these telemarketing regulations do not cover market research, new laws or regulations or a change of interpretation of the existing laws and regulations by courts could extend this system to market research. In the event that such regulations are extended to market research, there could be a negative impact on the operating profit of the Ipsos group.

Although historically, the impact of such regulations on Ipsos group activity has been insignificant, the right to personal data (which results in the protection of personal data) is changing because of the development of digital technology and the ever greater involvement of the European Union, the Group remains especially attentive and vigilant that it is obeying the laws applicable to its field of activity.

4.2.2. Risk of change in employment law

The Ipsos group employs a large number of independent contractors to administer its questionnaires. In some countries, depending on the local employment legislation, such staff may be considered employees. In a number of countries where the Ipsos group is active, there is a trend towards providing more protection for independent contractors as a result of employment law or its interpretation. This exposes the Group to two risks:

- a legal risk if the Group does not offer its independent contractors the same benefits it currently provides to permanent employees, which would place it in a position of defying the law;
- a financial risk if the Group were unable to pass on any increase in labour costs caused by such developments. The Ipsos group believes that this risk should be kept in perspective since it applies to the entire industry and, therefore, does not affect the Group's competitive position.

In order to anticipate and limit such risk, the local teams of the Ipsos group are in charge of monitoring the relevant legislation and anticipating its evolution. Moreover, once a year, as at 31 December, a report on existing and threatened litigation is sent to the finance and legal teams of the Ipsos group (see Section 4.2.3 "Risks relating to pending litigation" above).

4.2.3. Risks relating to pending litigation

Ipsos is not in a significant procedure or litigation as it's mentioned in the note 6.4.4 consolidated financial statements of Ipsos for the financial year ended 31 December 2018. See also Notes 4.4 and 5.10 to the Ipsos consolidated financial statements for the financial year ended 31 December 2018 relating to provisions for litigation.

For the period running from 1 January 2018 until the current date, Ipsos group has no knowledge of any other litigation or governmental, judicial or arbitration proceedings concerning it (nor any threat of such proceedings) that may have or has recently had any material effect on the financial situation or profitability of Ipsos SA and/or the Ipsos group.

We cannot guarantee that no new claims or litigation may emerge as a result of circumstances or facts that are not known and whose risk is not determinable or quantifiable as of the date of this Reference document. Such proceedings may have an adverse effect on the financial situation or profitability of Ipsos SA and/or the Ipsos group.

4.3. Market risks

4.3.1. Interest rate risk

Ipsos' exposure to risk arising from changes in market interest rates relates to its long-term debt. The Group's policy is to manage interest expenses by using a combination of fixed and floating rate borrowings.

Around 36% of the €746 million in gross debt at 31 December 2018 (excluding accrued interest and the fair value of derivative instruments) was floating rate (after taking into account swap contracts and tunnels). A 1% increase in short-term interest rates would have a €2.5 million negative impact on the Group's financial expense for the financial year 2018.

In September 2010, interest rate swaps were put in place pursuant to the US bond issue conducted by the Group with a maturity date of 28 September 2020.

In July 2012, interest rate swaps were implemented pursuant to the 2011 syndicated loan agreement with a maturity date of 10 July 2020. The management of interest rate risk is centralised at the headquarters of the Group under the responsibility of the Group Treasurer.

For more details on interest rate risk, refer to Note 6.2.1 to the Ipsos consolidated financial statements for the financial year ended 31 December 2018.

4.3.2. Exchange rate risk

The Group has little exposure to transaction-related exchange rate risk, since its subsidiaries almost always invoice in their local currency, and since operating costs are also denominated in the local currency. As a result, the Group does not usually hedge its exchange rate exposure. The transactional exchange rate risk for the Ipsos group is limited primarily to trademark licence royalties and payments for services or technical assistance charged by Ipsos SA or Ipsos group GIE to subsidiaries in local currencies.

However, because of the expansion of its international activities, a substantial and growing portion of the revenue of Ipsos group (83% of revenue) and its operating charges is generated in currencies other than the euro. Changes in exchange rates can thus have a negative impact on the financial position of Ipsos group and its operating income over the course of a given year and can make it difficult to compare financial statements from one year to the next.

Nevertheless, the Ipsos group tries, whenever possible, to have a percentage breakdown between cash equivalent denominated in foreign currency and financing denominated in foreign currency, while these fluctuated in the same proportions.

For more information on the exposure to the exchange rate risk, please refer to Note 6.2.2 to the Ipsos consolidated financial statements for the financial year ended 31 December 2018.

4.3.3. Liquidity risk

The Group's objective is to manage its financing in order to have less than 20% of borrowings maturing within one year. The Group is committed to attaining certain financial ratios. As at 31 December 2017 and 31 December 2018, the Group fulfilled these commitments.

For more details on the Group's financial debt at 31 December 2018, please refer to Note 5.9 to the Ipsos consolidated financial statements for the financial year ended 31 December 2018.

The Company has made a specific review of its liquidity risk and it considers that it is able to pay its debts when it may fall due.

For more details on liquidity risk exposure, please refer to Note 6.2.5 to the Ipsos consolidated financial statements for the financial year ended 31 December 2018.

4.3.4. Counterparty risk

The counterparty risk and the system used to manage this risk are described in Notes 6.2.3 and 6.2.4 to the Ipsos consolidated financial statements for the financial year ended 31 December 2018.

4.3.5. Equity risk

With the exception of Ipsos treasury shares, the Ipsos group does not, as of the date of this Reference Document, hold any interests in listed companies. Consequently, Ipsos group believes that it is not subject to any risk in relation to shares of listed companies.

4.4. Risks relating to the possible depreciation of goodwill

External growth transactions, in particular the acquisition of Synovate, which are treated as business combinations, resulted in the recognition of goodwill (for more details on goodwill and the sensitivity of the value in use of goodwill, please refer to Note 5.1 to the Ipsos consolidated financial statements for the financial year ended 31 December 2018).

Pursuant to IFRS standards, goodwill is not amortised but subject to impairment testing at least once a year and whenever there is an indication of a potential impairment. If the recoverable amount is less than the book value, a loss of goodwill is recorded as impairment, in particular in the occurrence of events or circumstances including a material adverse change of a lasting nature that affects the economic environment or assumptions or objectives held at the acquisition date.

The Company cannot guarantee that events or adverse circumstances will not occur in the future that might lead to a review of the book value of goodwill and impairment losses being recorded that could have significant adverse effects on the Group's revenues.

In addition, goodwill is allocated to cash generating units identified within the Group as part of impairment testing. Subsequent changes in the Group's organisation or amendments to IFRS could also lead to impairment losses and have a negative impact on the Group's revenues.

4.5. Financial risks related to climate change

Given the nature of its activities, Ipsos has not identified any material financial risks related to the effects of climate change.

Considering the importance of digital technology, major climatic events (e.g. typhoons, cyclones, floods, etc.) could disrupt the operation of some office equipment or IT systems. However, the Group is committed to ensuring that its backup systems are effective and that it is able to maintain continuity of service through year-round testing and monitoring.

The Executive Management and the Board of Directors also ensure that all the necessary actions to reduce the Group's carbon footprint are implemented globally, in particular by reducing business travel and encouraging online meetings (See Chairman's message and section 8.4.2 of this Reference document).

4.6. Insurance

Ipsos group activity generates no industrial or environmental risks. Moreover, as explained in section 4.1.6, in terms of information systems, risk coverage goes primarily through the distribution of activity across multiple sites, setting up backup systems and security.

Ipsos SA has taken out insurance coverage for directors and officers to insure the Ipsos group and its officers and directors against damage resulting from the professional misconduct of officers or directors of Group companies in the exercise of their duties.

Other than the insurance policies and internal programme set forth above, there are currently no centralised or global insurance programmes or policies.

Group companies locally subscribe to compulsory insurance and other insurance policies customary in the countries and markets in which they operate. Insurance policies and coverage amounts are regularly reviewed in light of developments in the business of a specific company and/or the risks faced by that company. The Group companies, especially those operating in the key countries, have insurance policies that provide the following types of coverage: business liability, professional liability, premises, computer hardware, and operating losses.

5. Information about the issuer

5.1. History and evolution of the Company

5.1.1. Company name

Ipsos

5.1.2. Registration of the issuer

The Company is listed on the Paris Trade and Companies Register under the following number 304 555 634 RCS Paris (Code APE 7010Z – Holding company activities).

5.1.3. Date of incorporation

The Company was incorporated on 14 November 1975. For a period of 99 years from the date of its first registration in the Trade and Companies Register, barring early dissolution or extension.

5.1.4. Registered office/Legal structure

Head office: 35 rue du Val de Marne – 75013 Paris.

Tel.: +33 1 41 98 90 00.

Legal form: *société anonyme* (French public limited company) with a Board of Directors, governed by Book II of the French Commercial Code.

5.1.5. Significant events in the development of Ipsos activities

Ipsos has a strong presence in all of the major markets. With operations in 89 countries, Ipsos currently has 18,127 employees working with over 5,000 clients worldwide. Its 2018 consolidated revenue stood at €1,749.5 million.

In July 2014, Ipsos decided to launch the "New Way" programme for the 2015-2017 period. It was Ipsos' response to major technological changes which have created a more volatile, competitive and fragmented environment for its clients. Its ambition is to make Ipsos the preferred partner in its clients' transformation. Ipsos has renewed its market approach, organisation, tools and offerings with 17 New Services that are in line with the 4S's (Security, Simplicity, Speed, Substance). Ipsos has adopted a new signature to symbolise its intention: GAME CHANGERS.

The New Way programme is a success. The New Way has given rise to New Services, which are classified into four categories: measuring differently, having the data in real time, analysing big data and offering client support- based services. As a share of Ipsos' revenue, New Services have climbed from 11% in 2016 to 14% in 2018.

Because client needs continue to evolve, Ipsos decided to launch the Total Understanding project to work on the offering and structure it into a large number of Service Lines. With this project, Ipsos aims to be its clients' partner in understand the Company, markets and people: this is Total Understanding.

All Services sold by Ipsos are grouped into Service Lines that must be competitive in their market segment and can be combined in response to questions that clients may have about their business. Emphasis will be placed on 4 Service Lines that together prove that Ipsos is the specialist in Total Understanding.

With the Total Understanding project, Ipsos reaffirms its advantages:

- **Science**

Ipsos applies science to better understand individuals, whether they are consumers, clients, citizens or employees.

- **Technology**

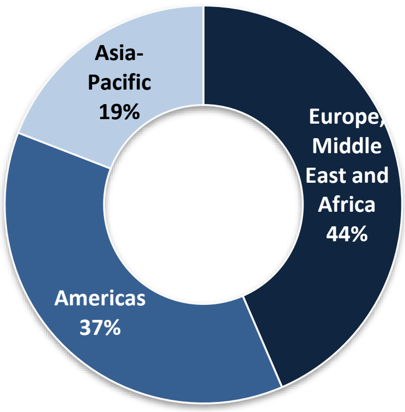
Ipsos uses the latest technologies to process all types of data and provide clients with speed and efficiency.

- **Know-How**

With its 42-year history, its presence in 89 countries and 200 cities and its 5,000 clients, Ipsos' know-how is unquestionable. In addition, Ipsos is an independent and therefore neutral company.

- **Teams**

Ipsos' 18,127 Ipsos employees adhere to the five values that have been redefined in the New Way program (Integrity, Curiosity, Collaboration, Client First, and Entrepreneurial Spirit). Ipsos' multicultural teams are trained in the latest knowledge and expertise. Ipsos has many assets that attract new talent.



Contribution to the consolidated revenues by region

In millions of euros	2018	2017	Change 2018/2017	Organic growth
Europe, Middle East and Africa	761.5	767.6	0.8%	0%
Americas	653.4	688.5	5.1%	0.9%
Asia-Pacific	334.6	324.4	3.2%	6.0%
Full-Year Revenues	**1,749.5**	**1,780.5**	**-1.7%**	**0.7%**

Contribution to the operating profit by region*

In thousand euros	2018	2017	2016
Operating profit Europe, Middle East and Africa	69,337	71,861	66,069
Operating profit Americas	77,450	84,331	92,764
Operating profit Asia-Pacific	30,967	30,353	26,960
Operating profit Other	(5,495)	(4,269)	(5,713)
Total operating profit	**172,258**	**182,275**	**180,080**

*Operating margin is calculated by subtracting from the turnover external direct costs related to the execution of contracts, payroll, general operating expenses and other operating income and expenses.

Ipsos has always been different

Ipsos was founded in 1975 in Paris by Didier Truchot, who brought a fresh approach to the research industry. His objective was to offer clients high quality information with significant added value, i.e. information that is both thorough and reliable, along with immediately actionable explanations and advice.

Rapid development

In the 1980's, the Company had a period of growth. The start of this period coincided with the arrival of Jean- Marc Lech, formerly Chairman of IFOP.

The Company benefited from the tremendous boom of the French communication sector in the 1980s. The advertising industry was buoyant, the professional press (economic and trade publications) developed, and the period of alternating governments was accompanied by the emergence of political communication and politicians' growing awareness of the challenges of managing their public image.

Ipsos quickly acquired a reputation for excellence, particularly in the media, advertising research, public opinion and social research fields. In 1989, Ipsos achieved revenue of 100 million francs (€15 million) and was the fifth largest company in the French market, behind Nielsen, Secodip, Sofres and BVA.

Nevertheless, large multinational groups, keen to expand to all large markets, wanted to work with the same research company worldwide in order to have consistent and comparable data from one country to the next. Ipsos' management understood this development and therefore decided to expand beyond France in order to meet its clients' needs abroad.

Expansion in Europe

In the early 1990s, Ipsos established itself in major European countries (Southern Europe, Germany, United Kingdom). The companies approached by Ipsos had to be prepared to sell all their capital, since Ipsos's objective was to set up a truly integrated Group; the target companies had to be major players in their markets (i.e., in the top three or four), and the management had to understand and endorse Ipsos's strategic plan. The takeovers were friendly, with managers expected to stay at the helm of the new subsidiaries. Finally, the company's research activity had to be related to at least one of the Group's main areas of research.

The Group expanded rapidly, which required large amounts of capital and an increase in the Group's equity base. Up to that point, Ipsos had been two-thirds owned by the Co-Chairmen and one-third by its managers. However, in July 1992 it brought in several financial investors, replaced in September 1997 by the Artemis group (François Pinault), through its Kurun fund, and the Amstar fund (Walter Butler).

Formation of a world-class Group and IPO

In 1999, to gain access to the resources needed to build a global group whilst also retaining its independence, Ipsos decided to list its shares on the stock market.

Its listing on the Nouveau Marché of the Paris Stock Exchange was carried out successfully on 1 July 1999.

In total, 2,539,533 Ipsos shares were issued at a price of €33.50 (prior to the division by four of the par value on 4 July 2006), through a guaranteed placement. The operation was oversubscribed 12.6 times. The success of this transaction strengthened the Group's position with its major international clients and competitors that were already listed.

Ipsos is now listed on Euronext SBF 120 (Compartment A).

Ipsos steps up its acquisition policy in all major markets

Ipsos has specified its acquisition policy. Its aim is to enlarge its areas of expertise and enhance its geographical coverage across all of the major as well as emerging or developing markets, such as the Asia-Pacific region, Latin America, Eastern Europe and Africa. Ipsos therefore carries out targeted acquisitions, based on developments in the research market highlighting new business segments, and technological developments leading to changes in the business and requiring heavy investment.

From 2000 onwards, the performance of Ipsos was characterised by a combination of strong organic growth and a stepping up of the Group's acquisitions policy. Ipsos made 12 acquisitions in North America, including Angus Reid, No. 1 in Canada; 12 acquisitions in Western Europe, including MORI, the leader in social research and opinion polling in the UK; 10 in Latin America, and 8 in the Middle East. In these last two regions, Ipsos became the market leader in survey-based research.

Finally, in the Asia-Pacific region, Ipsos made 12 acquisitions and established solid positions in China, South-East Asia, Japan and South Korea. In 2010, Ipsos made a major acquisition by purchasing OTX in the United States, thus strengthening Ipsos' expertise in online research and social networks. Moreover, Ipsos acquired Apeme in Portugal and opened two offices in Malaysia and Nigeria.

Synovate acquisition

In 2011, Ipsos acquired Synovate, the Aegis group's market research branch. The Group thus consolidated its position in the Market Research market, making it No. 3[1]. This acquisition – the largest ever made by Ipsos – has enabled it to increase its presence in the Asia-Pacific region, North America and Northern Europe in particular, in both the main developed markets and emerging markets. The integration of Synovate's highly qualified staff has also enabled the Group to enlarge its intellectual and commercial offering and add new areas of expertise to its portfolio, such as the healthcare sector.

2012 was a year of stabilisation, during which the teams at Ipsos and Synovate learned to work together in order to create a larger Group with a broader skills base covering more fields. Because of this stabilisation stage, the rate of acquisitions has slowed down. However, a new office was opened in Kazakhstan in November 2012.

In 2013, Ipsos bought Herrarte in El Salvador, also operating in Honduras and Nicaragua. In Ecuador we also have another company, Consultor Apoyo, which was consolidated late in 2013.
In 2014, Ipsos acquired Market Watch, a leading research company based in Israel.

In July 2015, Ipsos acquired RDA group, thereby consolidating its leadership in quality monitoring for the automotive industry. Based in the United States, the RDA group is a global provider of quality measurement and customer satisfaction research on behalf of the world's major automotive manufacturers.

Since December 2017, when it opened a new office in Senegal, Ipsos has been present in 89 countries.

Acquisition of Clintelica and creation of Ipsos Digital

On 1 June 2018, Ipsos announced the acquisition of Clintelica srl, an information and communications technology group founded by Andrei Postoaca.

With this acquisition, Ipsos plans to increase the use of digital in its services, integrating a team dedicated to developing an e-commerce platform both for clients and internal teams. The acquisition of Clintelica and the creation of a new internal structure called "Ipsos Digital" will help to achieve the objectives of the "Total Understanding" plan.

Acquisition of four global divisions of GFK Research

On 10 October 2018, Ipsos finalised the acquisition of the four global custom research divisions of GfK Custom Research: "Customer Experience"; "Experience Innovation"; "Health"; and "Public Affairs". Around 1,000 experienced managers and committed professionals have therefore joined Ipsos. This acquisition is part of the process of implementing the "Total Understanding" plan. The aim is to make the Ipsos brand synonymous with excellence, providing businesses and institutions with deeper knowledge of society, markets and people. It also offers Ipsos significant new potential in

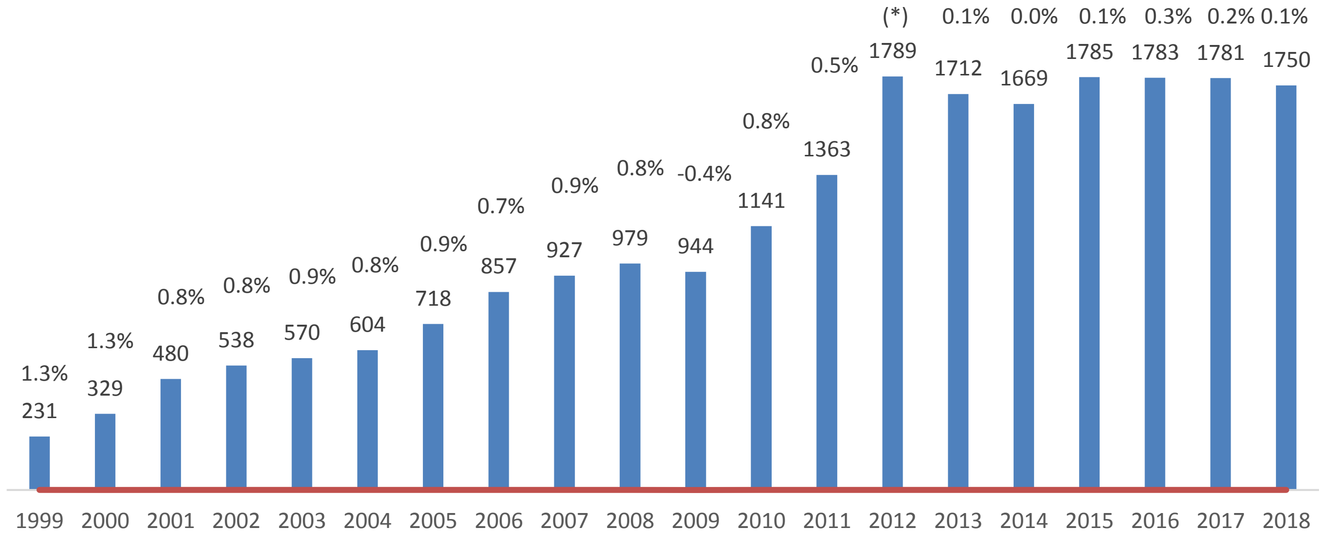
[1] Source: ESOMAR (please refer to section 6.4 of this Reference Document)

various key markets and strengthens the operational capabilities of the teams.
The four global divisions of GfK Custom Research have been consolidated for accounting purposes since 1 October 2018.

Acquisition of Synthesio

On 30 October 2018, Ipsos announced the acquisition of Synthesio. Established in 2006, Synthesio is the leader in social media intelligence, based in New York, Paris, London, Singapore and Brussels.

The Synthesio acquisition is part of the "Total Understanding" project and its clearly defined objectives. It will reinforce Ipsos' know-how and technology in the area of social media intelligence and data analytics. The acquisition will enable Ipsos to give its clients access to a wider range of data and usable information, as well as a deeper understanding of their own customers.
Synthesio is a separate business line within Ipsos and has retained its own name and brand identity.
Loic Moisand and Synthesio's management team will remain at the helm of the company during this new phase of investment and growth.



Ipsos Group revenue and organic revenue growth over the 1999-2018 period

* For the first nine months of 2012, it was not possible to calculate organic growth for Ipsos's former scope of consolidation, as some existing or new services were covered by different legal entities as at 1 January 2012 included in Ipsos's former scope or the former scope of Synovate, depending on the type of contract.

External growth operations

North America
ASI, USA (1998)
Angus Reid, Canada, USA (2000)
Tandemar, Canada (2000)
NPD (Marketing Research Division), USA, Canada (2001)
Riehle Research, USA (2001)
AC Nielsen Vantis, USA (2002)
Marketing Metrics, USA (2003)
Descarie & Complices, Canada (2005)
Shifrin Research, USA (2005)
Understanding UnLtd, USA (2005)
Camelford Graham, Canada (2006)
Monroe Mendelsohn, USA (2008)
Forward Research, USA (2008)
OTX, USA (2010)
RDA, USA (2015)

Asia-Pacific
Marketing for Change, Australia (1999)
Link Survey, China (2000)
Novaction, Japan, Australia (2001)
Feng & Associates Marketing Services, China (2002)
Partner Market Research, Taiwan (2003)
NCS Pearson, Australia (2003)
The Mackay Report, Australia (2003)
TQA Research, Australia (2004)
Japan Statistics and Research Co Ltd, Japan (2004)
Active Insights, Korea (2004)
Guangdong General Marketing Research Company Ltd, China (2005)
Creation of an Ipsos office in the Philippines (2005)
Joint-Venture in Thailand (2005)
Indica Research, India (2007)
Eureka, Australia (2007)

Joint-Venture in Indonesia (2008)	
B-Thinking, China (2008)	
Creation of an office in Malaysia (2010)	
CBI, Vietnam (2011)	
Central and Eastern Europe, Middle East and Africa	
Szonda, Hungary (1990)	
Stat, Lebanon (1993) and creation of Ipsos Stat in Jordan and the Gulf countries (2001)	
Demoskop, Poland (2001)	
New Media Research, Romania (2002)	
F. Squared, Russia, Poland, Ukraine (2002)	
Tambor Market Research & Consulting, Czech Republic	
Slovakia (2006)	
IMI (Research Division), Egypt (2006)	
IDRS, Iraq (2006)	
KMG Research, Turkey (2007)	
Markinor, South Africa (2007)	
Strategic Puls, Serbia, Croatia, Slovenia, Albania,	
Bosnia Herzegovina, Macedonia, Montenegro (2008)	
Creation of an office in Morocco (2009)	
Creation of an office in Nigeria (2010)	
Creation of an office in Kenya (2011)	
Creation of an office in Pakistan (2011)	
Creation of an office in Kazakhstan (2012)	
Market Watch, Israel (2014)	
Creation of an office in Austria (2016)	
Creation of an office in Senegal (2017)	

Latin America
Metrica, Argentina (1996)
Novaction, Argentina, Brazil, Mexico (1997)
Bimsa, Mexico (2000)
Search Marketing, Chile (2001)
Mora y Araujo, Argentina (2001)
Marplan, Brazil (2001)
Creation of an office Ipsos ASI Andina, Colombia (2002)
Creation of an office in Venezuela (2002)
Hispania Research Corporation, Puerto Rico, Panama,
Costa Rica (2004)
Napoleon Franco, Colombia (2005)
Apoyo Opinion y Mercado, Peru (2006)
Livra, Argentina (2008)
Alfacom, Brazil (2008)
Punto de Vista, Chile (2009)
Observer, Argentina (2010)
TMG, Panama & Guatemala (2011)
Herrarte, El Salvador (2013)
Servicios Ecuatorianos Aticos, Ecuador (2014)

Western Europe
RSL Research Services Ltd, United Kingdom (1991)
Makrotest, Italy (1991)
GFM-GETAS, Germany (1992)
ECO Consulting, Spain (1992)
Insight, France, Belgium (1993)
WBA, Germany (1993)
Explorer, Italy (1993)
Creation of an Ipsos office in Portugal (1995)
Research in Focus, United Kingdom (2000)
Médiangles, France (2000)
Novaction, France (2001), Italy, Germany (2005)
Imri, Sweden (2002)
Eureka Marknadsfakta, Sweden (2002)
Intervjubolaget, Sweden (2002)
Sample-INRA, Germany, Spain (2002)
INA, Belgium (2003)
MORI, United Kingdom, Ireland (2005)
ResearchPartner, Norway (2007)
MRBI, Ireland (2009)
Apeme, Portugal (2010)
Espaces TV, France (2011)
Clintelica, France (2018)
Synthesio, France (2018)

5.2. Investments

5.2.1. Main Investments

The amount of consolidated investments in material, titles or activities over the past three years is as follows:

In millions of euros	2018	2017	2016
Property, plant and equipment	13.8	8.9	9,8
Intangible fixed assets	14.6	8.3	5.5
Research and development costs	20.6	2.9	3.2
A -Total investment in equipment	**49.0**	**20.1**	**18.5**
Securities and consolidated activities	161.6	15.0	9.4
B -Total investment in securities and consolidated activities	**161.6**	**15.0**	**9.4**
C -Total investment: A + B	**210.6**	**35.1**	**27.9**

Tangible fixed assets consist primarily of computer hardware and fixtures. Ipsos has a global infrastructure (telecommunications, networks, security equipment, servers, data centres, personal computers and handheld devices), which supports the daily work-related activities of staff, as well as communication and exchanges of information between the various companies, employees and clients. The infrastructure plays a key role in the integration of acquired companies and guarantees the fluidity of information within the wider business.

Intangible assets consist mainly of off-the-shelf software, panels and applications developed specifically for Ipsos, as the survey methods and technologies specific to Ipsos' business require the use of standard and specialised software and hardware suitable for the Group's needs.

Ipsos also develops its own software used by its researchers, some of which is sold to clients. Ipsos believes that this software adds substantial value to its research by enabling clients to import the data produced by Ipsos into their own management systems.

In 2018, the Group standardised the capitalisation and amortisation method applied to all its subsidiaries for online panels. This led to a €6.4 million increase in the gross capitalised amount for online panels. This standardised method and its implications are explained in more detail in paragraphs 1.2.12 and 5.2 of Section 20.2 "Consolidated financial statements".

In 2018, following improvements to its internal monitoring system, Ipsos was able to capitalise its internal development costs, which consist of the payroll of staff working on its platforms and projects. This decision has resulted in a change in the accounting estimate of the amounts that will now be capitalised. For 2018, the amounts of capitalised payroll stood at €18.7 million and amortisation relating to this capitalisation came to €2 million. This new methodology and its implications are explained in more detail in paragraph 5.2 of Section 20.2 "Consolidated financial statements".

In terms of innovation, in 2019, we will continue to invest in our Mobile offerings, and in our work to integrate our systems to provide a single global platform. We have finalised the strategy to transform our IT Infrastructure in order to provide service delivery streams that will provide services that can be managed through our IT systems.

Tangible and intangible assets are financed either from the Group's own resources or under finance lease agreements. Finance leases are restated in the Group's consolidated financial statements.

In 2018, Ipsos underwent a number of relocations and team consolidations, which made it possible to continue to improve the efficiency and delivery of services.

The plan to migrate platforms, applications and in-house systems to our private cloud, and, if required, the public cloud is under way, and across Ipsos this will create a more flexible, robust and progressive infrastructure.

Ipsos regularly engages in external growth activities that result in investments in securities or consolidated activities. Investments made over the past two years are described in Section 20.2, "Consolidated financial statements" (Note 2, "Changes in the scope of consolidation") of this Reference Document.

Investments made during the 2018 financial year, which were funded by cash, are described in Notes 6.1.2, "Cash relating to investing activities", and 6.1.3, "Cash relating to acquisitions and consolidated activities", to the consolidated financial statements, contained in Section 20.2 of this Reference Document.

5.2.2. Main on-going investments

5.2.2.1. Acquisition-related commitments

Undertakings to purchase minority interests, deferred payments and earn-out payments recorded in other current and non-current liabilities at 31 December 2018 reach a total amount of €25.8 million. For more information on these undertakings, please refer to Note 6.4.3 of the consolidated financial statements in Section 20.2 of this Reference Document.

5.2.2.2. Information systems and IT

Ipsos consistently strives to develop and improve its products through innovative actions carried out by the specialisms in close cooperation with the IT teams. To this end, Ipsos strives to work collaboratively with software developers with a view to integrating additional features in standard programmes. The software development effort is either in-house or outsourced, but always carried out in cooperation between the IT teams and specialists, and in close liaison with teams in charge of operations to increase productivity of the Group's production systems. For more details, please refer to Sections 4.1.7 and 4.1.8 of this Reference Document on risks linked to technological changes and information systems.

5.2.2.3. Panels

Ipsos continually invests in developing and improving its online panels (for more details, see Section 6.1.1, "Data collection, processing and dissemination" in this Reference Document). From 1 January 2018, the Group capitalises recruitment costs for its online panels then amortises them according to the expected pace of responses to the surveys. This response pace has been defined by geographic area (Europe, North America, Asia-Pacific, Latin America and MENA) based on historical results and so as to fully amortise the cost over five years.

5.2.3. Main investments planned

As at 31 December 2018, no significant investments other than those mentioned in Note 6.5, "Acquisition-related commitments", to the consolidated financial statements in Section 20.2 of this Reference Document have involved a firm and definitive commitment with a third party.

During 2019 Ipsos will continue to make productivity improvements, harnessing the latest technological advances to maintain and improve the level of service and delivery it provides to clients and internal users. The work on harmonisation and integration of platforms continues, as does the implementation of technical platforms to support new software and enhance Ipsos' performance.

Innovation initiatives will continue to improve data collection methodologies. Panels are an important part of Ipsos' business, and the Group will seek to develop this further with continuing work on the consolidation of global panels. Further developments will be undertaken in specialised customer related databases to utilise technological advances and provide an improved offering to our clients.

5.3. Important tangible assets

The Group has rental agreements for all of the buildings it uses for its operations, including its head office, except for those located in Japan which has a carrying amount of €1 million and, since the acquisition of Synovate, of a building in Belgium with a carrying amount of €0.4 million and in Italy for €0.5 million. There is no significant expense in relation to these buildings. There are no links between the Group's various lessors and Directors and Officers of Ipsos SA.

5.4. Shareholding structure

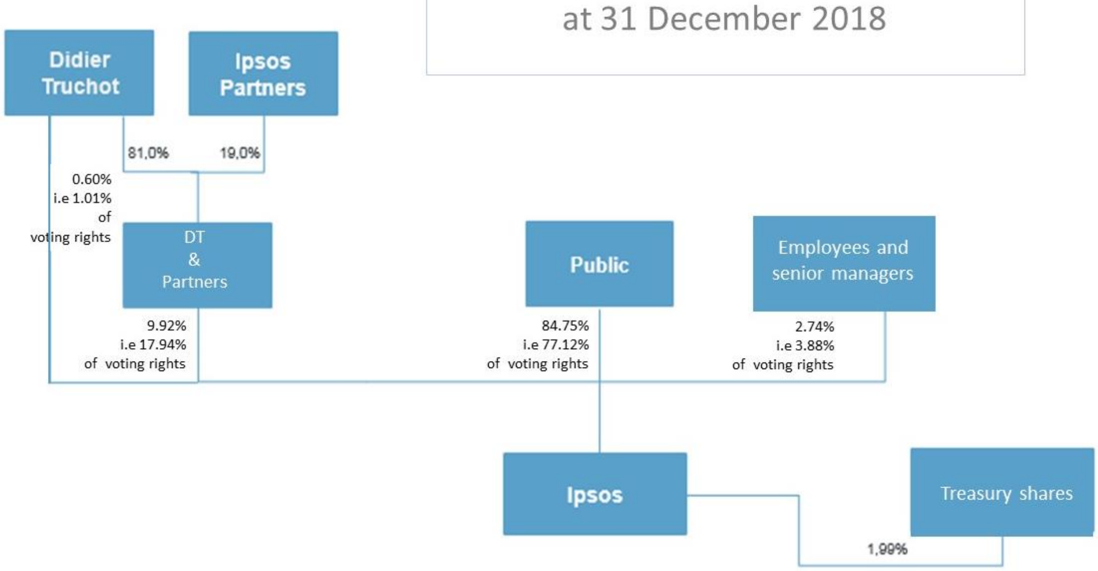
In 2018, the Company's shareholder structure did not undergo any major changes.
However, significant changes had marked 2016, such as the absorption of LT Participations, the largest shareholder of Ipsos, and the creation of Ipsos Partners.
Following the absorption of LT Participations, which was completed on 29 December 2016, FFP Invest and Sofina, Ipsos's two financial partner shareholders, assisted the Group in its expansion and in the acquisition of Synovate in particular wanted to take advantage of the liquidity offered by the aforementioned merger to sell some or all of their respective holdings in Ipsos's capital, which were 2.1% and 7.16%.
As a result, FFP Invest withdrew from the share capital, selling its stake on the market in the first half of 2017, which was finalised in June 2017.

Sofina, for its part, after a transfer of its Ipsos bearer shares, sold 2.3% of its stake in a private placement and on 18 May 2018 declared that it (i) crossed the threshold of 10% of voting rights and 5% of share capital and voting rights, and (ii) held 1,929,919 Ipsos shares.

Regarding the company Ipsos Partners created in October 2016, it will be noted that in November 2018, 30 new senior managers and top managers of the Ipsos Group purchased stakes in its share capital. Ipsos Partners is a holding company of which only managers of Ipsos can be shareholders, and owns 19% of the share capital and voting rights of DT & Partners, a company 81%-owned by Didier Truchot. DT & Partners owns 9.92% of the share capital and 17.94% of the voting rights of Ipsos.

At 31 December 2018, Ipsos's 157 managers were shareholders of Ipsos Partners, forming a core of professionals who aim to ensure a certain degree of independence for Ipsos.

Ipsos Group organisational structure at 31 December 2018



5.5. Evolution of the share price

Ipsos shares are listed on Euronext Paris (ISIN: FR0000073298, ticker symbol: IPS), on compartment A (large caps).

According to the ICB classification, Ipsos is in the Media sector of the Consumer Services industry. It is part of the following share indices: SBF 120, CAC Mid 60, CAC Mid & Small, CAC Consumer Serv., CAC All-Tradable, CAC All Shares. It is eligible for the Deferred Settlement Service and Equity Savings Plan.

In 2018, Ipsos conducted with a €300 million inaugural bond issue. Consequently, this bond is also listed on Euronext Paris (ISIN: FR0013367174, ticker symbol: IPSAA). Ipsos is not rated by rating agencies.

The graph below illustrates the performance of the Ipsos SA share between 31 December 2017 and 31 December 2018

6. Activities at a glance

6.1. Ipsos' activities

Our mission is to produce and analyse information about the Company, markets, individuals, brands and ideas and give our clients the tools to act and evaluate.

Ipsos is a major player in the market research and opinion industry and a leader in personalised research.

We serve more than 5,000 customers in all areas through our presence in 89 markets, 200 cities and our comprehensive offering, making Ipsos one of the few research companies that can respond both globally and locally.

Our growth strategy is based on unique positioning, a total understanding of the individual, who is in turn a consumer, client, citizen or employee, to gain valuable understanding of the Company, markets and individuals. This positioning is reinforced by the neutrality of our analyses, guaranteed by our independence. In an environment in which companies and institutions are undergoing profound changes, we have a complete offer focused on the needs of our clients and summarized by the 4S motto: **Security, Simplicity, Speed and Substance.**

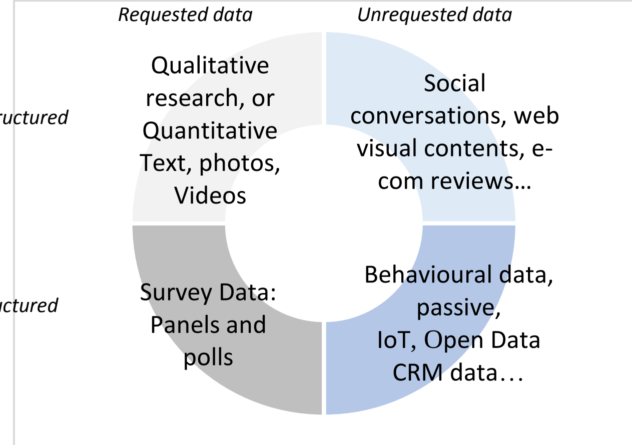
We rely on our key strengths:

- expertise in advanced scientific fields;
- mastery of the latest technologies;
- know-how born of 44 years of experience;
- and above all, the talent of our approximately 18,000 employees, who are trained and united around our values (**Integrity, Curiosity, Collaboration, Client First, and Entrepreneurial Spirit**).

Faced with a changing environment in which information and data needs continue to grow, our clients need reliable information more than ever.

Ipsos covers the whole information production chain (see Section 6.1.1 below) and is able to process all types of data, whether it is produced by Ipsos or directly provided by the client, or external. Lastly, we apply our expertise and understanding of the cultural environment to give our clients a comprehensive and useful response to guide their actions and decisions.

Data types analysed by Ipsos



Change in the activity by audience

Segment (in millions of euros)	2018	2017	Change 2018/2017	Organic growth	Share
Consumers	1,059.7	1,102.7	3.9%	-0,3%	61%
Clients & Employees	287,6	290,5	1.0%	1,3%	16%
Citizens	205,9	189,3	8,8%	7,5%	12%
Doctors & Patients	196,3	198,0	0.8%	0.9%	11%
Full-year revenue	1,749.5	1,780.5	-1.7%	0.7%	100%

For all the questions our clients ask around the world, we provide reliable, simple, fast and comprehensive answers. They take the form of studies and dashboards based on the right sample using the right methods, sorting and integrating relevant data sources, a proprietary analysis and lastly, personalised recommendations.

By observing market changes (see Section 6.2 of this Reference Document), since mid-2018, Ipsos has implemented the Total Understanding plan (2018-2021), reviewing its offer and organisational structure to focus on 17 highly specialised Service Lines (see Section 6.1.3 below), each of which is targeted to global leadership in its market segment, with the support of a client structure (see Section 6.1.5 below) strengthened globally and locally. These services can be combined to provide even more value to our clients. This Total Understanding plan is accompanied by a dynamic acquisition policy. Lastly we continue our innovation efforts (see Section 6.3 of this Reference Document) in the services we offer to our clients.

The ultimate objective of the Total Understanding plan is to improve the competitive position of Ipsos (see Section 6.4 of this Reference Document) in its market and accelerate its growth profitably.

6.1.1 Ipsos in the information production chain

Since its origins, Ipsos has remained faithful to its leading position to understand the Company, Markets, and People.

For this purpose, we deliver comprehensive, simple, fast and reliable information related to the questions asked by our clients.

We cover the whole information production and analysis chain, from the collection of raw data to the activation of the information thus generated with the client:

1- data collection
2- data processing and integration
3- data analysis
4- information delivery and presentation
5- information activation

Data collection

Data sources have multiplied in recent years: behavioural data, data from social media, client data from CRM information systems, or "open data" such as the weather. Ipsos has its own data collection capabilities, both quantitative and qualitative, and also produces social research.

Data processing and integration

Ipsos has the technological capacities to handle large volumes of data. We can process the data whether it is in text, image or video format.

Data analysis

Ipsos teams contribute scientific and technological expertise and know-how to the analysis of the data collected. This expertise, combined with knowledge of the area, category, or local cultural context, is key to optimising the quality and reliability of the conclusions drawn from analysing the data.

Information delivery and presentation

The delivery of information is an essential step in the research business. Effective communication of the results of a study depends on its impact on our clients. Our teams closest to our clients are trained in storytelling. Finally, for the results of complex studies, we use data visualisation technologies.

Information activation

This last step in the information production chain consists of consolidating and sharing the information generated through one or more studies within our clients' organisations to maximize impact. This activity by construction more closely resembles consulting.

6.1.2 Operating Organisation

The Group is organised into two main areas: Service Lines and territories.

The predominant axis of the Group's matrix organization is the geographic axis.[1]

There are 17 Service Lines (see table below), each specialised in one market segment.

Audience Measurement	Innovation
Brand Health Tracking	Retail & Consumer Intelligence
Clinics and Mobility Labs	**Market Strategy and Understanding**
Creative Excellence	Mystery Shopping
Corporate Reputation	Observer
Customer Experience	**Public Affairs**
Healthcare	Quality Measurement
Ipsos MMA	**Social Intelligence Analytics**
Ipsos UU (Qualitative)	Other Specialist Services

The Other Specialist Services section includes services such as Media Development, Retail Performance and ERM (Employee Relationship Management).

[1] The geographic presentation of the Group's activities is included in section 9 of this Reference document (page 81).

In addition, the Ipsos group is present in 89 countries, which are grouped into three major regions: the Americas, Europe, Middle East and Africa (EMEA) and Asia-Pacific (APAC).

Some major countries, such as the United Kingdom, France and China, report directly to the group's Chairman and Chief Executive Officer and are managed as regions.

Some small and medium-sized countries are grouped into subregions.

This organisation is complemented by the following cross-functional structures:

- Ipsos operations (see Section 6.1.4. below)
- Client organisation (see Section 6.1.5. below)
- Structures dedicated to knowledge (see Section 6.1.6. below)
- Global Headquarters Services (support functions: HR, Finance, Legal, Communication)

6.1.3 Description of Service Lines

6.1.3.1 Audience Measurement

Mission:

The **Audience Measurement** Service Line estimates the number of people exposed to all types of media content (TV, radio, billboards, print media, cinema, etc.), on all channels. It also creates a profile of those people.

Area of expertise

Audience Measurement creates many highly innovative technological and scientific solutions to analyse the audiences of any type of media. It gives support to clients in their decision-making with regard to content and programming issues. In addition to this expertise, this Service Line also studies the profiles and engagement of readers, viewers and listeners with regard to content.

Ipsos produces these audience estimates using different methods: declarative (online, by telephone, etc.) or passive (media measurement). In some cases, statistical methods are developed that mix different sources of external data, including big data.

The **Audience Measurement** Service Line is divided into eight separate services:

- Video/television,
- Audio/Radio,
- Print media,
- Billboards,
- *Cross-media,*
- Advertising,
- Media planning software,
- *Data science.*

6.1.3.2. Brand Health Tracking

Mission:

The **Brand Health Tracking** (**BHT**) Service Line assists key marketing decision-makers in understanding their own brands within their competitive environment. The solutions proposed integrate various sources of information (survey studies, Social Media data, etc.) making it possible to understand the growth drivers of brands by measuring the impact of their actions on the different markets in which they operate.

Area of expertise

Brand Health Tracking is based on a set of different types of expertise combining knowledge of behavioural sciences and comprehension of the various mechanisms that explain the growth of a brand, especially those related to consumer perceptions. It determines and follows the most relevant key indicators to inform brand strategic plans and define their priority actions in terms of marketing activation (media, digital contact points, point-of-sale marketing operations, etc.). Measurements are based on continuous or more occasional analyses that integrate multiple data, including surveys, behavioural data and social data, gathered from online platforms.

6.1.3.2.1. Brand Activation Studio

Brand Activation Studio is part of the BHT Service Line. The specialised teams are mainly responsible for:

- supporting changes in the Brand Health Tracking Service Line such as Brand Value Creator (**BVC**) and Brand Mental Networks (**BMN**) along with other future services;
- updating the BVC database in real time.

6.1.3.3. Clinics & Mobility Labs

Mission:

The **Car Clinics & Mobility Labs** Service Line supports vehicle manufacturers (cars, motorcycles, trucks, etc.) throughout the product development and innovation cycle.

Area of expertise

Car Clinics & Mobility Labs advise vehicle manufacturers and new mobility actors on how to improve their products, particularly in terms of design and perceived quality, from the design phase to the introduction to market phase. Clinics tests integrate consumer opinion throughout the development cycle into the definition of the offer:

- at the development stage, this Service Line helps companies define product concepts that will meet consumer expectations;
- secondly, it conducts car clinics i.e. consumer tests to improve the exterior design of prototypes and technical or user functionalities and evaluate the sales potential of vehicles;
- when the exterior design is defined, tests are undertaken to refine the interior design. Marketing clinic research can also be conducted to help builders define their marketing and sales strategies;
- after the vehicle is launched, studies can collect the feelings of the first buyers to enhance the perceived quality of the vehicle. This work also informs the preparation of the next model in design.

6.1.3.4. Corporate Reputation

Mission:

The **Corporate Reputation** Service Line helps companies fully optimise the value of their reputation, take the right decisions to improve it or deal with occasional crises.

Area of expertise

Corporate Reputation helps companies fully optimise the value of their reputation, take the right decisions to improve it or deal with occasional crises It helps its clients to combine corporate reputation, business strategy and business results on the basis of a service that combines research and consulting.

The teams provide solutions and services for all issues related to the company's reputation:

- mapping strengths and weaknesses and analysing levers of reputation;
- web reputation and listening to social networks;
- crisis management;
- Equity Flow measurement and optimisation;
- support in the development of CSR policies and societal commitment;
- client advice and support to translate the information provided by the research in an operational manner.

6.1.3.5. Creative Excellence

Mission:

The **Creative Excellence** Service Line promotes the development of brands by supporting them throughout the advertising creation process.

Area of expertise

Creative Excellence is composed of experts who combine science and communication expertise to advise clients throughout their creative process in an ever more challenging media context: an explosion in the number of advertisements with shortened production time, diversification of the number of channels, access to new data sources.

To cover the entire creation process, the support provided by this Service Line is based on three pillars:

- creative development, which helps clients adjust their communication strategy and develop strong creative ideas;
- creative Assessment, which assesses the potential of a creative proposal and provides insights to optimise it before media investment;
- creative In-market, which optimises creations and media plans that have already been rolled out before the next messaging.

6.1.3.6. Customer Experience

Mission:

The **Customer Experience (CX)** Service Line is a global leader in the design, evaluation and development of client experience management programmes. It helps its clients in all stages of the consumer experience measuring and management process.

Area of expertise

Customer Experience is based on a range of expertise in the following fields: market research technology, data analysis, change management and consulting.
Its goal is to help customers obtain a return on their investment through the customer experience. It also allows them to retain their own clients and recover those that are at risk. Lastly, it enables its clients to strengthen their communication and improve their operational efficiency.

The *Customer Experience* Service Line is organised around four actions:

- mobilising management and field employees around a common vision of the Customer Experience;

- listening to the "Customer's Voice" across all points of contact and channels, creating a single source of information;
- deploying the necessary measures to ensure that the Customer Experience lives up to the brand promise;
- integrating the right culture and structure to encourage continuous improvement of the Customer Experience and customer focus.

6.1.3.7. Healthcare

Mission:

The **Healthcare** Service Line supports all health players in an ever more complex environment to enable better patient care.

Area of expertise

Healthcare has over 1,000 experts who guide players in the human and animal healthcare sector (pharmaceutical industry, biotechnology, medical and diagnostic equipment, new health-related technologies and connected health) in their decision-making processes concerning the solutions, services and medicines they develop. It helps clients to better understand patients and healthcare professionals throughout the life cycle of their solutions (medicines, equipment, e-health solutions) from the early stages of their development up to post-launch.

This Service Line depends on:

- dedicated teams in 50 countries;
- expertise centres for the main therapeutic areas.

6.1.3.8. Innovation

Mission:

The **Innovation** Service Line offers support to its client in their innovation strategies for their products or services, giving them the opportunity to be more disruptive than their competitors.

Area of expertise

Innovation is involved in the entire innovation process: from the detection of opportunities to the measurement of sales potential, including the evaluation and optimisation of innovative ideas.

The quality of the support provided is based on its ability to model sales volumes, its strong expertise in product testing and its expertise in behavioural sciences and neuroscience.

The activity covers:

- the first stages of the innovation process (idea generation, design thinking, etc.), called front end innovation;
- idea, concept and potential tests;
- product or concept/product tests;
- pack tests ;
- digital innovation, services and durable goods.

6.1.3.9. Ipsos Marketing Management & Analytics (MMA)

Mission:

The **Ipsos Marketing Management & Analytics (MMA)** Service Line guides businesses in their marketing investments.

Area of expertise

Ipsos Marketing Management & Analytics (MMA) collects large quantities of data to develop statistical models that predict return on investment in multiple areas (marketing, sales, operations, promotional operations, etc.).

6.1.3.10. Ipsos UU[2]

Mission:

The mission of the **Ipsos UU[1]** Service Line is to identify the qualitative insights that enable its clients to develop products and services that are relevant to consumers.

Area of expertise

A world leader in qualitative research, **Ipsos UU** has a network of the best experts in the field in more than 80 countries. It combines expertise in group facilitation and qualitative analysis with the latest generation of technologies and scientific inputs. These items are matched in analysis frameworks tailored to each client problem (brand, exploration, positioning, innovation, creativity, etc.).

Several methods are used to meet the demand of its clients:

- ethnography;
- immersion;
- online community;
- qualitative on mobile devices;
- focus groups & individual interviews;
- iterative process;
- curation;
- workshops.

[2] Understanding Unlimited

6.1.3.11. Retail & Consumer Intelligence

Mission:

The **Retail & Consumer Intelligence** Service Line enables marketers to better understand consumer expectations and behaviours to design more effective strategies and increase sales.

Area of expertise

Retail & Consumer Intelligence provides high-quality data and analysis on the drivers of consumer behaviour through a research methodology based on continuous collection of data from representative samples.

Several methods are used to fulfil these missions for clients:

- Census;
- Retail Audit;
- Retail Execution.

6.1.3.12. Market Strategy & Understanding

Mission:

The **Market Strategy & Understanding** Service Line specialises in the field of marketing. It identifies the deep-seated logic at work in the decisions of customers and consumers and identifies market opportunities and optimises purchasing procedures.

Area of expertise

Market Strategy & Understanding assists brands in their marketing strategy by collecting, analysing and modelling data to understand markets and consumers and identify growth opportunities. It works in all sectors: consumer goods, industry, services.

It relies on immersive techniques, combines various sources of data and even uses new approaches (video analyses, consideration of individual emotional decision-making systems, etc.) to put clients at the heart of a reflective process that will create powerful brands, enter new markets, or optimise the consumer experience.

The Service Line is based on nine fields of expertise:

- market Strategy;
- market structure & sizing;
- Consumer segmentation;
- U&A (Usage & attitudes);
- usage tracker;
- channel strategy;
- conversion at PoS;
- E-commerce
- Map & Optimize P2P

6.1.3.13. Mystery Shopping

Mission:

The **Mystery Shopping** Service Line is the world leader[3] in the creation of omnichannel mystery shopping programmes (point of sale, digital, calls) to measure the quality of the experience throughout the customer experience.

Area of expertise

Mystery Shopping creates objective measurement solutions for the customer experience. It measures the indicators that enable a company to know whether the experiences of its customers match the promises that were made to them.

This activity is deployed through:

- local teams that help design programmes with customers;
- a central team that coordinates programme operations and guarantees time, quality and cost;
- a ShopMetrics online mystery programme retrieval technology that allows teams to understand results, read verbatim reports, see personalised action plans and thus encourage their involvement in the programme.

6.1.3.14. Observer

Mission:

The **Observer** Service Line provides solutions that allow consumers, citizens, and a multitude of players in public or private domains to have fast access to high-quality data enabling them to conduct their own analysis.

Area of expertise

Observer addresses the needs of various markets through a broad offer based solely on solutions to quickly collect data.

The **Observer** offer breaks down as follows:

- do It Yourself (DIY), aimed at clients that want to obtain data from field studies, without analysing or modelling;

[3] Source: Ipsos

- sample, aimed at customers that want to obtain a specific service (panel recruitment and management, interview process etc.);
- observer, (omnibus included) which provides data collected in different modes across multiple countries;
- data processing, aimed at customers having requested a very specific service.

6.1.3.15. Public Affairs

Mission:

The **Public Affairs** Service Line conducts opinion research on social, societal, public and political issues for the media and the political sphere.

Area of expertise

Public Affairs is involved in the public and political spheres to provide players in those spheres with insights into the actions they undertake.

The Public Affairs offer breaks down as follows:

- general opinion surveys for media and businesses;
- political polling;
- global advisor, a monthly opinion tracker of trends and developments in more than 25 countries;
- social Research, which combines data from several countries with methodological expertise to provide insights into the societal environment;
- evaluation, which conducts social research covering the entire political sphere to provide public policy evaluation solutions.

6.1.3.16. Quality Measurement

Mission:

The **Quality Measurement** Service Line is targeted towards the automotive sector. It collects and analyses user feedback to help automotive manufacturers improve the quality and design of their products, with the goal of reducing manufacturing costs and increasing brand loyalty.

Area of expertise

Quality Measurement delivers concrete and directly exploitable data through a platform intended for manufacturer quality and engineering teams. This data makes it possible to identify the extent of quality problems as well as providing an in-depth comprehension of the various factors that positively and negatively impact customer satisfaction.

Programmes track product performance both after purchase (one or three months of ownership) and over time (two to three years).

6.1.3.17. Social Intelligence Analytics

Mission:

The **Social Intelligence Analytics** Service Line advises its clients by giving them a holistic vision of all content spontaneously generated by consumers/citizens, regardless of the format (texts, images, videos, etc.) and whatever the source (social networks, verbatim reports from research, Frequently Asked Questions, etc.).

Area of expertise

Social Intelligence Analytics analyses all unstructured data available by combining artificial intelligence with human expertise to respond in an operational way to the questions of its clients, by organising and analysing all of the unstructured data available. It works directly with clients or with other Service Lines to reinforce its expertise.

This Service Line offers four major services:

- Market Explorer, which covers all the issues related to the understanding of consumers or citizens: their uses, motivations, unaddressed needs, etc.;
- Trend Radar, a tool to understand the impact of trends and behavioural changes on the categories or sectors of our clients;
- Brand Pulse, which responds to all issues related to brand health in their competitive environment;
- Product Intelligence, which aims to identify the levers of satisfaction and consumer experience with the products or services of its customers.

6.1.4. Ipsos Operations

At the core of Ipsos' activities, Ipsos Interactive Services (online/mobile) and Ipsos Operations (offline) teams are under the same strategic leadership. This ensures alignment across all data collection methods and brings the same values, expertise and consistency in all areas of delivery across the world.

This global scheme also extends to the topics of quality and innovation, together with a strong respondent-centric approach ensuring engagement across different population profiles, countries and programmes.

Ipsos has both the scale and the experience to deliver industry leading research with access to a great pool of respondents in both developed and developing markets addressing clients' needs in terms of any consumer target. It gives access to 150 countries, in North America, Europe, Latin America, Asia-Pacific, the Middle East and Africa.

Ipsos Interactive Services is specialised in online and mobile data collection and runs more than 22 million online/mobile interviews per year in 100 countries. Ipsos Interactive Services offers integrated services and device agnostic solutions (online surveys adapted to laptops, smartphones and tablets screens) ensuring efficiency, speed, respondent engagement, large coverage and competitiveness. Ipsos develops the best customised approaches to address all clients' needs and employs online and mobile data collection techniques as an important improvement factor of survey methods through industry leading initiatives such as device agnostic research, programmatic sampling and digitally-enabled face-to-face interviewing.

Ipsos' online and mobile solutions give continuous access to people wherever they are, at home, on the go or in store. They allow Ipsos to go beyond traditional methods and get closer to consumers, assessing inputs and emotions:

- by collecting in-the-moment responses, visuals/ videos;
- by enhancing survey responses with passive measurement.

Area of expertise:

Access to respondents
Ipsos gives access to one of the largest pools of panellists the world with an active community of 3.8 million members spread across 57 countries, giving access to over 2 million mobile users. Ipsos panellists are profiled on 200+ variables which provide access to the most specific targets. Ipsos also uses other respondent sources such as Online and Mobile Real time sampling which broadens reach and representativity, increasing sample capacity especially with targets which are normally more difficult to reach through panels.

Ipsos Operations is dedicated to collecting, processing and delivering offline quantitative survey data across all Ipsos markets.

Area of expertise:

Face-to-face interviews (F2F) in home or in central location

Ipsos' global network of 19,500 face to face interviewers delivers Computer Assisted Personal Interviewing services and runs 12 million interviews per year in 130 countries: at home, in central locations, in places or work, on transport and via street or mall intercepts. Ipsos provides a full suite of "in person interviewing" services including data collection using random probability sampling and is able to reach niche sample groups not contactable by other means.

Ipsos has developed the solution "iField", a fully integrated scripting and field management platform that enables full control and total fieldwork interview visibility. It integrates GPS tracking, voice recording, real time data checking and interview timing. IField helps deliver better data, faster, to clients and enriches the insights collected (video and audio records, photos…). It enables Ipsos to connect on-the-ground surveys with the digital world, enabling a real-time vision of what consumers are actually doing and thinking.

Telephone interviews, Computer Assisted Telephone Interviewing

Ipsos' call centres offers to clients the opportunity to speak to random samples of consumers, senior business decision makers or clients' customers and employees. With 12 million interviews delivered annually in around 85 countries, Ipsos operates with unrivalled scale and expertise in the field of surveys.

Scripting and data processing centres of expertise

Ipsos ensures the simplification, the quality and the efficiency of the data processing requirements through:

- the deployment of expert teams in lower cost hubs on top of local teams;
- the use of consistent database structures across geographies;
- common platform strategy for data collection and processing across all data collection modes;
- a workflow system that allows continuous monitoring and control of a project's progress

6.1.5. Client organisation

Ipsos serves over 5,000 clients around the world, including national and international companies and public bodies.

Prior to the implementation of the Total Understanding plan, in order to offer a truly differentiated experience to its global clients and strengthen the partnership concept, Ipsos had established two dedicated client programmes: Ipsos Global PartneRing - for the 18 most important Ipsos clients, and the Partnering Relationships Programme – including 20 clients according to their high development potential. Beginning in July 2018, Ipsos established its client organisation, a framework dedicated to supporting our clients and offered both locally and globally.

At the global level, it consolidates two older programmes with pharmaceutical laboratories, automotive manufacturers and platforms (e.g. Uber). This organisation is overseen by a Chief Growth Officer.

At local level, several hundred high-level professionals are deployed. A Chief Client Officer manages the client organisation in each country.

The objective of the organisation is to facilitate client access to all our Service Lines and develop our sales to them. The organisation acts as a direct link between our clients and our Service Lines and better promotes Ipsos' various specialisations to our clients, while providing increased client knowledge within Ipsos.

For example, the teams from the client organisation in France are dedicated to 50 clients who together represent nearly 50% of Ipsos' revenue in the country.

6.1.6. Structures dedicated to knowledge

Ipsos has a solid tradition of innovation expressed by new methodological developments and a continuously renewed product range. Ipsos has three activities dedicated to innovation: Ipsos Science Centre, Neuro Behavioural Sciences and Ipsos Knowledge Centre (an entity dedicated to knowledge-sharing established in 2014).

During 2019, Ipsos will strengthen its scientific activity and its research and development (R&D) by merging entities such as Ipsos Science Centre or Neuro Behavioural Sciences into a single overall scientific entity. This new organisation will strengthen the current innovation divisions in terms of Neuroscience, Behavioural Sciences, Data Science and Artificial Intelligence. It will also activate their synergies, along with additional academic expertise, innovative university partnership programmes, and additional R&D resources.

Ipsos Science Centre

The Ipsos Science Centre develops and delivers industry leading Data Science analytic offerings leveraging advanced statistics, machine learning and computational modelling.

<u>Mission</u>

- conducting analytic R&D and expanding Ipsos's technical offerings to identify and create new solutions for client questions;
- transforming Ipsos offerings for greater competitive differentiation by enhancing traditional marketing science analytics and creating fundamentally new capabilities;
- creating new business opportunities and providing more scientific analysis services in order to satisfy client needs in additional business areas;
- executing world class and innovative analytics for clients by executing the Data Science solutions developed by the R&D team for complex client problems;
- providing enhanced value for clients through Data Science Analytics:
  - Machine Learning, Data Mining & Pattern Recognition,
  - Computational Modelling and Simulation in the healthcare, automotive and tech sectors,
  - Expansion in New Data Domains: Behavioural, Unstructured and Big Data Analysis including text and image, as well as behavioral and client databases.

Major extensions of R&D work by the Ipsos Science Centre include its Bayesian network analysis, agent based modelling, data science segmentation methods, text and image analysis, data integration, fusion, and Big Data analytics.

Neuro Behavioural Sciences

The Neuro Behavioural Sciences provides scientific and applied expertise for understanding nonconscious and emotional reactions in context of how they influence consumer perceptions and decision making.

<u>Mission</u>

- Develop methods and research solutions for measuring consumer reactions at the nonconscious and emotional level (e.g. Facial coding, Implicit Reaction Time, EEG, Biometrics, Eye Tracking, etc.);
- application, piloting and validation of new methods, products, services and partnerships (including hardware, software, scientific and academic partners, validation, analytics, methodology, internal training, speeches and papers);
- create new research offers and solutions to enhance the capabilities of clients to more comprehensively understand human behaviour, decision making and consumer response to all types of marketing elements.

Ipsos Knowledge Centre

The Knowledge Centre aims to define, organise and share Ipsos' expertise with teams and clients.

<u>Mission:</u>

- bring together the best content created across Ipsos;
- develop the Ipsos' community of experts – acknowledged specialists encompassing all market research areas;
- create new, content which can be used by the client around the world – focusing on research approaches and clients' business challenges;
- internally: share this content with Ipsos teams, with a focus on encouraging collaboration and conversations;
- externally: develop a publications programme to put Ipsos' latest work in the limelight:
  - the Ipsos Encyclopedia: a comprehensive glossary of terms written by Ipsos' experts,
  - a programme of edited thought leadership,

- Ipsos Update, a monthly review of the "Best of Ipsos".

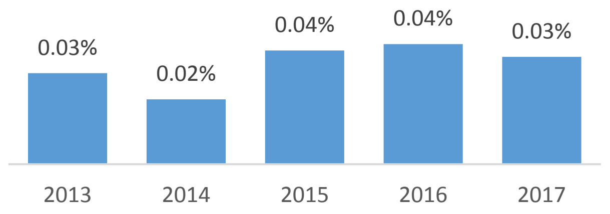
6.2. Ipsos' market

6.2.1. Key figures for the global research market

ESOMAR, the World Association of for Opinion and Marketing Research, compiles the annual revenue of companies participating in a large number of national markets.

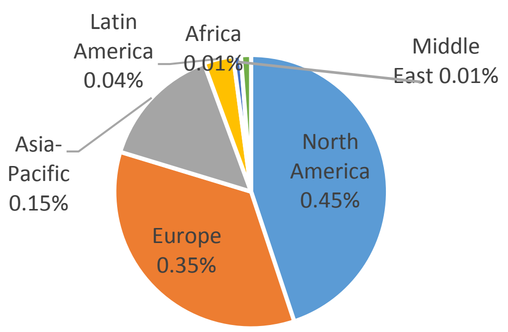
According to the ESOMAR Global Market Report 2018, worldwide research market revenue grew by 3.3% (in constant US dollars) to reach US$45.8 billion in 2017.

Growth in the global research market:



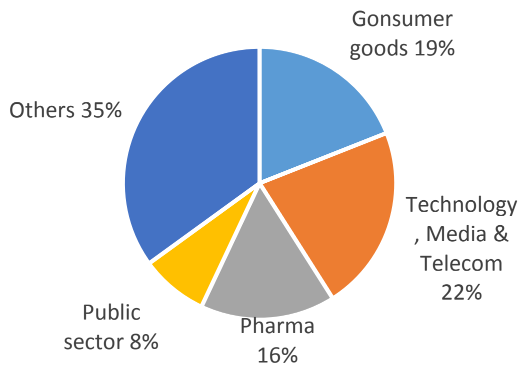
The most important region is by far North America, with 45% of the worldwide market, overwhelmingly represented by the United States. According to ESOMAR, the most dynamic regions in terms of growth adjusted for inflation are Asia-Pacific and the Middle East (2.6% and 2.9% respectively).

Region importance in the global research market:



Among national markets, after the United States, the top 10 countries include the United Kingdom, Germany, France, China, Japan, Australia, Italy, Brazil, and Spain. The top ten markets represented nearly 84% of the global market in 2017.

Area importance in the global research market:



The largest global market research area concerns mass consumption goods (19% of the total market in 2017). This area's contribution has nonetheless gradually decreased over the last few years (23% of the total market in 2015 according to ESOMAR), notably in favour of the Technology and Media & Telecom areas (covering Media & Entertainment and Telecommunications & ICT), which represented 22% in 2017, compared to 20% in 2015.

6.2.2. Underlying trends

One of the primary underlying trends affecting our market and many others is the digitisation of activities and data. This digitisation has thoroughly changed how people shop, consume, communicate with one another, express themselves on various topics, and how they interact with brands.

For research companies, it has resulted in increased online data collection (via internet or mobile phones), as well as the proliferation of available data sources. Accordingly, an increasing share of value resides in a company's ability to integrate the data it has collected with externally collected data. Aside from the technological aspect this integration requirement, significant expertise in data analysis is needed, as well as business line expertise to guarantee the reliability of data obtained from external sources.

The emergence of new technologies, particularly software technologies linked to artificial intelligence and "machine learning", has had a significant impact on the research market. These technologies are the reason for the automation of a number of processes (e.g. text, image and video coding). Other technologies such as virtual reality have changed the very nature of the research conducted. The new technologies and their application to the research field have led to the emergence of new competitors who, for the most part, provide a very automated and ultra-specialised offering in a given market segment or geographical area.

The ultra-specialisation of the offering is reinforced by the growing fragmentation of markets and media. It also promotes the increasing power of the "local" versus the "global", in acknowledgement of the non-homogeneous nature of the various national markets between them. The positioning of a brand, and more generally its marketing strategy, may differ from one market fragment to the next.

Finally, data security has recently become a major concern for companies due to increasingly stringent regulations regarding the protection of personal data, particularly with the application of the General Data Protection Regulation (GDPR). This represents a significant risk for companies whose business model is primarily based on direct operating activities and the resale of personal data. Research companies analyse personal data to produce anonymised data suited to their clients' needs.

6.2.3. Regulatory framework

The industry's activity is not regulated by any specific, clearly established legal norms on an international basis. It is however subject to a set of professional standards implemented by the companies grouped into professional organisations.

These mainly include the ICC/ESOMAR International Code on Market, Opinion and Social Research and Data Analytics, which was conceived as a self-regulatory framework. This Code sets forth essential standards of ethical and professional conduct for the maintenance of public confidence in research while requiring strict compliance with applicable laws and regulations. Accordingly, this Code places particular emphasis on the need to be transparent to respondents regarding the information that researchers intend to collect and the purpose of the research. Researchers must also take care to protect the data collected and to preserve the anonymity of respondents, unless they have agreed to waive their anonymity.

In France, the following French legal norms apply to market research companies and their activities:

<u>Protection of personal data</u>

- General Data Protection Regulation No. 2016/679, also known as the "GDPR", will apply to all countries of the European Economic Area and will repeal European Directive 95/46/EC of 24 October 1995 as from 25 May 2018. The GDPR will be directly applicable in France. Act 78-17 of 6 January 1978 concerning computers, files and freedom is currently being revised to transpose certain provisions of the GDPR;
- In 2018, Ipsos continued its programme, launched the preceding year, to bring all its subsidiaries operating in the European Union into compliance with the GDRP. This also involves ensuring all other subsidiaries are compliant with the principles of the GDRP (subject to the applicable local laws), whether the GDRP is applicable or not. In 2018, Ipsos provided frequent communication efforts and regular training regarding data protection as part of a campaign to raise awareness about data protection among Ipsos employees in the various operational divisions and among new employees. Ipsos also reviewed its operational procedures to ensure their compliance with GDPR requirements. Please refer to section 8.3.2.2 of this Reference Document for further information on data protection in general, which constitutes a major social responsibility challenge for Ipsos.

<u>Publication and distribution of opinion polls</u>

- Act 77-808 of 19 July 1977 concerning the publication and dissemination of some opinion polls, as amended inter alia by the Act of 20 January 2017; itself amended by Decree no. 2018-301 of 25 April 2018;
- The general recommendations of the *Autorité de Régulation Professionnelle de la Publicité* (ARPP, the French advertising self-regulating organisation) regarding in particular the publication of market and opinion research findings.

<u>Protection of intellectual property rights</u>

- The provisions of the French Intellectual Property Code concerning artistic and literary work.

6.3. A recognised innovative player

6.3.1. Innovation

Ipsos is an innovative research company - be it in terms of the development of new methodologies or new tools, innovative or creative approaches, the development or use of certain technologies, the incorporation of methods stemming from the behavioural sciences, or even "non-conscious" measurements. Ipsos has been recognised as the second most innovative company in the ranking published by the GreenBook Research Industry Trends (GRIT) (Q1-Q2 2018).

6.3.2. Research and development

Ipsos has always invested in order to remain innovative. The Group used to recognise its external development expenses as intangible assets. Following the improvement in its internal monitoring system, 2018 was the first financial year during which Ipsos was able to capitalise its internal development costs when the feasibility and profitability of projects may reasonably be considered to be assured.

For more details, please refer to Note 1.2.11 of the consolidated financial statements.

6.3.3. Intellectual property policy

Given the nature of its business, the Ipsos group has no activity relating to R&D that would engender patenting.

Ipsos' policy relating to intellectual property is to protect the Ipsos trademark and its domain names, the majority of which are derived from the Ipsos brand. Ipsos SA thus carries out local, regional or international deposits or reservations in order to cover all countries where it operates or seriously plans to operate, whenever necessary for domain names with broad vocation.

6.4. Competitive position

Ipsos normally compares itself to the three other major companies whose core business is research (highlighted in red below). In this context, Ipsos is number three in "Market Research" worldwide, behind the US Nielsen company, the British company Kantar (WPP Group), and in front of the German company GfK. These companies stand out from the other market players due to their size, which gives them the ability to work with the largest clients worldwide.

According to the ESOMAR ranking based on 2017 revenue in US dollars, the top ten companies together represented 50% of the total market in 2017 (versus 47% in 2016). The growth in the market share of the top ten companies is primarily due to mergers and acquisitions.

2017	2016	Company	2017 revenue (US$ million)
1	1	Nielsen	6,572
2	3	IQVIA	3,647
3	2	Kantar	3,466
4	4	Gartner	2,799
5	5	Ipsos	2,010
6	6	GfK	1 650
7	7	IRI	1,149
8	8	Westat	558
9	9	Dunnhumby	458
10	10	Intage	450
Total top 10 2017 (Us$ millions)			**22,759**
Total Top 10 2017 (% total market)			**50%**

Source: Rapport ESOMAR Global Market Research 2018

Top 4 of the research market that are comparable to Ipsos

Nielsen is the largest research group in the world with revenue of US$ 6,515 million in 2018, down by 0.9% compared to 2017. The group is listed on the NYSE and was structured into two divisions at end-December 2017: the first, "Watch" (52% of total revenue) specialised in audience measurement and media analysis, particularly in the United States. The second, "Buy" (48% of total revenue), focused on measuring and analysing consumer purchases in numerous product categories, and on studying consumer behaviour. Ipsos competes with Nielsen in this segment. During the second half of 2018, Nielsen announced the departure of its CEO, Mitch Barns, and its Chief Financial Officer, Jamere Jackson. It also announced that it had initiated a strategic review process that may result in maintaining the status quo, the sale of one or other of its divisions, or the sale of the whole group.

Kantar includes the subsidiaries of WPP, the top advertising group in the world, in market research and information management. The group notably includes the Kantar, Millward Brown and TNS brands. It is the group that is most comparable to Ipsos, be it in terms of its geographical presence or range of services. WPP, which is listed on the London Stock Exchange, does not communicate the results for the Kantar Group, but those of its Data Investment Management division which incorporates both research and consultancy services. In 2018, this division announced revenue of GBP 2,582 million (17% of total revenue), down by 4.5%, with organic growth of -2.0%. In April 2018, the group's founder and CEO, Martin Sorrell, left his position within the group and was replaced by Mark Read in August. In October 2018, WPP announced that it was seeking a strategic or financial partner in order to continue developing the Kantar Group, while still retaining a minority stake.

GfK is a major player in the field of information on markets and consumers, particularly in consumer durables and technological products. Following its acquisition by the KKR fund in 2017, GfK was delisted and modified its strategic organisation by transitioning from two divisions named "Consumer Choices" and "Consumer Experiences" to two divisions named "GfK Digital" and "GfK Research". In October 2018, Ipsos acquired four global divisions within GfK Research with estimated revenue of €200 million.

Other major specialised companies

In October 2016, IMS Health merged with Quintiles and was renamed IQVIA in 2017. It became a provider of information, technological solutions and integrated research services in the health sector. The company is structured around three divisions: Technology & Analytics Solutions, R&D Solutions and Contract Sales & Medical Solutions.

Gartner is a US group specialising in information technology and is listed on the NYSE. Its activities are organised around three complementary business lines: "Research & Advisory", "Consulting" and "Conferences". Gartner achieved revenue of US$ 3,975 million in 2018, of which US$ 3,106 million for its Research division.

Other companies in the Top 10 of the research market

IRI is a private US company specialising in the measurement and analysis of consumer purchases, particularly in mass retailing. It is a direct competitor of Nielsen. According to ESOMAR, IRI posted revenue of US$ 1,149 million in 2017.

Westat is a private US company specialising in research for public entities. It is particularly active in the fields of education, health, transport and social policy. According to ESOMAR, Westat posted revenue of US$ 558 million in 2017.

Dunnhumby is a British company specialising in the collection and analysis of consumer purchasing data in mass retailing. It belongs to the British retail group Tesco. According to ESOMAR, it posted revenue of US$ 458 million in 2017.

Based in Japan and listed on the Tokyo stock exchange, Intage specialises in marketing research in the areas of consumer goods, services, health and the public sector. In respect of the financial year ended 31 March 2018, Intage posted revenue of JPY 50.5 billion (approximately €400 million).

7. Organisational structure

7.1. Ipsos SA – Ipsos group

Ipsos SA is the parent company of the Ipsos group, operating in eighty-nine countries.

It has no commercial activity. Ipsos SA defines the direction and strategy of the Ipsos group; its role is to manage its shareholdings. Ipsos SA is the head of the French tax group established on 30 October 1997.

Ipsos SA is the owner of the Ipsos trademark and logo and grants licences for their use to its subsidiaries in consideration of royalty established in a trademark licence agreement. The amount of this royalty in 2018 was €29.90 million.

The Ipsos group is made up of Ipsos SA and its subsidiaries. The operational activities of the Ipsos group are exercised via Ipsos SA's subsidiaries with an organisation by service lines and by geographic zone (refer to Section 6.1. of this Reference Document).

7.2. Main subsidiaries

The main direct and indirect subsidiaries of Ipsos SA individually represent over 3% of total group revenue and collectively 51% of group revenue. They are presented below. None of these subsidiaries owns any strategic assets of the Ipsos group. Sectorial information, by audience and by geographic sector can be found in Section 9.2 "Group results" and in note 3 of the consolidated financial statements in Section 20.2 of this Reference Document.

Ipsos (France) is a French simplified stock corporation with a share capital of €43,710,320, having its registered office at 35 rue du Val de Marne, 75013 Paris, registered in the Trade and Companies Register of Paris under number 392,901,856. Ipsos SA holds 100% of the capital of Ipsos (France). Ipsos (France) performs survey-based market research in all service lines of the Ipsos group.

Ipsos Mori UK Ltd is a limited company registered in England with a share capital of £1,300,001, whose registered office is located at 3 Thomas More Square E1W 1YW London, United Kingdom, listed in the British Trade and Companies Register under number 01640855. Ipsos SA directly and indirectly holds 100% of Ipsos Mori UK Ltd. This company conducts survey-based market research in all service lines of the Ipsos group.

Market and Opinion Research International Ltd is a British limited company with share capital of £1,040, whose registered office is located at 3 Thomas More Square E1W 1YW London, United Kingdom, registered under number 00948470. Ipsos SA indirectly owns 100% of Market and Opinion Research International Ltd. This company conducts survey-based market research in all service lines of the Ipsos group.

Ipsos Insight LLC is an American limited liability company with its principal place of business located at 1600 Stewart Ave., Suite 500, Westbury, NY 11590, New York, United States. Ipsos SA indirectly holds 100% of Ipsos Insight LLC. Ipsos Insight LLC performs survey-based market research in all service lines of the Ipsos group.

Ipsos China Consulting (formerly Beijing Ipsos Market Consulting Co. Ltd) is a Chinese company whose registered office is located at Room 201,202, No.2 Building, Chengzixi Avenue, Mentougou District, Beijing, China. Ipsos SA indirectly owns 100% of Ipsos China Consulting. This company performs survey-based market research in all service lines of the Ipsos group.

Ipsos Limited Partnership is a Canadian company with its principal place of business at 1285 West Pender Street, Vancouver, British Columbia V6E 4B1. Ipsos SA indirectly holds 100% of Ipsos Limited Partnership's share capital. Ipsos Limited Partnership performs survey-based market research in all service lines of the Ipsos group.

Ipsos Public Affairs, LLC is a Delaware corporation whose registered office is at 301 Merritt 7, Norwalk, CT 06851. Ipsos SA indirectly holds 100% of Ipsos Public Affairs, LLC. Ipsos Public Affairs, LLC performs survey-based market research in all service lines of the Ipsos group.

Certain holding and operational companies hold all or part of the Ipsos group's interests in France (Ipsos France), in Europe (Ipsos EMEA Holdings Ltd.), in the United States of America (Ipsos America Inc.), in the Middle East (Ipsos Stat), in Latin America (Ipsos Corp.), in Central America (Ipsos CCA, Inc.) and in Asia (Ipsos Asia Ltd., Synovate Holdings BV). Ipsos SA directly and indirectly holds 100% of Ipsos (France), Ipsos EMEA Holdings Ltd., Ipsos America Inc., Ipsos corp., Ipsos Asia Ltd., Synovate Holdings BV and Ipsos CCA, Inc. and 52.67% of Ipsos Stat.

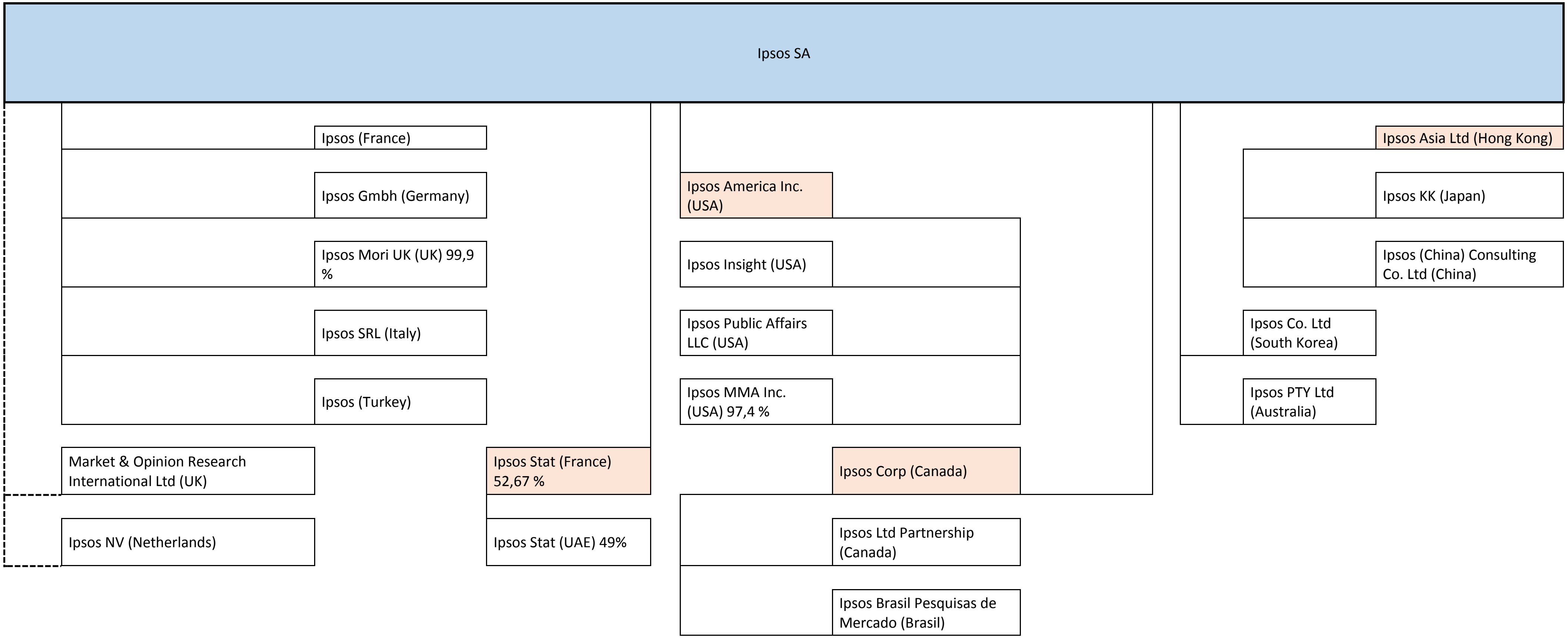
In thousand euros	Revenue	Non-current assets	Financial liabilities outside the Group	Cash	Cash flow from operating activities
Ipsos Insight	355,172	269,438	1,129	0	20,904
Ipsos MORI UK Ltd.	134,847	31,978	0	6,718	19,662
Ipsos (China) Consulting	112,476	14,108	0	9,795	7,791
Ipsos France	82,221	55,359	331	0	3,439
M&ORI Limited	70,799	4,133	1	2,539	-17
Ipsos Limited Partnership	67,916	103,277	0	3,734	6,774
Ipsos Public Affairs, LLC	67,666	296,535	592	759	19,972
Other subsidiaries and consolidation eliminations	858,398	701,100	740,840	144,287	73,191
Group total	1,749,494	1,475,868	742,893	167,834	151,717

Dividends paid during the 2018 financial year to the parent company are described in note 4.1.3 “List of subsidiaries and equity interests” of the parent company financial statements in Section 20.4 of this Reference Document.

Lastly, Ipsos Group GIE is a French Economic Interest Grouping with its head office at 35 rue du Val de Marne, 75013 Paris, registered in the Paris Trade and Companies Register under number 401 915 608. Ipsos Group GIE centralises the central management functions as well as the management of the support functions and the service lines. Ipsos Group GIE has entered into service agreements with certain subsidiaries of the Ipsos group pursuant to which Ipsos group provides management, strategy, financing, human resource management, legal, Global PartneRing and other services at a global level or by specialisation.

7.3. Ipsos group simplified organisational structure

The simplified organisational structure below presents the main subsidiaries by Ipsos group geographical area. Together, they represent 69% of the Group's total revenue.



Legend:

Holding company

Indirect holding of 100% of the capital (intermediate holdings avoided)

Direct holding of 100% of the capital (unless a different percentage is mentioned)

Note : Ipsos SA's ownership interest in Ipsos Ltd Partnership is 100%. Ipsos Corp owns 92.88% and the other 7.12% are owned through an other holding,

7.4. List of subsidiaries

The list of subsidiaries and equity interests owned by Ipsos SA (stating in particular share capital, equity, the percentage interest owned by Ipsos SA and the percentage of revenue) is provided in note 4.1.3 “List of subsidiaries and equity interests” of the Ipsos SA parent company financial statements in Section 20.4 of this Reference Document.

The list of subsidiaries consolidated by Ipsos SA is provided in note 7.1 “Scope of consolidation” of the consolidated financial statements in Section 20.2 of this Reference Document. Information concerning changes in Ipsos's scope of consolidation is indicated in note 2, "Changes to the scope of consolidation" of the Ipsos SA consolidated financial statements in Section 20.2 of this Reference Document.

A socially responsible Group

MESSAGE FROM THE PRESIDENT

For more than 40 years, our work has given us an enlightened view of markets, people and society. We collect and analyse all kinds of data so that our clients can stay informed on various topics which includes, Corporate Social Responsibility (CSR) has taken on particular importance. Increasingly, we study the impact of the various policies pursued by public and private actors to address societal, labour and environmental issues.

We cannot help but learn from what we analyse. As a result, we have gone from being an observer to a company actively committed to society and the planet.

Back in 2008, we were the first market research company in the world to sign the UN Global Compact. Since then, we have stepped up our social and environmental initiatives through our programme Taking Responsibility.

At the societal level, it is four years since we set up the Ipsos Foundation, which finances some 40 initiatives to educate disadvantaged children in 25 countries. In 2019, it will extend its sphere of action to include children and young refugees. Conflict and the forced displacement of peoples are causing an entire generation of children and young people to miss out on their education, especially when they are cut off from their families. We wish to lend our support to this specific cause.

All of our societal actions follow on from what we started in 2018 through our partnership with the Tent Foundation: we have now pledged to recruit 100 refugees over the next two years. Yet the success of our CSR policy depends above all on the commitment of our employees. We believe they are the driving force for change. Employee engagement is not only commendable but essential, and not just for the Foundation: from 800 volunteer days in 2016, we increased this to 1,470 in 2018. We do not plan to stop there: 2,700 employees were trained in CSR last year.

Making employee engagement one of our core policies also means having a company policy that takes on board the concerns of staff. Each year, we endeavour to learn more about their expectations through our "Pulse" survey.

Gender equality is also one of our priorities, especially since 60% of Ipsos employees are women. We have made progress: women now make up 60% of the Board (+30 percentage points on 2017) and 28.6% of the Executive Committee (+8.6 percentage points). Moreover, our policy has paid granted: the ethics committee of the French Institute for Responsible Capitalism awarded us the Diversity Award in the “B2B Industry and Services” category in 2018.

Lastly, although our business does not have a major impact on the environment, we are nevertheless pursuing our efforts in this regard, for example by limiting business travel and clarifying our corporate travel policy. Thanks to all our efforts, we have seen significant progress in our environmental impact: our CO2 emissions fell by 7% between 2017 and 2018, showing that we are on track to reach our target of 10% by 2020.

In every respect, 2019 will be a pivotal year. After 11 years of engagement, we can look forward with confidence. As our vision materialises through our actions, so Ipsos’ involvement in labour, societal and environmental policies grows. I am more confident than ever in our ability to act: by joining our strengths, our activities will have a positive impact on the environment and on society. We will prove that it is possible to combine business issues with corporate social responsibility goals.

8. Statement of non-financial performance

8.1. Our sustainability policy

Ipsos is a major player in the market research and opinion industry.

For more than 40 years, our job has been to generate and analyse data about society, markets, brands and behaviours to provide our clients with the insights they need to evaluate those areas and take action.

With a full service offering in 89 markets and 200 cities, Ipsos is one of the few research companies that can respond both globally and locally to the needs of more than 5,000 clients in all sectors.

Our statement of non-financial performance conforms to the new regulations and our Business Model, as set out in Chapter 6.1. of the Reference Document.

As a high-profile service provider, our main CSR risks and challenges are linked to efficient HR management. The main key to our success lies in our ability to attract, train and retain talent and maintain a high level of employee engagement. The other key CSR challenges that Ipsos focuses on are societal, with its philanthropic work and the initiatives carried out by its Foundation. Yet CSR also exists in a professional context, in the protection and use of the data that Ipsos gathers in the course of its activities. Although environmental issues are not considered the riskiest and therefore the most pressing issues for its financial performance, as a group, Ipsos is deeply committed to the planet, even though in itself its business has little ecological impact.

For several years, our company has been developing CSR policies as part of a global, multi-annual programme called ***Taking Responsibility***. This programme defines all of our **CSR actions.** It outlines Ipsos' ambition regarding this matter and aims to ensure consistency of the policies developed within the Group.

8.1.1. Combining business challenges and CSR objectives through a client-focused organisation

The Ipsos group's new growth strategy, launched on 1 July 2018, is designed to strengthen our clients' position as the central focus of our business and services. To give our clients wider access to the expertise and products developed by our specialists, Ipsos has reorganised its business structure to create 17 Service Lines. Each of these Service Lines is intended to develop a specific market segment.

In addition, Ipsos has set up Client Organisations at the global and local level. These teams are in charge of developing client relations. They act as the interface between Ipsos and the client, and between the client and the product/service experts within each Service Line. They can also help clients manage their strategy and advise them on how to measure and develop their market positioning. These teams' organisation and the services they provide to their clients is described part 6.1.5 of our Reference Document.

Our business is founded on the integrity of the data, work, products and services we sell to our clients. It is governed by our Professional Code of Conduct, the "Ipsos Green Book", as well as by data protection laws.

Our Green Book, which is the reference manual for all Group employees, is available in various formats (paper, electronic, PDF). All new employees are given a copy when they join Ipsos and a special training on the Green Book is arranged locally. It provides a summary of Ipsos' policies, objectives, professional obligations, code of ethics and Ipsos employees' personal commitment. The Professional Code of Conduct sets out the policies and procedures put in place to ensure compliance not only with the laws and the highest industry standards, but also with our own values as a leader in market research. Published adopted for the first time in 1998, several new editions have been published since. It provides each member of the Ipsos community with a framework for assessing and, if necessary, adjusting their conduct in line with our values and principles. In addition, the "Ipsos

Book of Policies and Procedures" supplements the information contained in the Green Book, providing a detailed explanation of the principles, rules and procedures in force within Ipsos, which each employee has a duty to respect. Also available on the Ipsos intranet site, it constitutes the reference framework for all the questions related to regulatory or to Ipsos's organisational structure.

8.1.2. Key principles of the "Taking Responsibility" approach

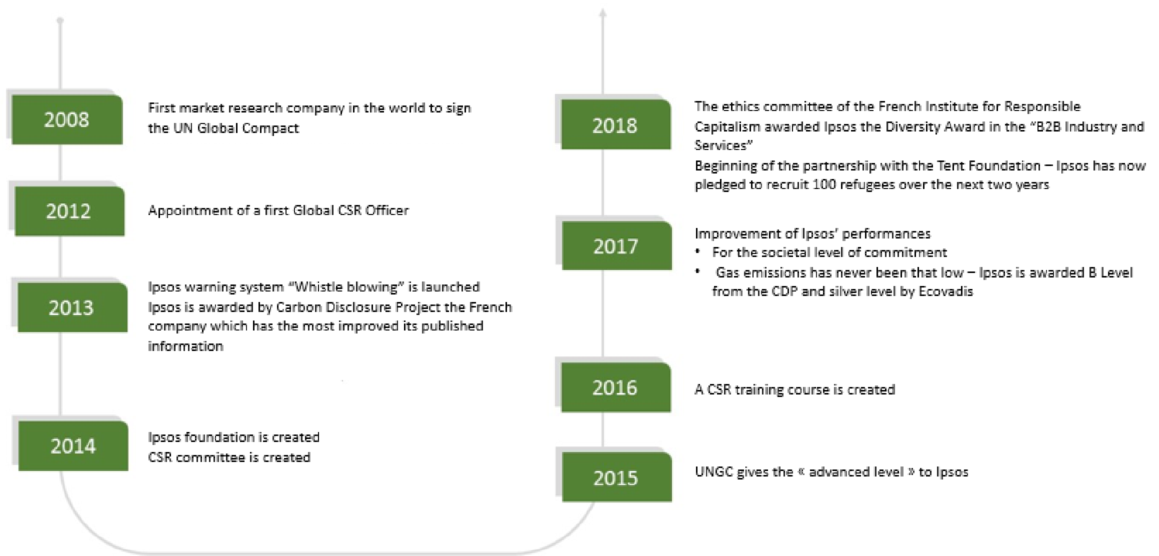
The global programme Taking Responsibility is based on the folowing pillars:

- the commitment to and the promotion of the ten principles of the UN Global Compact;
- compliance with the ICC/ESOMAR International Code on Market and Social Research, defining the main rules of professional conduct;
- the company's values as enshrined in "Proud to be Ipsos", Ipsos' historical charter which expresses the commitment to the company's values of Integrity, Curiosity, Collaboration, Client First and Entrepreneurial Spirit. The charter articulates our purpose and commitment to our employees, clients and society in the wider sense;
- compliance with our Professional Code of Conduct, the "Ipsos Green Book", to ensure that our employees have a work environment that upholds professional standards and the applicable laws;
- a structured organisational framework for Ipsos' internal policies, procedures and organisation, the "Guide to Ipsos Policies and Procedures".

In pursuing its CSR actions, Ipsos takes into account the expectations of all stakeholders, and in particular those of:

- the Group's 18,000 employees, to provide them with a framework for long-term career and skills development;
- the shareholders and investors who support us in our value creation process;
- the 5,000 clients whom Ipsos has supported for more than 40 years, ensuring that their strategic projects are successful;
- the humanitarian and environmental NGOs that we support, first to improve the social conditions of those most in need, and second to reduce our environmental footprint.

OUR SUSTAINABILITY POLICY MILESTONES



8.1.3. CSR governance

It is now more than ten years since Ipsos first embarked on its CSR journey. This commitment, which has deepened over the years, is the responsibility of all company stakeholders, not least its management team.

Because CSR is such a priority for Ipsos, for several years the Board of Directors of Ipsos SA has been working to guide and support management in defining the strategic guidelines and policies to be followed in this respect.

To that end, in 2014 Ipsos set up a special Board committee: the CSR Committee. This committee is responsible for overseeing the Group's societal projects, including the projects and initiatives carried out by the Ipsos Foundation. Its remit extends to all aspects of the Group's CSR, particularly social, environmental and ethical issues. The committee has four members, all of whom are highly experienced and engaged with these various topics:

- **Florence von Erb**, Chair of the CSR Committee and Independent Director;
- **Mary Dupont-Madinier**, Independent Director;
- **Jennifer Hubber**, Director;
- **Didier Truchot**, Chairman and CEO.

The committee usually meets twice a year, primarily to define the strategic CSR guidelines and to analyse progress on the key performance indicators (KPIs) selected. It reports regularly on its work to the Board of Directors, which closely monitors the issues and KPIs while putting forward new ideas.

In 2018, during a meeting of the Audit Committee, several CSR topics were examined under new regulations which have entered into force and which increase Ipsos' responsibilities in those areas, notably the handling of personal data and the implementation of "GDPR", of the duty of care of parent companies, and the mapping and coverage of CSR risks.

In addition to these governance bodies, the Global CSR Officer is responsible for day-to-day oversight of CSR at Ipsos. The Global CSR Officer is Ewa Brandt, who took up the post on 1 November2018, replacing Richard Silman. The Global CSR Officer works closely with the Group Chairman and Chief Executive Officer, whom she reports to, and the CSR Committee, whose meetings she attends.

Together they design the Ipsos CSR policy and activate internal local structures to roll it out. Given the international nature of CSR, some countries within the Group have a dedicated structure, while others are less advanced. Their task also consists of overseeing the environmental certification process worldwide, taking into account local characteristics. It will also require working in close cooperation with teams on-site.

Ipsos also endeavours to comply with its new CSR obligations, following the entry into force of Ordinance No. 2012-1180 of 19 July 2017 and Decree No. 2017-1265 of 9 August 2017, transposing the EU Directive of 22 October 2014 on the disclosure of non-financial information. In 2018, a major challenge for Ipsos and its Global CSR Officer was to accelerate the move from compliance-based CSR under Grenelle 2 to a more relevance-based CSR, in the form of a statement of non-financial performance rather than the previous CSR report.

8.1.4. Our ambition

In consultation with the CSR Committee, an analysis of the key features of Ipsos' business highlighted the main CSR issues for the next few years. The Ipsos CSR Committee has decided therefore to communicate our ambition in this regard and the progress to be achieved by 2020.

Ipsos is a service company that provides its clients with market, opinion and social researches. The quality of its services depends on the efficiency of its organisation and the abilities of its employees. Consequently, the 10 CSR objectives and KPIs(1) monitored cover Ipsos' main risks of employee retention and engagement. Ipsos undertakes not only to monitor its progress at the labour level, but also at the environmental level: the four objectives and associated KPIs are designed to fulfil our ambition of protecting the planet and developing a sustainable business. We remain firmly committed to addressing any negative environmental impact that our business might have by reducing our carbon footprint.

(1) *Key Performance Indicator*

Segment	Sub-segment	CSR KPI N°	CSR KPI name	Target	Scope	Base - 2017	31/12/2018
People	Engagement	1	Employee engagement level	Increase employees engagement level - exceed the RED (Representative Employee Data) benchmark by 2 points in 2020	Group level	Ipsos score 72% is the same as the RED	Ipsos score 72% compared to RED 73%
	Retention	2	Employee turnover ratio	Group staff turnover below 17% in 2020	Group level	20,7%	20,9%
	CSR compliance	3	Taking Responsibility survey response rate	100% response rate to TR survey by countries with more than 20 HC in 2020	Countries with > 20 HC	96%	100%
	Diversity	4	Gender equality - % of female member in Partnership Group	Gender equality in Partnership Group - increase female members % to 35% in 2020	Group level	27,6%	30,3%
Sustainability	Sustainability	5	Number of suppliers who are UNGC member	Increase the number of Group suppliers with CSR adherence to 50 in 2020	Group level	35	40
	Ethics	6	% of countries with CSR policy	All countries with more than 20 HC have CSR policy in 2020	Countries with > 20 HC	78%	80%
Planet	Climate	7	GHS Emission	Reduction of total tonnage of CO2 equivalent emission of Scope 1, 2 and business travels in Scope 3 by 10% per employee in 2020	30 GHG countries	36,687 tons of CO2e	35,224 tons of CO2e decrease of 4%
	Climate	8	GHG Emission per employee	Reduction of average tonnage of CO2 equivalent emission of Scope 1, 2 and business travels in Scope 3 by 10% in 2020	30 GHG countries	2,74 tons CO2e/employee	2,61 tons CO2e/employee decrease of 5%
	Climate	9	Paper direct purchase	Reduction of paper direct purchase by 10% en 2020	30 GHG countries	360 tons	342 tons
	Circular Economy	10	Paper recycling %	100% of paper available for recycling is actually recycled in 2020	30 GHG countries	62.4%	61.9%

8.1.5. Data collection methods

8.1.5.1. Reporting scope

The reporting period for this statement of non-financial performance is 1 October 2017 to 30 September 2018 for the GHG indicators and the "Taking Responsibility" survey.

This survey is intended to meet the requirements of the UN Global Compact Communication on Progress (CoP) As an external benchmark, the reporting is based on various reporting standards established by the Global Reporting Initiative (GRI), as well as the principles of the UN Global Compact.

The report covers all the markets in which Ipsos operates, i.e. 89 countries.

Data collection and KPI monitoring are carried out jointly by central teams and local teams in each country. The Global Head of Corporate Social Responsibility involves all stakeholders throughout the year in CSR activities and projects. Each local Ipsos entity has appointed a "CSR Ambassador" to promote actions and communicate progress to employees.

8.1.5.2. Indicator selection

The choice of indicators and other qualitative information contained in this statement of non-financial performance is in line with Ipsos' CSR approach and strategy.

The indicators used are:

- Labour indicators;
- Societal indicators;
- Environmental indicators.

Since Ipsos is first and foremost a "people business" providing intellectual services to its clients, not all the headings of the GRI table are considered relevant. Therefore, only those that can be used to account for the main societal issues specific to these activities have been taken into account. Cross-reference tables comparing the requirements of the French Commercial Code, the GRI standards and the principles of the UN Global Compact can be found at the end of this statement.

8.1.5.3. Data collection methods

Labour data

The labour indicators cover all Group companies and permanent staff (the definition of Ipsos permanent staff includes a broad definition of staff comprising all regular and permanent employees, whether on an open-ended or fixed-term contract or paid interns/students).

Labour data are tracked via the iTalent HR Information System and the BI Management tool. The data are current as of 31 December 2018. Employee turnover is calculated for the period January to December 2018.

Our employee engagement rate is measured each year via an opinion survey, "Ipsos Pulse".

Training data are compiled using the iTime information system. The iTime tool is an internal information system that allows employees to register their work sheets on a weekly basis.

In 2018, 87 markets in which Ipsos operates participated in the survey:

Albania	Ecuador	Kuwait	Czech Republic
Algeria	Egypt	Lebanon	Romania
Germany	KSA	Macedonia	United Kingdom
UAE	Spain	Malaysia	Russia
Argentina	USA	Mexico	El Salvador
Austria	France	Montenegro	Serbia
Australia	Ghana	Morocco	Singapore
Bahrain	Greece	Mozambique	Slovak Republic
Belgium	Guatemala	Nigeria	Slovenia
Bolivia	Hong Kong	Norway	Sweden
Bosnia	Hungary	New Zealand	Switzerland
Brazil	India	Uganda	Taiwan
Bulgaria	Indonesia	Pakistan	Tanzania
Canada	Iraq	Panama	Thailand
Chile	Ireland	Netherlands	Tunisia
China	Israel	Peru	Turkey
Colombia	Italy	Philippines	Ukraine
Korea	Japan	Poland	Venezuela
Costa Rica	Jordan	Portugal	Vietnam
Ivory Coast	Kazakhstan	Puerto Rico	Zambia
Croatia	Kenya	Qatar	

Societal data

Data on societal activities has been collected since 2013 via an annual survey, Taking Responsibility. The questionnaire contains 27 questions designed to consolidate information on the Ipsos group's CSR objectives and local CSR initiatives. The heads of local entities are responsible for completing the survey.

Environmental data and report on greenhouse gas emissions

The information is collected at a country level by the Group finance central team under the supervision of the Group Deputy CFO, Corporate Finance via an excel file (the Greenhouse Gas (GHG) Emissions calculation file) prepared on the basis of the tools provided by the "Bilan Carbone®" Association and the Carbon Balance methodology The Group finance central team also provides specific training and materials: instructions, "Bilan Carbone®" spreadsheet user manual and a Methodology Guide. The period covered is: October 2017 to September 2018.

If necessary, some information can come from extrapolation done by the person responsible in the country for Greenhouse gas emissions. Data consistency checks are carried out at Group level. Comparisons are made with the previous year's data and any material discrepancies are analysed in detail.

Data consolidation is done using the consolidation tools of the "Bilan Carbone®" method by extracting emissions data in accordance with the GHG Protocol format.

In 2018, as in 2017, the report on greenhouse gas emissions covered 30 Group countries: Argentina, Australia, Belgium, Brazil, Canada, China, Czech Republic, France, Hong Kong, Germany, India, Italy, Japan, Malaysia, Mexico, Netherlands, Peru, Romania, Russia, Singapore, South Africa, South Korea, Spain, Sweden, Switzerland, Thailand, Turkey, United Kingdom, United States and United Arab Emirates.

Limitations

The methodologies used for some social and environmental indicators may be subject to limitations due to:

- differences in social and employment legislation in some countries, including different definitions for the calculation of certain indicators;
- in the absence of hard data, estimates may be used, particularly for environmental indicators (estimating energy consumption on the basis of occupied areas, or refrigerant leaks on the basis of installed capacity).
- changes in business scope from one year to the next.

In addition, the 2017 data have been refined to show variations consistent with 2018.

Review of the information by independent auditors

As required by Article L. 225-102-1 of the French Commercial Code, the information contained in this statement of non-financial performance has been audited by an independent third party appointed by Ipsos, whose report can be found at the end of this section.

8.2. Our labour commitment

Our main CSR risks relate to talent management. As such, the HR management policy is central to our strategy. The aim is to attract the best talent in each country and develop their skills and expertise throughout their professional career. Employee retention and engagement are major challenges for the sustainability of our business.

Our main CSR risks are:

- **attracting** the best talents,
- maintaining a high level of **employee engagement,**
- **developing** our employees with an excellent training policy and career development pathways,
- maintaining **a high rate of talent retention**.

8.2.1. Our talent

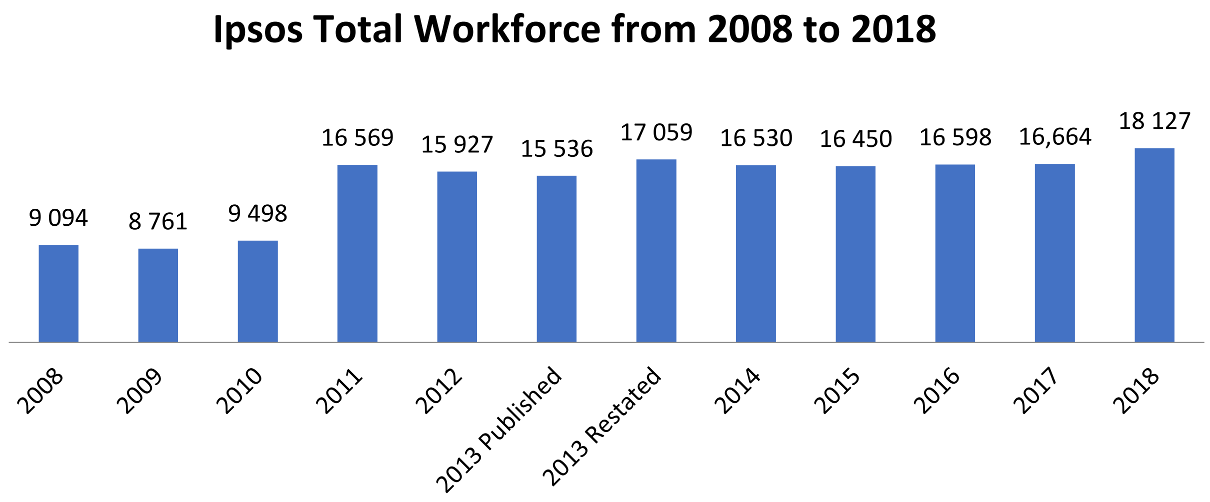
At 31 December 2018, the Ipsos group had 18,127 employees. The growth of our business and the quality of our work depend on the expertise of our employees.

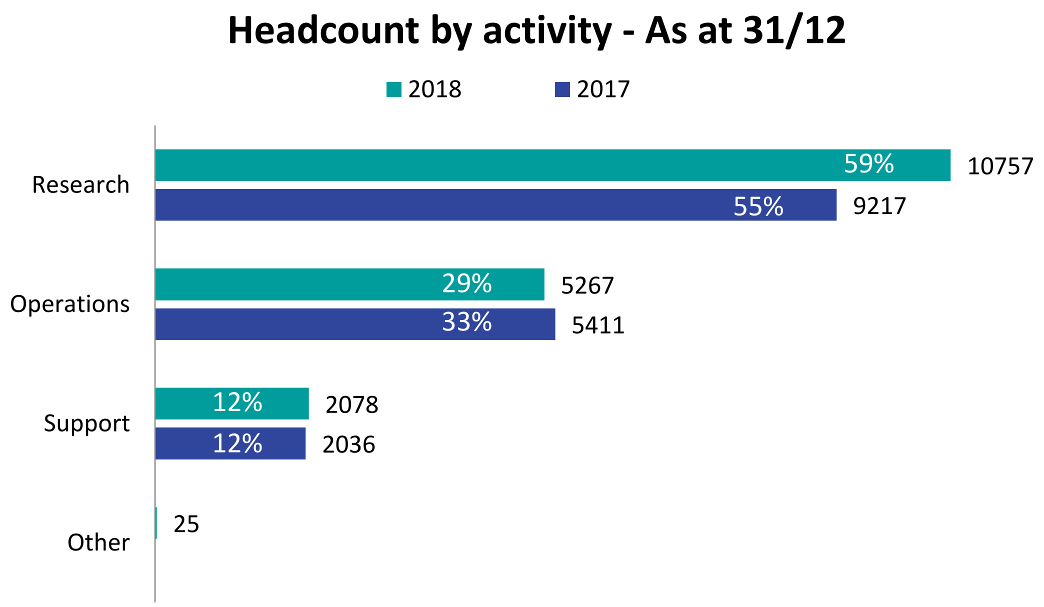
Since Ipsos was founded, the number of employees worldwide has risen significantly. In 2018, there was a sharp increase in headcount and payroll following the acquisition of four global divisions of GfK Custom Business Research and Synthesio in the fourth quarter of 2018.

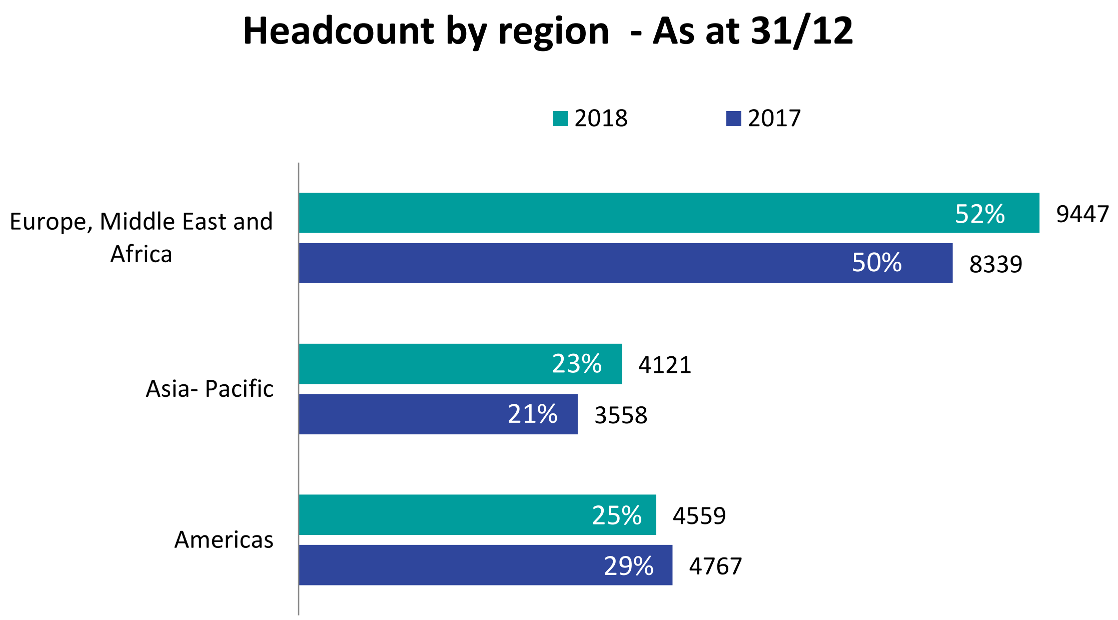
At 31 December 2018, the Group had 18,127 employees worldwide (including staff from acquisitions), compared with 16,664 in 2017.

The Ipsos definition of permanent staff includes a broad definition comprising all regular and permanent employees, whether on an open-ended or fixed-term contract or paid interns/students.

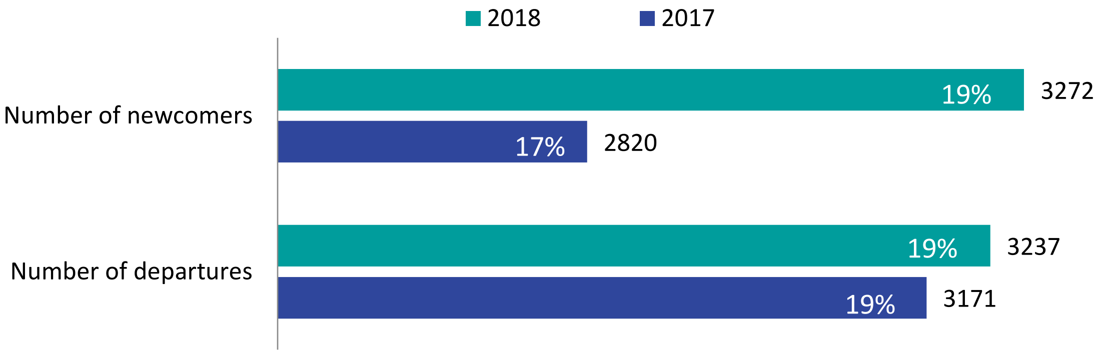
In addition, the Ipsos group employs a large number of mainly temporary workers to administer its questionnaires: the interviewers. These mainly temporary workers are not counted in the permanent headcount and the related variable costs are included in the direct costs of the Ipsos Consolidated Income Statement.


Ipsos Total Workforce from 2008 to 2018
9 094
8 761
9 498
16 569
15 927
15 536
17 059
16 530
16 450
16 598
16,664
18 127
2008
2009
2010
2011
2012
2013 Published
2013 Restated
2014
2015
2016
2017
2018

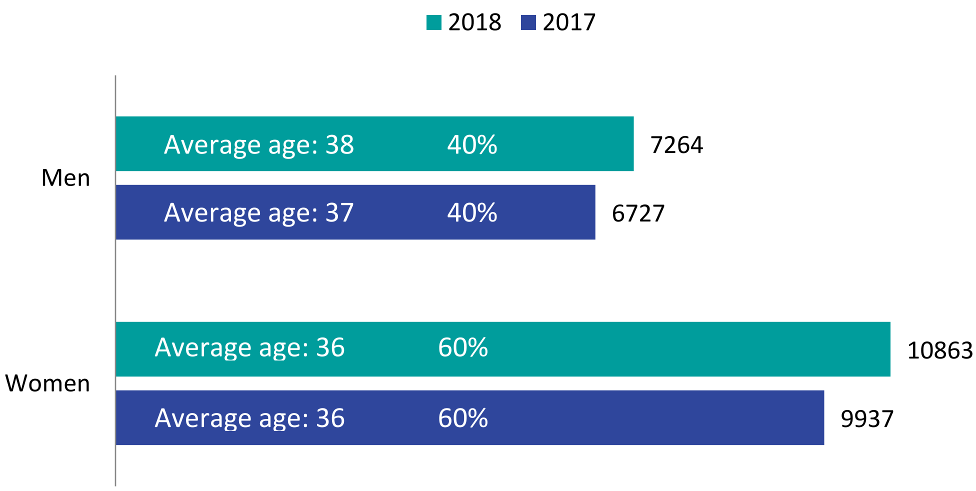

Headcount by activity - As at 31/12
2018
2017
Research
59%
10757
55%
9217
Operations
29%
5267
33%
5411
Support
12%
2078
12%
2036
Other
25


Headcount by region - As at 31/12
2018
2017
Europe, Middle East and Africa
52%
9447
50%
8339
Asia- Pacific
23%
4121
21%
3558
Americas
25%
4559
29%
4767

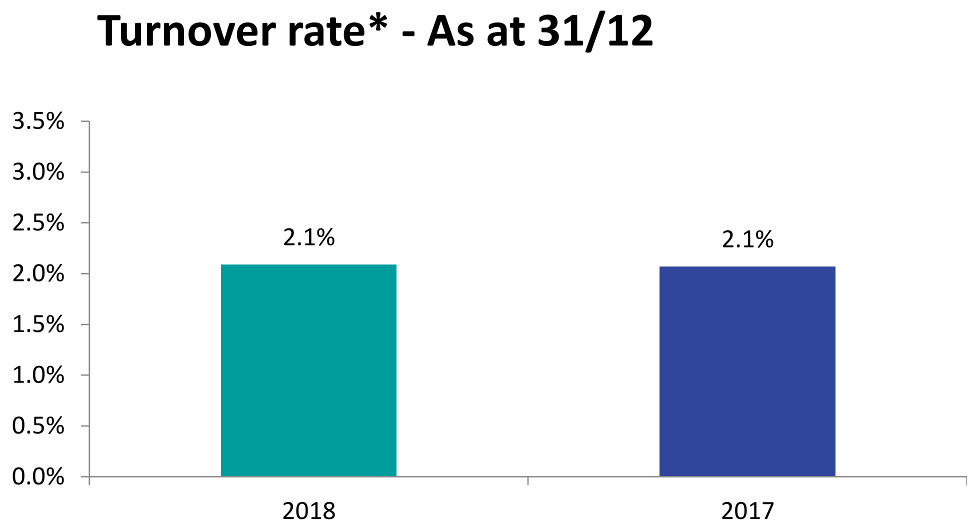
Permanent staff, new arrivals and departures
At 31/12



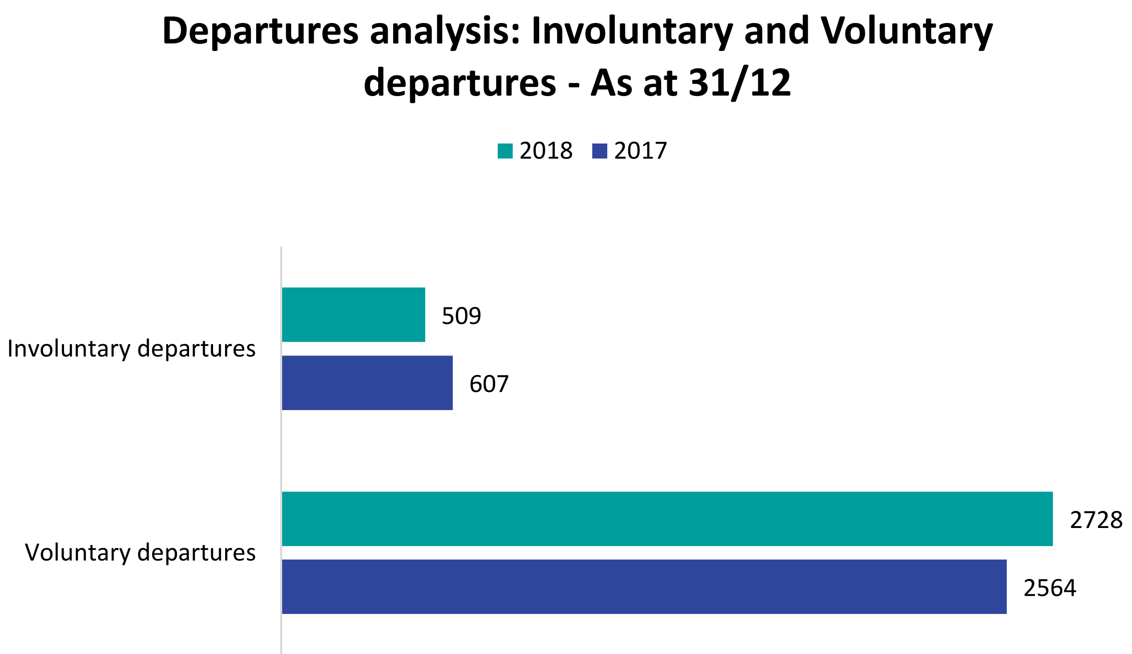
Gender Balance - As at 31/12



As at 31 December 2018, 60% of Ipsos staff were female (64% of our Research headcount).



Data on new hires and departures are based on regular and permanent contract employees, excluding acquisitions.



** Calculation method:*

Number of annual departures/number of employees
Employees concerned: permanent employees
Voluntary departures: resignation + retirement + death + end of temporary contracts + mutual agreements
Involuntary departures: dismissal for poor performance + redundancies

** Calculation method:*

Total voluntary and involuntary departures (redundancies) during the year / average of opening total headcount and closing total headcount for the year (excluding students and contractors). Scope excluding acquisitions.

8.2.2. *Attracting talent*

8.2.2.1. Attracting the best talent through our culture and values: "Proud to be Ipsos"

Our employees are our biggest asset. Published by the Group for its clients and employees, the "Proud to Be Ipsos" guide describes our vision of the business and the values we want to share in our business environment.

This leaflet, translated into the main languages spoken within the Group, was published for the first time in summer 2007 and is distributed in all of our countries.

It is given to all new employees so that we can share our commitment with everyone:

"At Ipsos we are passionately curious about people, markets, brands and society. We deliver information and analysis that makes our complex world easier and faster to navigate and inspires our clients to make smarter decisions. We believe that our work is important.

Through specialisation, we offer our clients a unique depth of knowledge and expertise, we can share our perspective and be creative in proposing innovative solutions and points of view in complex situations. Learning from different experiences gives us perspective and inspires us to boldly call things into question, to be creative."

"Our motto - "GAME CHANGERS" - summarises our ambition."

Ipsos is keen to promote values and the associated behaviours that should inspire all its employees on a daily basis.

Our values are:

- Integrity
- Curiosity
- Collaboration
- Client first
- Entrepreneurial Spirit

Ipsos seeks to attract and retain the best talents in the industry. Our employees are distinguished by their curiosity, their skills and a passion for creating value for clients.

The Company's executives want their employees to be proud and happy to be working for Ipsos. In order for them to fulfil their potential, the company is constantly striving to provide its employees with a pleasant working environment and access to state-of-the-art technology. Our corporate value of "entrepreneurial spirit" is genuine. The management welcomes innovation and gives employees the freedom they need to progress swiftly to positions of responsibility.

8.2.2.2. Attracting graduates with the "Generation Ipsos" scheme

To maintain a permanent focus on Ipsos' deep commitment to its employees' development, the ITC launched the programme "Generation Ipsos – Becoming familiar with Ipsos Service Lines" in early 2018. This initiative is aimed at new graduates to provide them with a solid foundation of research knowledge and expertise, and to enable them to forge ties and interact with employees from different specialisations. Ultimately the aim is to give them the opportunity to apply for any position at Ipsos.

This global, comprehensive programme seeks to recruit the best talents, further their development, integrate them into the Ipsos culture and immerse them in our Service Lines, thereby offering people who are curious and passionate the training and development opportunities that will keep them inspired and engaged.

This programme includes online courses, practical exercises (organised locally) and submission of a final project on a study to be presented to experienced local managers.

Since its launch, 825 new graduates have enrolled in 49 countries, 728 of whom still work for Ipsos.

8.2.3. Hiring talent

8.2.3.1. Employee commitment: central to the Group's performance

We want to support the career-long development of our employees and maintain their attachment to the company. Ipsos is therefore attuned to the social climate and the level of employee commitment. Each year, we conduct an internal survey of all our employees to give them the opportunity to share their concerns and expectations with the Executive Management.

Administered for the first time in 2003 by a team of Ipsos experts, the Ipsos Pulse survey has become a major annual event for its employees worldwide and an effective HR management tool. The 2018 Ipsos Pulse survey was translated into 21 languages. It generated a huge amount of interest, with a Group participation rate of 84%. The Ipsos Pulse survey offers all Group employees a unique and extraordinary opportunity to have an open, honest and constructive conversation with the organisation. Employees can express their views on the Ipsos work environment, management and strategic direction of the Group.

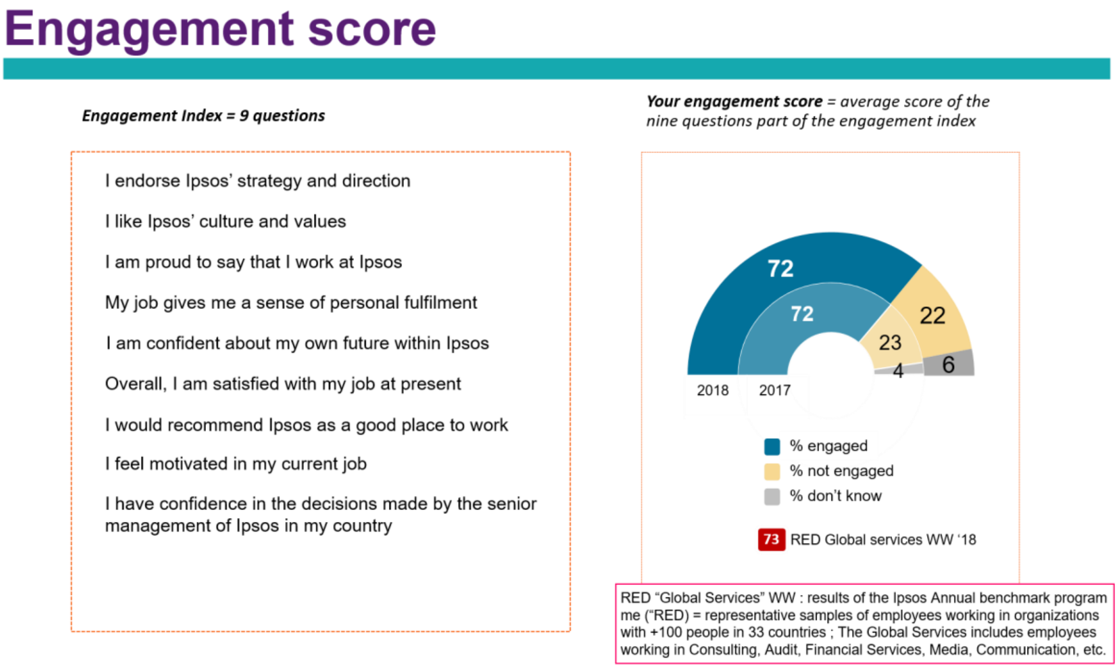
In 2018, the questionnaire was refined to reflect Ipsos' HR strategy and the Group's values. This enhanced version focused more on how employees felt about the organisation and their career prospects at Ipsos.

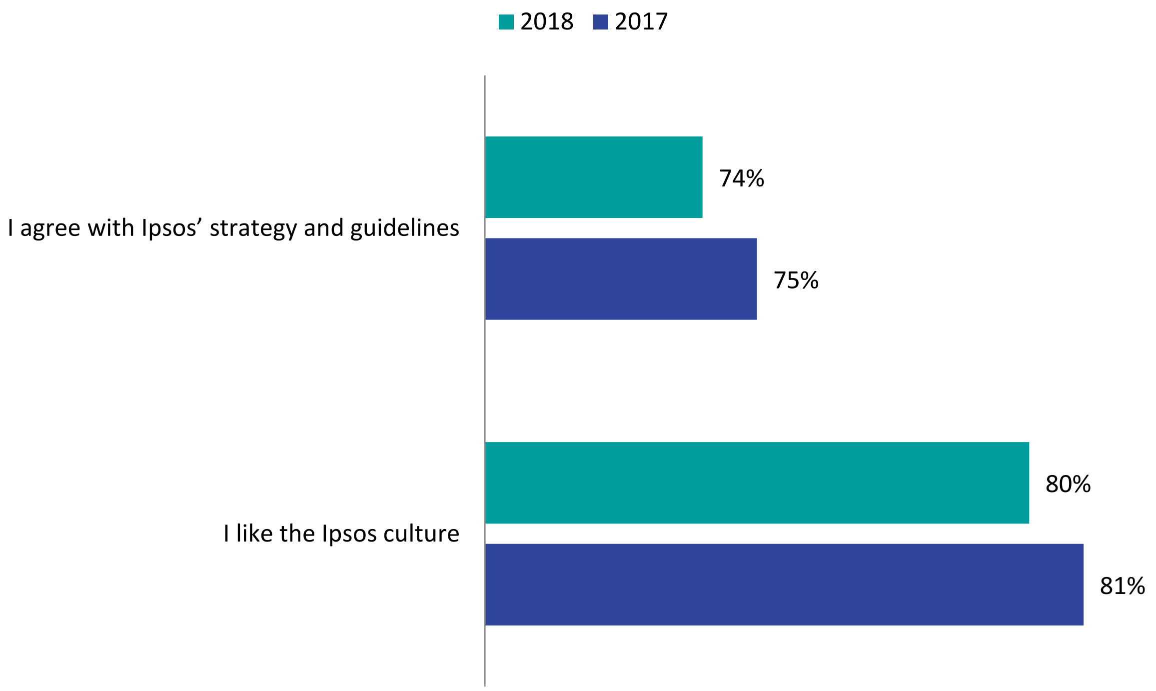
We also made sure that the 2018 Ipsos Pulse survey continued to translate the Group's "Game Changers" position through targeted questions about the priority given to our clients' expectations, the value added of our analysis and the reliability of the data. The questionnaire also included a question on the company's new strategy, *Total Understanding*, to assess how much employees understood about the issues at stake.

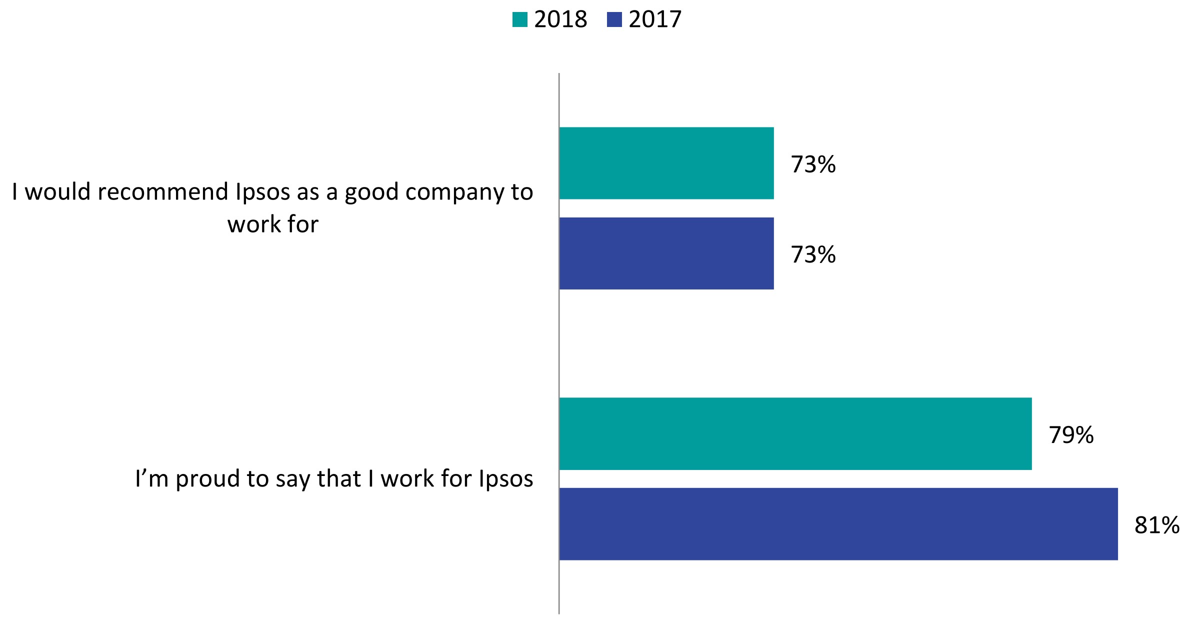
By emphasising these two aspects, Ipsos has made the questionnaire more relevant while reducing the number of questions (from 59 to 46).

Ipsos Pulse survey responses that have been processed anonymously and statistically have shown Ipsos employees continue support Ipsos values and culture, and strategy. This overall positive position is reinforced by the fact that Ipsos employees are proud to work for Ipsos and would recommend Ipsos as a good place to work.

Ipsos' employee engagement with CSR has increased by 5%, from 62% in 2016 to 67% in 2017. It was still high in 2018, at 66%. In the interest of continuous improvement, the results and observations of the 2018 Ipsos Pulse campaign were carefully examined and analysed to identify the main priorities. This is being followed by specific action plans and initiatives focusing on talent management. The action plans are defined at both the Group level and local level. The sole purpose of this approach is to advance our management practices and help Ipsos become an even more attractive organisation to work for.







8.2.4. Developing talent

8.2.4.1. Training and skills development as a core HR policy

Training is essential to the professional development of employees. Ipsos actively contributes to this by offering its employees a wide range of activities and actions (including training) to accompany them throughout their career.

We help our teams grow professionally by creating and implementing various training programmes, conducted face-to-face or online by the Ipsos Training Center (ITC).

Ipsos is actively committed to this and decided several years ago that training should represent 2% of all hours logged by employees on the iTime platform. Since 2016, the number of countries expected to meet the target has been revised upwards.

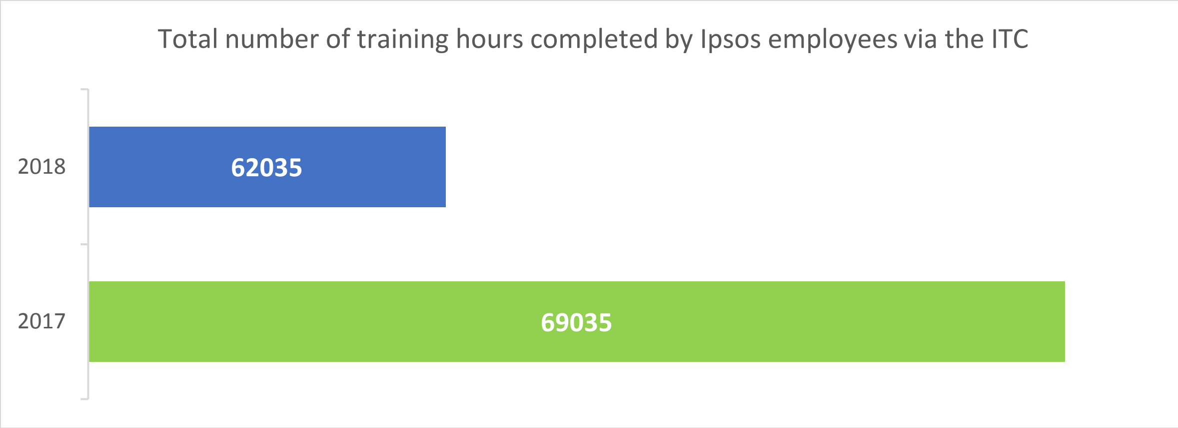
Group-wide, training represents 2.4% of the total time declared by employees. Ipsos is proud of this achievement, which bears witness to its decision to prioritise employee development.

8.2.4.2. Focus on Ipsos Training Center (ITC)

The Ipsos Training Center is the Group's training department responsible for designing and delivering staff training. It is open to all employees via a dedicated platform and offers the latest exemplary training solutions. It therefore contributes to the personal development of employees.

A wide range of training courses are on offer to Ipsos employees, such as country and/or regional face-to-face training, joint (face-to-face and distance) training and development programmes (face-to-face, practical exercises and e-learning) and/or e-learning via the Ipsos dedicated platform.

In 2018, the ITC launched more than 40 new online courses, improving the choice of training on products, methodologies and soft skills. It currently boasts 520 online training courses for employees, including 271 online courses, 185 webinars and 64 guides and recommendations.



The data only include training hours completed by employees via the Ipsos Training Center platform. They should be considered an extract of the total number of training hours recorded by Ipsos. Since 2017, the ITC has compiled a report on the actual time trainees take to complete the course. This gives us a better idea of the time to be allocated to each course.

In 2018, 9,126 Ipsos employees (7,444 in 2017) attended and completed at least one training activity, an increase of 22.6% on 2017.

The average hours of training per employee who completed and completed at least one training activity in 2018 is 6.8 hours.

Following the implementation of the Total Understanding project, the ITC worked with the Service Lines to start redefining its training offer in line with Ipsos' new strategy and structure.

8.2.4.3. Focus on the experience of new employees

The new employee induction process, introduced in 2015 to ensure that each new hire at Ipsos has the same experience across the regions, remains a key initiative for rapidly immersing employees in the company's values, history, organisation and key processes. In 2018, 3,557 new hires registered on the ITC platform*. Of these, 40% completed the four compulsory courses during their first few weeks with Ipsos, while 21% completed only some of them. The four courses are: "Discover Ipsos", "Safety awareness 2017/2018", "Social and Environmental Responsibility" and "Ipsos iTime System".

The ITC was also involved in the orientation of around 1,000 employees from GfK, giving them access to key courses to accelerate their on-boarding.

(*) excluding GfK employees

8.2.4.4. Offering attractive career development prospects through professional and geographic mobility

Ipsos encourages professional mobility and international mobility. Internal mobility gives all employees the opportunity to enhance their professional development and enables Ipsos to foster the loyalty of its talented staff. Employees can apply to be transferred to another department so that they can explore other Ipsos professions or relocate abroad to gain experience in other countries. Personal development plans are drawn up during annual performance reviews. These are an opportunity for an open conversation between managers and employees on skills development, training and professional mobility needs.

Ipsos' presence in 89 countries gives employees a broad platform for their professional development. Ipsos encourages them to consider an international career path. As at 31 December 2018, Ipsos has 210 employees who are on an international assignment.

8.2.5. *Retaining talent in a socially responsible company*

8.2.5.1. *Offering a harmonised, rewarding compensation policy*

The compensation policy of the Group is based on specific principles, adapted to local labor market and social legislation. This policy aims to:

- attract and retain talent;
- reward performance (personal and collective) through a flexible and motivating model of compensation;
- act fair and respect the financial and operational Group objectives.

Thus, in 2015 Ipsos implemented a new job level system with three key objectives:

- align jobs located in multiple regions and lines of business;
- ensure internal equity across the Group Global consistency and efficiency among HR policies and practices;
- reinforce a consistent global talent management approach.

The job level system is based on a global scale consisting of seven levels (1 to 7). Levels 1-2 correspond to the central management and major business unit levels and are reviewed centrally.

Ipsos' total compensation including base salary, incentives and benefits amounts to 762.4 million euros for 2018, versus 757.6 million euros in 2017, representing a 0.6% change compared with 2017 (including currency fluctuations and changes in consolidation scope). For more information, please refer to our Consolidated Financial Statements (section 20.2 of our Reference Document).

8.2.5.2. *Variable compensation*

In order to strengthen unity across the Group, Ipsos has adopted a general compensation policy for its main managerial staff based on fixed salary and a variable compensation, as well as incentive schemes based on the company's development. The variable compensation is based on quantitative criteria relating to the performance of the country, region and/or Group as applicable - and reflecting the Ipsos group's strategic priorities, as well as on quantitative and qualitative criteria relating to individual performance.

Incentive schemes based on the company's development entail the allocation of cash bonus or bonus shares. Ipsos has therefore developed compensation policies shared by the entire Group in the area of performance management. Ipsos is a "people" business, and that our employees and officers are our primary asset. Therefore, it is essential that Ipsos be able to both attract and retain the best talent. The Company believes that the best way to accomplish this goal, and to align the interests of our senior employees and corporate officers with the interests of the shareholders, is to incentivise them through the grant of free shares which reward their involvement and performance.

The Group's managerial staff also benefit from annual awarding of free shares, reflecting the Group's strategic targets and based on each entity's profitability. The plan is adjusted as necessary to give the best reflection of Ipsos' strategic priorities. These awards are renewed each year. (Further information on the annual free shares and stock options programmes is provided in section 21.1.4.2 of the Reference Document).

In 2015, the Group launched a significant initiative on bonus schemes to create a more performance-based variable compensation plan. All senior and business unit managers at Level 1 and Level 2 of the internal job leveling system (around 700 employees) are entitled to a dynamic annual Bonus Plan which relies both on Group Financial Targets, Individual Financial targets and Personal Goals. Our Employees at Level 3 to 7 can benefit from a discretionary variable compensation managed and distributed to the most individuals based on performance by country managers and business unit leaders.

8.2.5.3. *Participation*

In France, following the employee shareholding agreement introduced in 1997 and the company savings plan set up in 1999, the Group's French companies have created the "Ipsos *Actionnariat*" mutual fund, which is designed to receive sums allocated to employees under profit-sharing schemes and paid as part of the Group savings plan.

8.2.6. Tackling discrimination and promoting diversity

Our commitment to non-discrimination is spelled out in our Professional Code of Conduct called the Ipsos Green Book. In 2018, no incident of discrimination was reported at the Group level.

The Ipsos Group ensures unconditional compliance with Principle 3 of the Global Compact relating to non-discrimination in all countries in which it operates.

Ipsos considers difference as a factor that drives progress and performance and is thus committed to equity in employment and in providing a workplace environment that treats all employees with respect and dignity. We are committed to providing equal opportunity to all staff and applicants. The Group encourages our employees to act in a respectful and responsible manner, in line with codes of best practice concerning human rights, diversity and disability. Our employment policies meet not only legal and regulatory requirements, but also the highest standards in all countries in which we operate. We are committed to treating all employees and all people applying to the company properly and fairly. Decisions by Ipsos relating to employment are based on each employee's merit, experience and potential and do not take account of ethnic origin, nationality, gender, marital status, age or religion.

8.2.6.1. 8.2.6.1. Raising employee awareness through multiple initiatives

In order to raise employee awareness of issues of discrimination and harassment of all kinds, the Human Resources Department launched initiatives in 2018 to clarify Ipsos' requirements and ambitions in this area.

In 2017, the Asia-Pacific and North America regions implemented the Work Place Behaviour programme. The purpose of this programme is to communicate to employees Ipsos' expectations regarding employee behaviours in the workplace to preserve a healthy and secure work environment. In 2018, the Ipsos Group reviewed and supplemented this programme, which is now mandatory for all employees, by creating online training sessions (which are available on the Ipsos Training Center platform). This training is also among the five mandatory courses included in the integration process of all newcomers.

Our main goal is to inform and educate employees and give them the references and tools to prevent and/or handle harassment and discrimination.

When this course is completed, employees:

- have learnt what harassment, bullying and discrimination mean;
- have reviewed Ipsos's policy on this topic;
- are able to recognise and avoid harassing behaviour, both psychological and sexual;
- are able to avoid prejudice (conscious and unconscious);
- understand their roles and responsibilities during off-site events;
- know the process for filing complaints.

We are also still deploying the whistleblowing training programme at Ipsos. Each session is adapted to the legal framework of the country in which it is provided.

8.2.6.2. Disability discrimination prevention initiatives

Ipsos does not tolerate discrimination due to disability and has a very active policy of recruiting people with disabilities. Our approach is based on three main measures: communication and raising awareness among all staff in combating outdated ideas, helping to recruit people with a disability in partnership with specialist organisations, keeping workers in employment for health reasons following an accident at the workplace, while travelling, a professional illness, a personal accident or a debilitating disease.

The number of countries with both a disabled work integration programme and disabled hiring quotas in place, have increased in the last few years.

Thanks to this strong mobilisation, many countries have implemented disabled work integration programmes and/or disabled hiring quotas. Ipsos is determined to promote its inclusive culture and societal commitments.

8.2.6.3. The fight against child labour and forced labour

Given the nature of the activities conducted by Ipsos, we are not directly exposed to any risk of forced or compulsory labour. Moreover, in all countries in which Ipsos operates, the Group ensures unconditional compliance with the Principle 4 of the Global Compact relating to the abolition of forced and compulsory Labor. The same applies for child labour. The necessary measures have been taken within Ipsos to ensure that our service providers obey the same rules and refrain from using the work of minors.

Moreover, Ipsos is particularly cautious in interviews with children, young people and so-called "vulnerable" individuals, in accordance with the ESOMAR Code. The consent of parents and responsible adults must be obtained before any interview.

8.2.6.4. Strengthening gender equality in the workplace

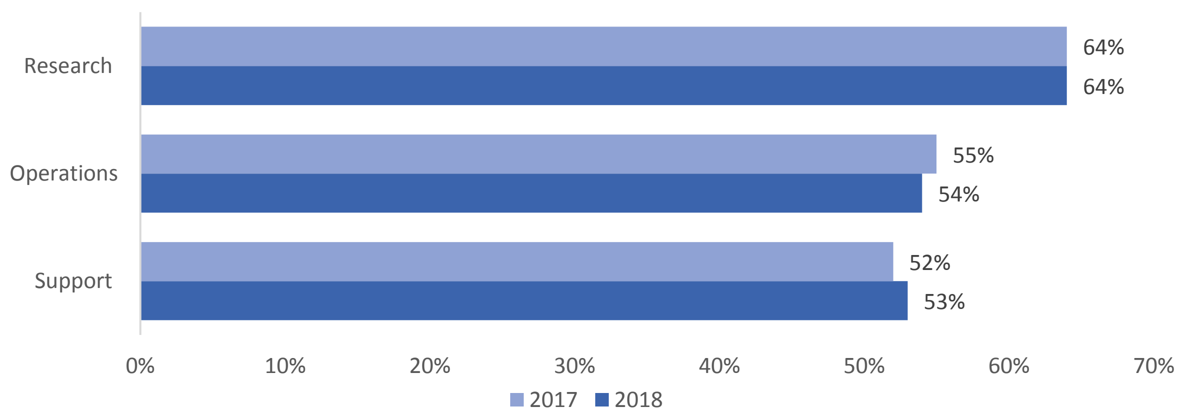
The research industry is predominantly female, as reflected by the proportion of women within Ipsos with an overall female/male ratio of 60%/40%, 64% in research functions and 53% in support functions. In accordance with all applicable federal, state and local laws, Ipsos supports equality between its male and female salaries. Concrete applications of this gender policy are as following: promote equal opportunities and equal pay, in career promotion and progression for men and women, create a family-friendly workplace whenever possible or at least ensure work-life balance.

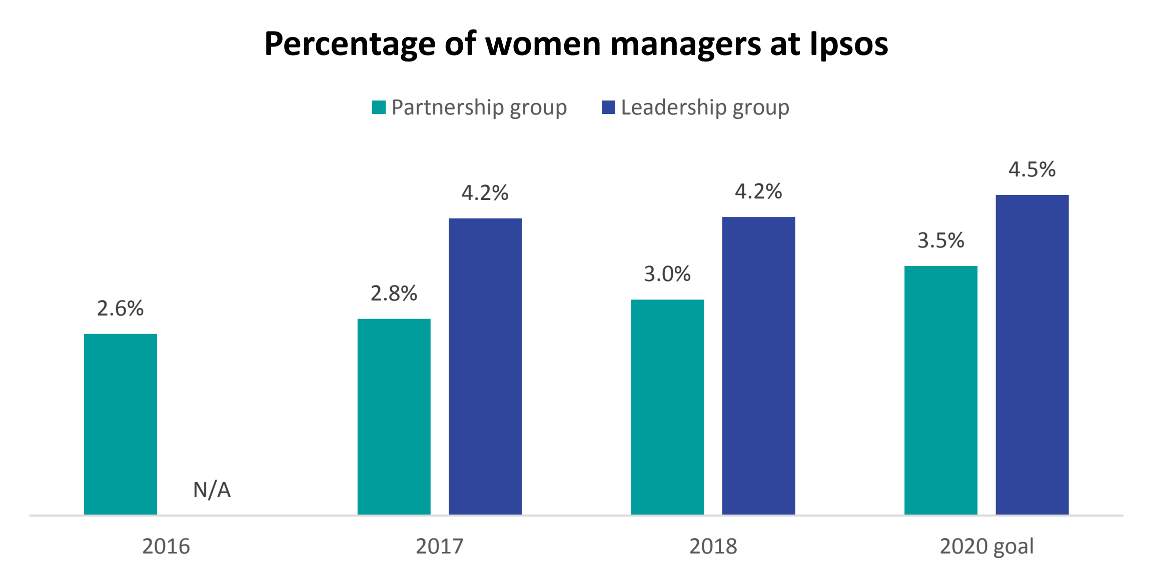
Ipsos pays extra attention to the respect of such internal rules and would be in a position to closely monitor any potential issue that could occur.

Ipsos also endeavors that women are well represented among the top levels of the hierarchy. At 31/12/2018:

- 30.3% of Ipsos Partnership Group managers are women, up 19% over two years (the Partnership Group consists of the 200 most senior managers or top experts at Ipsos, most of whom are Group shareholders);
- 41.9% of Ipsos Leadership Group managers are women, making it a promising recruiting pool for Ipsos Partnership Group managers (41.7% in 2017). It should be remembered that the Leadership Group consists of 500 Ipsos senior executives or additional experts

Percentage of women per employee category as at 31/12





8.2.7. *Respecting the work/life balance*

8.2.7.1. *Working time, absenteeism rates*

The absenteeism rate is the number of hours of absence / number of hours of activity before absences. The number of hours of absence comprises sick leaves, maternity leaves and work accidents.

Historically, this rate was given especially close attention in France to meet the legal obligations in force. This indicator was not monitored centrally by the Group. In 2018, the Group Human Resources Department educated the HR teams about the importance of absenteeism.

In 2018, in France, the absenteeism rate was 3.12% of the total hours declared (vs 3.65% in 2017).

Analyses of this rate in other regions of the world show that it varies between 1.5% and 5% from country to country.

This first year of data collection should be considered a starting point for the analysis of changes in absenteeism over time.

8.2.7.2. *Working time, accidents at work*

Given the nature of Ipsos' activity worldwide, reporting on accidents at work or professional diseases does not really seem pertinent to the transparency of our health and safety policy and for this reason. However, Ipsos makes sure its employees can report on any kind of incidents and takes care of the prevention of psycho-social risks.

Information about the frequency and nature of accidents at work that Ipsos employees may experience is collected through the Taking Responsibility survey. 81 countries did not record any incidents related to accidents at work.

8.2.7.3. *Flexibility of work organisation and work-life balance*

Flexibility in the organisation of employee working time contributes to a good work-life balance. For several years, Ipsos entities have set up systems to organise working hours in each country in accordance with local legislation (part-time work, telecommuting, working hour reduction agreements in some countries). A good balance between professional involvement and private life is a guarantee of sustainable performance and helps us retain talents at Ipsos, which is why we carry out actions to this effect in 63% of our countries.

8.2.8. *Social dialogue*

The Ipsos Group has always been committed to the respect freedom of association and the right to collective bargaining, as defined by Principle 3 of the United Nations Global Compact. In all countries in which Ipsos operates, the Group ensures unconditional compliance with this Principle.

8.2.8.1. Promotion of employee representation in trade union organizations

Ipsos employees in all countries have the freedom to be members of trade union organisations. Ipsos staff are also members of trade union organisations in many of our countries.

8.2.8.2. Respect for existing collective agreements and social dialogue

Collective agreements, where they are applicable, were in place in 20% of our countries in 2018. This is an increase compared to 2016, when only 14% of the entities had this legal framework. In addition, over 60% of our workforce may exercise the collective bargaining rights clearly established in their countries.

The legal framework and social legislation that define the rules and structure of social dialogue differ from country to country. Ipsos implements appropriate consultation procedures for employees in each of its subsidiaries in accordance with local laws. Ad hoc bodies for social dialogue have been set up in more than 30 countries in accordance with the legislation in force.

This dialogue with employees is conducted through works councils (if the size of the entity allows it), monthly meetings with employee representatives or simply through employee meetings with management. In 2018, 88 agreements were signed with the social partners within our entities.

At Group Level, Ipsos make sure to communicate to all our employees through our media tools such as Ipsos Today, our weekly Group newsletter received by all employees and through our Group intranet or other initiatives.

8.2.9. Upholding health and safety standards

Ipsos employees work mainly in offices and are not exposed to any particular occupational risks.

The Ipsos Group places great importance on employee health, safety and well-being and on work-life balance.

To keep employees motivated and retain workers, every year we make improvements to the organisation of work and the working environment. This is reflected on a daily basis in the dedicated actions described below.

8.2.9.1. A work environment with uniform health, safety and comfort standards

A large number of Group staff is based in buildings in which Ipsos is not the only tenant. Depending on local regulations, most of our offices have formed committees with legal representatives or employee representatives. Regular meetings deal with health and safety issues. Thus, the structure of the health and safety organisation may vary from country to country, as do the responsibilities of the different dedicated committees.

The main topics of discussion and concern are covered by these organisations:

- maintaining and continuously improving a safe, healthy, risk-free working environment for employees;
- improving the comfort of employees in their work environment by obeying the regulations in force that govern working conditions on-screen and in the sedentary working position.

For each country, Ipsos has developed a health and safety policy covering a number of areas such as working on site, fire and first aid training.

The latest Taking Responsibility Survey tells us that we have 690 designated and trained Health and Safety staff worldwide compared to 407 employees in 2017.

Ipsos has no overall preventive programmes for health risks at Group level, considering that it would not really be pertinent given the nature of its activity.

However, the Group encourages its Country Managers to address this topic on a voluntary basis, for example in the following ways:

- for seasonal epidemics, such as the flu, vaccination campaigns can be organised (as it is the case in France, for instance, where the headquarters are based);
- information campaigns can be developed and rolled out in coordination with national local prevention programmes, like anti-smoking, anti-alcohol programmes or testing for certain pathologies.

In many countries, health and safety topics are discussed and covered by formal agreements with unions. Several countries where Ipsos operates do not have Health and Safety Committees because legal obligations differ from country to country, making a Group-level indicator inappropriate. Because Ipsos is based and operates in 89 countries, it does not seem relevant to list all topics related to Health and Safety covered by formal agreements as it would not be meaningful at Group level. However, Ipsos respects local obligations and national laws and encourages its managers and employees to take appropriate initiatives.

8.3. Our societal commitment

The Ipsos Taking Responsibility programme covers the societal dimension of GRI standards, which is an area in which Ipsos has fully invested through a series of responsible society and community actions. We are seeing a growing involvement by our countries and employees in societal and community matters every year.

So, beyond the global policies implemented at Group level through the Professional Code of Conduct and the Policies and Procedures Guide, which are the reference documents for all Group employees, many countries where Ipsos is present have put in place formal policies that cover Labour, Societal, Environmental, Ethics and Anti-Corruption issues.

The 2018 Taking Responsibility survey results highlight the existence of very specific and formal policies that cover the following issues:

CSR policies formalised at the country level

%	Total (n=89)
Health and safety policy	47
Anti-corruption policy	32
Ethics / Ethics policy	29
Global CSR policy	34
Environmental policy	20
Diversity policy	19
Working agreements on CSR topics (diversity, equality, disability, etc.)	17
Charity policy	12
Communities / Volunteer policies	12
Sustainability policy	10

8.3.1. *Our humanitarian commitment and our impact on regions and communities*

8.3.1.1. *Territorial, economic and social impact on regional development and neighboring communities*

Given the level of decentralisation of its activities and the geographical dispersion of its staff, Ipsos has no significant direct impact on local employment. The direct impact of the Economic

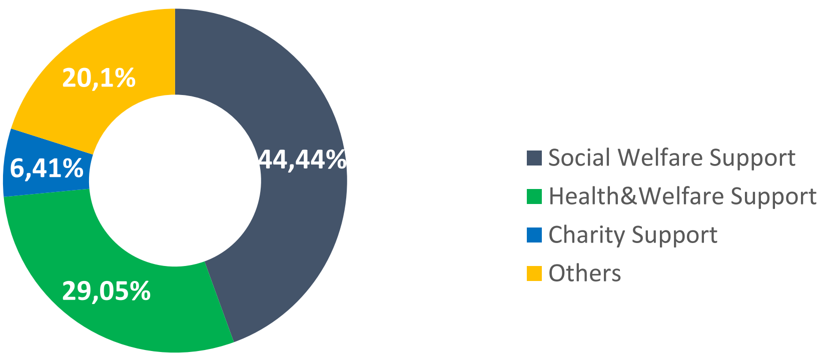
and Social Group is thus that of a multinational company with more than 18,000 employees in 89 countries.

Ipsos allows and actively encourages its employees to engage in several kinds of charitable activities. In 2018, Ipsos employees participated in the following activities:

As a %	Total (n=90)
Financial or other donations to humanitarian organisations through fund-raisers, events, collections, etc.	**52**
Volunteer for a humanitarian or non-profit association through a programme organised by Ipsos	**31**
Make financial or other types of donations in response to specific events or catastrophes	**29**
Other activities to support associations	**29**
Research services provided pro bono to a partner association or NGO	**18**
Provide corporate funding schemes	**13**
Support for children and orphans	**8**
Establishment of a payroll withholding mechanism	**7**

For the 2018 reporting period, among the surveyed countries, over 1,470 days of volunteering work (935 days in 2017, 800 days in 2016) were conducted by Ipsos staff.

Charitable and community activities in 2018



Over 50 of our countries have direct involvement with local charities. In some countries they may work with one charity, on fund-raising or pro bono work, whilst our largest countries will work with over 20 different charities in some cases.

8.3.1.2. The Ipsos foundation

The Board of Directors of Ipsos SA on January 9th 2014 approved the project to create the Ipsos Foundation. The aim behind the creation of this Foundation is to provide further structure and focus for the Ipsos Corporate Social Responsibility work, by providing the means of engaging with the voluntary sector on a significant scale. More specifically, it creates the venue to allow Ipsos to share and apply its resources and expertise in an effort to help tackle social and societal issues.

The Ipsos Foundation Mission Statement is a global outreach programme to “support, develop and implement the education of disadvantaged children and youth worldwide”. The Ipsos Foundation's mission focuses on educating disadvantaged children and adolescents to help future generations. It aligns the Ipsos Foundation closely with the societal part of Ipsos actions.

Didier Truchot, Chairman and CEO of Ipsos, formally announced the launch of the Ipsos Foundation in November 2014 as a US charitable 501(c)3 foundation and in France as a "Fond de Dotation". This has then been further added to with a United Kingdom arm of the Ipsos Foundation in late 2015. The Ipsos Foundation is overseen by a Board comprised of **Florence von Erb** (Independent Board members), **Didier Truchot** (Chairman and CEO) and **Marie-Christine Bardon** (Director of the Ipsos Foundation), with support from **Ewa Brandt** (Group Head of CSR), **Sheryl Goodman** (Group General Counsel), **Antoine Lagoutte** (President, Corporate Finance) and **Mark Campbell** (CFO United States).

Since its inception in early 2015, the Foundation's Board of Directors has met five times a year and reviewed a total of nearly 100 grant applications. To date, over 40 grants from nearly 25 different countries have been awarded by Ipsos Foundation Board members for an investment of €1 million.

Some more recent examples include:

- UK – Books Clubs in Schools;
- Colombia - Rumbo Emprender;
- Tanzania - Ugera Village School;
- Kazakhstan - Ray of Light;
- Nigeria - Feed a Child a Day;
- Tanzania - Plan international;
- South Africa - Little container library in township;
- South Africa – Peninsular Schools Feeding Association;
- Germany – Die Arche;
- Somalia - Care International;
- Indonesia - ACT permanent school following Tsunami;
- France - University of Burgundy, for migrant students to earn their diploma in France.

The Ipsos Foundation hopes to develop a new mission for 2019 and extend its scope of involvement to displaced and more vulnerable populations. The Foundation will continue to be fully supported and funded by Ipsos but will also give the opportunity to Ipsos employees to participate in the funding of the Foundation either through direct financial giving or through fundraising.

8.3.1.3. Partnership with Tent Foundation for refugee recruitment

In September 2018, Ipsos signed a partnership with the Tent Foundation. Created in 2016 by Hamdi Ulukaya, the founder and Chairman and CEO of Chobani, the foundation aims to mobilise businesses around the world to improve the lives and livelihoods of more than 25 million men, women and children with refugee status who have been forcibly displaced from their country of origin.

Ipsos, along with other private-sector companies, has decided to take part in this societal endeavour by making a commitment to recruit 100 refugees in the next two years.

Country Human Resources Departments are in contact with humanitarian and government organisations to learn more about candidate profiles and organise recruitments. Information meetings are being organised for managers and employees to raise awareness of refugee issues and the importance of this social commitment on the part of Ipsos.

8.3.2. Data protection

Ipsos' activities are centred round data security and integrity. Data protection is therefore a major issue for Ipsos's societal responsibility.

8.3.2.1. Confidentiality – Integrity of Client, Supplier and Other Relationships

The confidentiality of business processes must be safeguarded at all times. The essence of Ipsos' business is based on the integrity of the data measurement, work, products and services that we sell to our clients. They rely on the fact that our data are processed and produced without flaws or bias.

Any disclosure of confidential information of a client, supplier or other party to another third party is strictly prohibited. Each Group company is committed to treating such confidential information with the same degree of care as used within the Ipsos organisation to protect our own confidential information. Confidential information shall be stored in a safe place and copies shall be limited to what is necessary.

8.3.2.2. Privacy – Data Protection

Data protection is and always has been, at the core of Ipsos' business. Personal data is handled with great care by Group companies in compliance with applicable laws, privacy regulations and professional standards such as the ESOMAR Code. To best comply with applicable laws and regulations, especially since the entry into force of European Regulation 2016/679 on the protection of personal data, also known as the "GDPR", Ipsos has launched a privacy protection programme and established strong data protection governance, appointing a Group-level Data Protection Officer and representatives in each of the countries where Ipsos is present. For more information on the personal data protection measures taken by Ipsos: https://www.ipsos.com/fr-fr/confidentialite-et-protection-des-donnees-personnelles.

8.3.3. Our vigilance plan and the involvement of suppliers and subcontractors in our approach

8.3.3.1. Implementation of a vigilance plan

Due to its size, Ipsos is bound by the provisions of Law No. 2017-399 of 27 March 2017 relating to the duty of care of parent firms and main contractor companies.

Due to the intellectual nature of the services it provides, the Group has very little exposure to the risks targeted by these regulations, namely serious infringements to human rights and fundamental freedoms, to health and safety and to the environment that could result from its own activities. As already mentioned above, Ipsos applies the ESOMAR Code, which specifies, in Article 1, the content of the duty of care of companies such as Ipsos that are involved in the research sector and the main behaviours to be adopted in this regard. Accordingly, researchers must ensure that the persons in question do not suffer harm directly from the fact that their personal data are being used for research. Researchers must also pay particular attention if the research is sensitive in nature or if the circumstances in which the data were collected may upset or disturb the person in question. In addition, researchers must keep in mind that the success of research relies on public confidence regarding the integrity of the research and the confidential treatment of the information provided and must therefore scrupulously maintain the distinction between research and non-research activities. Finally, if researchers engage in activities which are not research-related such as promotional or business-related activities, they should clearly distinguish and separate those activities from their research. The manner in which the data is secured and protected, including the implementation of the GDPR, is specified in Section 8.3.2 above.

In addition, over 10 years ago, Ipsos made a strong commitment to human rights and fundamental freedoms by joining the United Nations Global Compact and undertook a series of measures to prevent other abuses of human rights and fundamental freedoms that may be linked to its activities.

Also, by their nature, the activities of suppliers or subcontractors with whom Ipsos has an established commercial relationship, particularly in the fields of IT, real estate or the provision of panels, are relatively unexposed to the aforementioned risks. Child labour, forced labour, health risks or ecological risks are not risks inherent in the activities of such suppliers.

However, this low direct or indirect exposure to the risks in question cannot be equated with zero risk, and Ipsos has therefore made a point of ensuring the proper implementation of this regulation, which is fully in line with its broader CSR commitment.

Under the auspices of the Audit Committee, a detailed inventory and review of the risks that may exist in this area was conducted, which Ipsos used to define its vigilance plan and ensure that all necessary measures to prevent such risks are indeed in place.

<u>Risk mapping</u>

The most recent global risk survey, on which the Group's risk mapping was based, contained several questions specific to the "duty of care", and thus already largely covered the risks that may exist in this regard, including those caused by stakeholder activities.

The next risk survey, which will be deployed in 2019, will contain several more targeted questions in this area to refine the mapping for this topic.

In 2018, additional questions were also included in the questionnaire sent to the Group's various entities as part of CSR reporting.

<u>Procedures for regular evaluation of the situation of subsidiaries, subcontractors and suppliers</u>

Ipsos regularly evaluates the situation of its subsidiaries through its periodic risk survey, CSR reporting and internal audit missions conducted locally.

For subcontractors and suppliers, they are in principle selected through a responsible purchasing procedure.

Furthermore, our teams are invited to include clauses containing commitments to UN Global Compact principles and audit clauses in our contracts with our main suppliers and subcontractors. These clauses are a way for Ipsos to ensure that those parties also respect the principles enacted by the United Nations Global Compact. Secondly, these clauses authorise Ipsos, if necessary, to perform the necessary controls and verifications, and even terminate contractual relationships in the event of proven non-performance (see also the section "Subcontractors and suppliers").

<u>Appropriate actions to mitigate risks or prevent serious harm</u>

Through its Professional Code of conduct and its Book of Policies and Procedures, which is mentioned in Section 8.1. above, Ipsos communicates its values, especially as regards respect for human and environmental rights and the behaviours and guidelines to be followed, to all of its employees.

Moreover, during any training sessions that may be offered to employees, special emphasis is put on the prevention of the labour, environmental and societal risks to which Ipsos might face.

Communications are also sent to local managers to remind them of the scope of the due diligence and the need to ensure compliance with our vigilance plan by local teams.

<u>Whistleblowing System</u>

In 2013, the Group set up a whistleblowing system, which is managed by an independent external organisation called Expolynk.

This system is integrated into a file management system, and it encourages Group employees to report, anonymously or otherwise, any inappropriate behaviour that cannot be declared via traditional internal reporting procedures. Any suspicious behaviour or event can be reported by post, e-mail, telephone or secure web access.

The system is structured to organise a verification of the data collected in a confidential basis in order to enable Ipsos to decide on the measures to be taken to address the issue raised. Follow up of all cases is made in a consistent and efficient way.

In 2018, Ipsos extended the existing whistleblowing system by broadening its spectrum to comply with all matters covered by due diligence and opening access to the whistleblowing system to third parties. This mechanism is therefore currently accessible to everyone and covers all topics such as fraud, anti-competitive practices, corruption, breaches of confidentiality of data or protection of privacy, violation of company policies, infringements of fundamental freedoms, human rights, environment.

<u>Monitoring system for the measures implemented and their effectiveness</u>

Through its internal audit programs and missions and its CSR reporting, Ipsos has put in place resources that enable it to monitor the measures implemented and their effectiveness. This mechanism will be completed in 2019.

In 2018, the first results from this due diligence action plan were positive as they revealed no serious and proven harm to human rights, fundamental freedoms, health, personal safety or the environment.

8.3.3.2. Involving our suppliers and subcontractors in our societal approach

In all countries in which Ipsos operates, with respect to the signature of the Global Compact, the Group ensures unconditional compliance with the Human rights, as well as ensuring that the key principles advocated by the ILO (International Labor Organisation) are strictly respected.

We also ensure that none in the organisation knowingly aid or abet human rights violations. This applies to all employees but also extends beyond the value chain to our suppliers and subcontractors.

Ipsos' overall strategy is to own its data collection and production platforms, i.e. a vertical integration operating model. When it is necessary, Ipsos may outsource. In those cases, Ipsos makes sure that it has a strong control over the quality of the information collected and produced. Consequently, the level of Subcontracting is low in this area. It is more developed when Ipsos consider that the supply is not directly strategic for its business and also where the external offer can obviously support Ipsos at a good price and a good level of efficiency. This will be the case for example for all the type of IT infrastructures (hosting), softwares (ERP).

Given the Group structure in terms of procurement, which is predominantly decentralised and processed at the country level, it is difficult to state a centralised percentage of significant suppliers and contractors that have undergone screening on human rights.

However, instructions given to the local procurement department strictly respect Principles 1 and 2 of the United Nations Global Compact relating to the respect of Human Rights and Fundamental Rights, and Ipsos takes the necessary measures to ensure that its major suppliers respect these principles through the addition of specific clauses in our contracts, as stated in Section 8.3.2. above.

In conformity with the Global Compact, Ipsos ensures as far as possible that its suppliers and subcontractors (whenever applicable) support the principles of the Universal Declaration of Human Rights. They must avoid using equipment that is in violation of these rights. In addition, we recognise that local customs, traditions and practices may differ but expect suppliers to comply at least with local, national and international laws. We expect suppliers to support International Labour Organisation core conventions on labour standards. However, Ipsos cannot control its suppliers directly and can only put reasonable prevention tools in place as a result.

The principles driving our relationships with our suppliers also apply in the social and environmental spheres: suppliers should not discriminate in hiring, compensation, access to training, promotion, and termination of employment or retirement and they should do their utmost to respect and protect the environment. This engagement matters to Ipsos when it comes to work with a supplier.

Starting January 2014, our main new contracts signed with suppliers are including a UN Global Compact clause when possible. Ipsos, to date, has signed 40 contracts with global suppliers representing an amount of spending of €26 million in 2017 (compared to €20.3 million in 2017 with 35 suppliers).

8.3.4. Public policy

Ipsos is an international independent research company that aims to be a preferred partner for its clients. To serve them, we must independently and transparently understand and analyse their markets, their audiences and the world, which is constantly changing.

Among the 89 country managers who responded to the specific question, not one reported that they made financial contributions to political parties, politicians and related institutions in 2018.

Ipsos is an active member of ESOMAR, which through its Code on Market and Social research, (developed jointly with the International Chamber of Commerce) sets out global guidelines for regulation and professional standards. These standards are undersigned by all ESOMAR members and are adopted or endorsed by more than 60 national market research associations worldwide. As a member, Ipsos therefore adheres to the principles of good conduct as defined by this code.

This issue is of paramount importance to Ipsos. The 2018 Taking Responsibility survey confirms the lack of incidents of Ipsos involvement in either political lobbying or donations to political parties.

8.3.5. *Tackling fraud, tax evasion and money laundering*

The Ipsos Professional Code of Conduct informs and educates employees about the risks associated with money laundering practices and fraud more generally, including tax evasion. A comprehensive anti-fraud policy is stated in the Ipsos Policies and Procedures Guide.

In these documents, Ipsos details its anti-fraud prevention and education policy and the behaviours to be adopted by employees in such situations.

Accordingly, Ipsos emphasises the detection of risks of fraud, especially through communication and the establishment of effective and fast actions to avoid the negative impacts of cases of fraud and to prevent cases of fraud in future.

Since 2013, the operational whistleblowing mechanism has specifically covered these issues (see Section 8.3.3.1).

8.3.6. *Tackling corruption*

The fight against corruption is a specific part of the fundamental policies and values supported by the Group, which pays particular attention to it pursuant to Principle 10 of the United Nations Global Compact.

A specific section of the Ipsos Green Book reminds all employees worldwide that they must comply with the law in the fight against corruption, bribery and other such offences.

Of course, beyond the Green Book, the behaviours to be adopted, and those to avoid, are covered in training sessions for Group employees and local teams, with country managers being especially targeted.

8.3.7. *Anti-competitive practices*

Anti-competitive practices are expressly prohibited at Ipsos. This is one of the fundamental policies and guidelines in the Green Book that all employees must obey.

Ipsos seeks to compete actively in a fair and ethical manner. In this context, we refuse and prohibit:

- dealing with competitors on prices or other terms of sales, or attempts to divide territories or clients;
- price agreements with communication outside work on any part of an agreement;
- agreements with competitors, suppliers or clients not to sell to a client or buy from a supplier;
- any anti-competitive practices.

On these issues and other issues not in the Green Book, Group employees and local teams are informed through the training sessions they take when they are hired and at other times.

8.3.8. *Compliance*

In 2018, the Ipsos Group was not subject to any fines or non-financial penalties for non-compliance with the laws and regulations referred to above.

8.4. Taking action to protect the planet

8.4.1. *General policy and organisational structure*

The ecological and environmental impact of its activities has always been a concern of Ipsos. For the past eleven years, Ipsos has been managing its environmental footprint through a structured approach. In this regard, a report on its greenhouse gas emissions is prepared. In addition, Ipsos has implemented environmental policies in most countries to reduce waste and encourage lower energy consumption.

8.4.2. *Limiting our consumption*

Being a professional services organisation, our major energy consumption variables relate to business travel and electricity consumed in buildings (lighting, heating, air conditioning and IT related spending).

In 2018, total electricity consumption was 22,195 MWh, a decrease of 9% from 24,431 MWh in 2017.

8.4.2.1. *Business travel policy*

The business travel undertaken by Ipsos employees, including air and ground transportation, are the main source of our GreenHouse Gas (GHG) Emissions and must be seen as the main impact of our activities on climate change.

Tackling this is a major challenge for Ipsos, where worldwide business and our geographical scope entail the mobility of our people.

The 2018 Taking Responsibility survey revealed that 68% of countries (compared to 55% in 2017) have implemented travel policies to better supervise all business travel and thus further streamline its environmental impact.

The majority of our entities use specialised agencies to ensure the proper implementation of travel policies.

8.4.2.2. *Initiatives to reduce energy consumption and reductions achieved*

The implementation of central booking systems for all travels has resulted in a better control and reduction of expenditures on business travel, which is being tracked on a country by country level.

Alongside this, other activities related to energy and emissions savings have been rolled out across the Group, for instance lighting initiatives or special use of energy-saving devices.

In terms of the use of renewable energy we promote sustainable behaviours, from which we know from the 2018 Taking Responsibility survey that:

- procedures for recycling paper and ink were in place within our entities;
- Ipsos encourages employees to use public transport and supervises business travel;
- the use of Skype for Business and webinars is widespread and encouraged.

8.4.2.3. *Limiting our greenhouse gas emissions*

The internal methodology adopted is based on the BILAN CARBONE® methodology, and the definition of Scopes 1, 2 and 3 comes from the application and the definitions of its GHG protocol rules. The Ipsos greenhouse gas emissions report covers 30 countries representing about 90% of revenue, as well as most of the sources of emissions related to its activities (with an equivalent share of OECD members and non-members). Ipsos reporting continues to focus on Scope 1 and 2 as well as business travel emissions in Scope 3, which are the biggest contributors to the Group's global carbon footprint.

- Scope 1: These emissions are the direct result of the activities controlled by the company, i.e. from sources owned or controlled by the company;
- Scope 2: These emissions are indirectly related to energy consumption. Scope 2 includes greenhouse gas emissions related to the energy consumption required to manufacture a product. For example, to manufacture a product, it is usually necessary to consume electricity to power the factories in which the product is designed. This energy consumption per se does not produce greenhouse gases. The production of electricity has, however, emitted greenhouse gases. All of these emissions related to secondary energy consumption are accounted for in Scope 2. These are called emissions indirectly related to energy consumption;
- Scope 3: this includes all other greenhouse gas emissions that are not directly related to the manufacture of the product, but to other stages of the product's life cycle (supply, transport, use, end of life, etc.). These are called other indirect emissions. With regard to Scope 3, only significant emissions for the company are allowed to be reported, so Ipsos has decided to report only "business travel".

In other words, Scopes 1, 2 and 3 contain our types of emissions, which are mainly due to different types of gas heating, electricity (automatically in Scope 2), fuel, etc. that are necessary to heat and cool our offices, depending on whether or not we control those emissions directly, or whether the emissions are direct or indirect.

The emissions measured by Ipsos amounted to 35,224 tonnes of CO_2 per year in 2018 (compared to 36,687 tonnes of CO_2 per year in 2017, a decrease of 4%).

Scope 1, 2 & business travels GHG emissions by source (%):

Emissions Sources	2018	2017
Total Scope 1 emissions	8.2%	7,9%
Total Scope 2 emissions	28.2%	30.2%
Scope 3 - Business travels	63.6%	61.9%
Total Scope 1, 2 & Business Travels	100.0%	100.0%

In future years the Ipsos carbon strategy is intended to include actions to:

- increase the certainty and visibility of this reporting;
- monitor GHG progress from year to year and the value creation from emissions mitigation through carbon efficiency actions;
- reduce emissions with a focus on transportation optimisation;
- achieve overall emission reduction objectives of -10% from 2017 to 2020.

8.4.2.4. Our water consumption

Given the nature of Ipsos' activity, our water consumption is only that of the daily use of office facilities. However, awareness is raised among Ipsos employees in order to foster responsible and thrifty behaviours. The water consumption of the 30 Ipsos countries selected amounted to 105,316 m3 in 2018 versus 101,190 m3 in 2017.

8.4.2.5. 8.4.2.5. Optimising our waste and recycling management

The major item of waste produced by Ipsos is paper and at country level Ipsos is willing to make progress in the recycling of this primary waste source. This kind of initiative typically finds great support within countries, where local teams are always prompt to follow them.

Ipsos encourages the development of energy savings, such as in France Ipsos has installed equipement for selective waste sorting.

In 2018, the results of the GHG Emissions Report show that, amongst the Ipsos countries that took the survey, the volume recycled reached 61.9% of recyclable paper (62.4% in 2017).

8.4.3. Promoting environmental protection

8.4.3.1. Employee information and training with regard to environmental protection

As mentioned above, we make sure that all of our new employees are informed and aware of our environmental policies during the integration programme. All of them are given a file about them, and they are invited to review the sections dedicated to them on our intranet and website. In addition, they must undergo mandatory training on our ITC e-learning platform. Since 2016, this dedicated programme allows all employees to understand Corporate Social Responsibility, to know the Ipsos approach to CSR (for its clients and its employees) and keys to involve employees and suppliers.

Messages about the importance of Corporate Social Responsibility for Ipsos and the responsibility of all employees to protect the environment are reinforced by local management, which has been providing enthusiastic and effective support for many years.

8.4.3.2. Means used for preventing environmental risks and pollution risks

We believe that the environmental risks generated by our professional activity are very limited. Our impact on environment is mostly linked to associated GHG Emissions. Hence the most relevant indicator relates to GHG Emissions and to the set of actions implemented to reduce and optimise our energy consumption.

Our service activity does not result in the direct discharge of waste into the atmosphere, water and soil with a significant impact on the environment. This is also true of noise pollution. A large majority of our employees work in offices, which limits the damage caused to nature. For these reasons, the Group has not developed a global policy towards land use.

Besides, Ipsos has not taken today any specific global adaptation measures to the consequences of climate change. The aim going forward is to set reduction targets globally. However, the internalisation of the calculation of the GHG Emissions for instance raised awareness within the Group of the consequences of climate change.

As part of our annual Taking Responsibility survey, we are monitoring progress being made on a country by country basis to reduce our overall impact globally In fact, as the 2018 survey shows, 100% of our entities have implemented action plans and structured measures.

Recycling and energy saving initiatives are increasingly being used in various formats such as recycling paper, ink cartridges, electronics and energy saving initiatives such as travel reduction schemes, lighting and electricity savings.

8.4.4. Biodiversity

8.4.4.1. Management of impacts on biodiversity

Until now, the Group has not developed any action plan to manage the impact of its activity on biodiversity, in line with the nature of Ipsos's professional activities. At this stage, this problem is not covered by a comprehensive action plan. Nevertheless, the company and its employees are ready to undertake initiatives that make it possible to contribute to the improvement of biodiversity at the local level.

In France, Ipsos has already installed beehives on the roof of its headquarters to support this endangered species in built-up areas. In 2019, the Group plans to install vegetable gardens.

8.4.4.2. Appropriation of land & provisions for environmental risks

As a services company, Ipsos is not concerned with the issue of land appropriation.

The Group does not recognize provisions for environmental risks because of the nature of its activities.

8.4.4.3. Societal commitments to fight against food waste

Our activity does not generate directly any food waste. The main source of food waste is from

employees' personal consumption such as meals in the company canteen. The total amount is immaterial for the Group.

Ipsos is not directly confronted with the problem of the fight against food waste.

Nevertheless, our employees are adopting responsible practices in this regard. As a result, dishes not consumed at buffets are made available to employees in collective kitchen spaces. Also, we are making a point of selecting catering services that are committed to the fight against food waste.

8.4.4.4. Societal commitments to fight against food insecurity

Because of Ipsos's activity, the company does not have a direct impact on policies to fight against food insecurity. However, Ipsos strives to participate, however it can, in actions to fight against food insecurity. Accordingly, in Paris and Lyon, the first Charity Day was launched in 2018, in which employees were given the opportunity to participate actively in one of the two national collection operations organised by Banque Alimentaire. Twice in 2018, dozens of employees contributed half a day of volunteering, which was offered to them by Ipsos for the purpose of collecting foodstuffs in supermarkets with Banque Alimentaire or sorting them in a food storage centre.

8.5. GRI Standards and Global Compact Principles cross-reference table

GRI Standards / Normes GRI		DPEF Chapter – Section	Page n°(s)
GRI 101-1	2016 general principles	8.1. ; 8.1.5.2.	45; 49
GRI 103	Managerial approach	8.1.	45
GRI 205	Tackling corruption	8.3.5. ; 8.3.6.	71
GRI 206	Anti-competitive behaviour	8.3.7.	71
GRI 301-2	Recycled materials used	8.4.2.5.	73
GRI 302-1	Energy consumption within the organisation	8.4.2.	71
GRI 302-2	Energy consumption outside the organisation	8.4.2.1.	72
GRI 302-4	Reduction of energy consumption	8.4.2.	71
GRI 305-2	Indirect GHG emissions	8.4.2.	71
GRI 305-5	Reduction of GHG emissions	8.4.2.	71
GRI 306-2	Waste by type and disposal method	8.4.2.5.	73
GRI 307	Environmental compliance	8.4.3.	73
GRI 401	Employment	8.2.	51
GRI 401-1	Recruitment of new employees and rotation of staff	8.2.1. ; 8.2.2.	51; 55
GRI 401-2	Benefits granted to full-time employees	8.2.5.	60
GRI 402	Employee/management relations	8.2.8.	63
GRI 403	Workplace health and safety	8.2.9.	64
GRI 403-1	Representation of workers in official health and safety committees involving both workers and management	8.2.9.1.	64
GRI 403-2	Types of workplace accidents and rates of workplace accidents, occupational diseases, lost days, absenteeism and number of work-related fatalities	8.2.7.	63
GRI 404	Training and education	8.2.4.	58
GRI 405	Diversity and equal opportunities	8.2.6.	61
GRI 407	Freedom of association and collective bargaining	8.2.8.	63
GRI 409	Forced and compulsory labor	8.2.6.3.	61
GRI 412	Evaluation of human rights	8.3.3.	68
GRI 413	Local communities	8.3.1.	66
GRI 415	Public policy	8.3.4.	70
GRI 418	Confidentiality of client data	8.3.2.1.	68
GRI 419	Social and economic compliance	8.3.8.	71

Global Compact principles	DPEF Chapter – Section	Page n°(s)
Principle 1: Businesses should support and respect the protection of Internationally proclaimed human	8.2.8. ; 8.2.9. ; 8.3.	63; 64; 65
Principle 2: Businesses should ensure that they are not complicit in human rights abuses.	8.2.8 ; 8.3.	63; 65
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right	8.2.8.	63
Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.	8.2.6.3.	61
Principle 5: Businesses should uphold the effective abolition of child labour	8.2.6.3.	61
Principle 6: Businesses should uphold the elimination of discrimination in respect of	8.2.6.	61
Principle 7: Businesses should support a precautionary approach to environmental challenges.	8.4.3.	73
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility	8.4.2.	71
Principle 9: Businesses should encourage the development and diffusion of environmental friendly	8.4.2.	71
Principle 10: Businesses should work against all forms of corruption, including extortion and bribery	8.3.6.	71

8.6. Statement of non-financial performance cross-reference table

The cross-reference table below refers to the sections of the statement of non-financial performance included in the Reference Document, which correspond to the items of Article R. 225-105 of the French Commercial Code.

Statement of non-financial performance	Chapter – Section Reference document	Page n°(s)
Company business model	Chapter 6; 6.1	26
Description of the main risks related to the way in which the company takes into account the social and environmental consequences of its activity, as well as the effects of that activity with respect to human rights and the fight against corruption and tax evasion	Chapter 8; 8.1.	43; 45
Social consequences of the company's activity	Chapter 8; 8.2.	43; 51
Environmental consequences of the company's activity	Chapter 8; 8.4.	43; 71
Respect for human rights	Chapter 8; 8.1. ; 8.3.3.2.	43; 45; 70
Tackling corruption	Chapter 8; 8.3.6.	43; 71
Tackling tax evasion	Chapter 8; 8.3.5.	43; 71
Consequences of climate change on the company's activity and the use of the goods and services that it produces	Chapter 8; 8.4.	43; 71
Societal commitments for sustainable development	Chapter 8; 8.3. ; 8.4.	43; 65; 71
Societal commitments for the circular economy	Chapter 8; 8.4.	43; 71
Societal commitments to fight against food waste	Chapter 8; 8.4.4.3.	43; 74
Societal commitments to fight against food insecurity	Chapter 8; 8.4.4.4.	43; 74
Societal commitments to respect animal welfare	N/A (Irrelevant)	
Societal commitments for responsible, fair and sustainable food	N/A (Irrelevant)	
Collective agreements signed within the company and their impact on the economic performance of the company and on the working conditions of employees	Chapter 8; 8.2.7.	43; 63
Actions to combat discrimination and promote diversity	Chapter 8; 8.2.6.	43; 61

8.7. Report by the independent third party, on the consolidated non-financial performance statement in the Management Report

For the year ended 31 December 2018

To the shareholders,

In our capacity as independent third party of Ipsos S.A., certified by the French Accreditation Committee (Comité Français d'Accréditation or COFRAC) under number 3-1049[1] , we hereby report to you on the consolidated non-financial performance statement for the year ended December 31st 2018 (hereinafter the "Statement"), included in the Company Management Report, in accordance with the legal and regulatory provisions of Articles L.225 102-1, R. 225-105 and R.225-105-1 of the French Commercial Code (Code de commerce).

Responsibility of the Company

It is the Management Board's responsibility to prepare a Statement in accordance with legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of policies applied to mitigate these risks and the outcomes of those policies, including key performance indicators.

The Statement has been prepared applying the procedures of the Company, (hereinafter the "Guidelines"), the most significant aspects of which are presented in the Statement and available upon request at the Company's headquarters.

Independence and quality control

Our independence is defined by the provisions of Article L.822-11-3 of the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for statutory auditors. Moreover, we have implemented a quality control system that includes documented policies and procedures to ensure compliance with applicable ethical rules, professional standards, laws and regulations.

Statutory Auditor's responsibility

On the basis of our work, it is our responsibility to express a limited assurance opinion about whether:

- the Statement complies with the provisions of Article R. 225-105 of the French Commercial Code (Code de Commerce);
- the information provided (hereinafter the "Information") is fairly presented in accordance with Article R.225-105-I(3) and II of the French Commercial Code (Code de commerce) concerning policy outcomes, including key performance indicators and actions relating to the main risks;

However, it is not our responsibility to express an opinion on:

- the Company's compliance with any other applicable legal and regulatory provisions, relating, in particular, to the duty of care requirement and the fight against corruption and tax evasion;
- the compliance of products and services with applicable regulatory provisions.

Nature and scope of our work

We performed our work described below in compliance with Article A.225-1 et seq. of the French Commercial Code (Code de commerce), defining the conditions under which the independent third party performs its engagement, and with the professional guidance issued by the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes or CNCC) relating to this engagement, and with ISAE 3000 (International standard on assurance engagements other than audits or reviews of historical financial information).

We conducted work to form an opinion on the Statement's compliance with legal and regulatory provisions and the fair presentation of the Information therein:

- We gained an understanding of the activity of all companies in the consolidation scope, of the Entity's exposure to the main social and environmental risks relating to the business activity and, if applicable, of its effects on respect for human rights and the fight against corruption and tax evasion, including any related policies and their outcomes;
- We assessed the appropriateness of the Guidelines in terms of their relevance, completeness, reliability, neutrality and clarity, by taking into consideration, where relevant, the sector's best practices;
- We verified that the Statement covers every category of information required under Article L.225-102-1, Paragraph III concerning social and environmental matters as well as respect for human rights and the fight against corruption and tax evasion;

[1] Scope available at www.cofrac.fr

- We verified that the Statement presents the business model and the main risks relating to the Entity's business activity the activity of all companies in the consolidation scope, including – if relevant and proportionate – risks due to its business relationships, products or services, in accordance with the disclosures required under Article R. 225-105-I, and policies, due diligence procedures and outcomes, including key performance indicators;
- We verified that the Statement presents the disclosures required under article R. 225-105-II if they are relevant given the main risks or policies presented;
- We obtained an understanding of the process for identifying, prioritizing and validating the main risks;
- We enquired about the existence of internal control and risk management procedures implemented by the company;
- We verified that the Statement covers all companies in the consolidation scope in accordance with Article L. 233-16, within the limits specified in the Statement;
- We assessed the data collection process implemented by the entity to ensure the completeness and fair presentation of the policy outcomes and key performance indicators that must be mentioned in the Statement;
- For key performance indicators and the other quantitative outcomes[2] that we considered the most important, we set up:

• analytical procedures to verify that data collected are correctly consolidated and that any changes to the data are consistent;

• tests of details based on sampling to verify that definitions and procedures are correctly applied and to reconcile data with supporting documents. The work was carried out with a selection of entities contributing[3] to the reported data and represents between 28% and 100% of consolidated data of key performance indicators and outcomes selected for these tests;

- We referred to documentary sources and conducted interviews to corroborate the due diligence procedures that we deemed the most important4 (organization, policies, actions, qualitative outcomes);
- We assessed the overall consistency of the Statement based on our understanding of the Company.

We believe that the sampling methods and sample sizes we have used, based on our professional judgment, are sufficient to provide a basis for our limited assurance opinion. A higher level of assurance would have required us to carry out more extensive procedures.

Due to the use of sampling techniques and other limitations inherent to information and internal control systems, the risk of not detecting a material misstatement in the Statement cannot be totally eliminated.

Means and resources

Our work drew on the skills of five individuals.

To assist us in conducting our work, we called on our firm's sustainable development and corporate social responsibility specialists. We conducted around ten interviews with the individuals responsible for preparing the Statement.

Opinion

Based on our work, and given the scope of our responsibilities, we have no material misstatements to report that would call into question the Statement's compliance with the applicable regulatory provisions, or the fair presentation of the information, taken as a whole, in accordance with the Guidelines.

Comments

Without qualifying our opinion, in accordance with article A. 225-3 of the French Commercial Code (Code de commerce), we draw your attention to the following matters:

- As mentioned in paragraph 8.1.3 of the Statement, the identification and validation of extra-financial risks has been initiated in 2018.
- As mentioned in paragraph 8.1.5 of the Statement, CO2 emissions are estimated by some subsidiaries not being able to provide actual data.

KPMG S.A.

Fanny Houlliot	Jacques Pierre
Partner	*Partner*
Sustainability Services	

[2] HR & Safety indicators: Total headcount (split by gender, by age and by type of contract), Number of recruitments, Number of departures, Turnover rate, Training hours per employee.
Environmental indicators: Electricity consumption, Total CO2 emissions (scope 1, scope 2 and scope 3 related to business travels)

[3] Ipsos France, Ipsos USA, Ipsos South Africa.

[4] Measures taken to promote gender equality; Women rate in the Partnership Group and Leadership Group; Employees commitment rate measured by the "Ipsos Pulse" opinion survey; Measures taken to raise employees awareness on sustainability matters; Training programs; Measures taken to reduce environmental impacts, including the "Taking Responsibility" survey results; Processes implemented for personal data management.

Results and financial situation

9. Review of the issuer's financial situation

Analysis of the Company's results and financial position for 2017 and 2016 can be found in 9.2 of the 2017 Reference document, filed with the Autorité des Marchés Financiers on 23 March 2018 under number D. 18-0177, and 9.2 of the 2016 Reference document filed on 6 April 2017 under number D. 17-0338.

9.1. Financial situation

The financial position of Ipsos SA is described in parts 3 "Selected financial information", 20.2 "Consolidated financial statements" and 20.4 "Parent company financial statements" of this Reference document.

The highlights of 2018 are described in 5.1.5 of the Reference document and Note 1 of the notes to the Parent company financial statements, provided in part 20.4 of this Reference document.

Information about the Company's results is provided in part 9.2 below.

9.2. Group's results

9.2.1. Presentation of the consolidated financial statements

Ipsos revenues for 2018 as a whole totalled €1,749.5 million, representing a decline of 1.7%, at current exchange rates and scope in comparison to the last year. At constant exchange rates and scope, 0.7% growth was recorded. Currency fluctuations in relation to the euro reduced revenue by 4.1%, while positive scope effects of 1.8% were posted.

Final quarter revenue was €535.6 million, representing a 4.5% increase in comparison to the last quarter of 2017. The partial consolidation of businesses acquired by Ipsos during the final quarter (GFK Research and Synthesio) contributed to a positive October to December performance. Moreover, although negative currency effects continued (1.3%), their impact was lessened in comparison to the previous quarters.

At constant exchange rates and scope, business performance remained steady, while the Company implemented various measures for its new 'Total Understanding' growth project and consolidated GFK Research and Synthesio.

Performance by region

Consolidated revenues by geographical area *(in millions of euros)*	**2018**	**2017**	**Change 2018/2017**	**Organic growth**
Europe, Middle East and Africa	761.5	767.6	-0.8%	0%
Americas	653.4	688.5	-5.1%	-0.9%
Asia-Pacific	334.6	324.4	3.2%	6%
Full-year revenue	**1,749.5**	**1,780.5**	**-1.7%**	**0.7%**

The performance by region differs very little from that seen throughout 2018. The Europe, Middle East and Africa zone comprises 44% of Ipsos. It has declined slightly at current scope and exchange rates, due to negative currency effects of 3% which have only been partially balanced out by positive scope effects of 2%. In this vast and diverse region, the Eastern European and UK markets remained buoyant, while Continental Western European markets were not able to raise their performance.

The Americas represent 37% of the total activity. It is the only geographical entity to have posted a substantial reduction (of 5.1%, at current scope and exchange rates). The weakening of currencies against the euro averaged 5.7% across the full year. This trend waned in the final quarter with a reduced currency effect of 0.7%. Ipsos business performance in the United States remained steady while it fell in Latin America. Over the region as a whole, organic growth fell by just under 1% for various reasons, including political and social uncertainty following the Brazilian and Mexican elections.

Finally, the Asia-Pacific region remained buoyant; Ipsos generated 19% of its revenue there. Total growth was 3.2% and 6% at constant scope and exchange rates. Performance was strong in China, despite an increasingly tentative automotive market. Many other markets, including India, also performed well, with the latter set to become one of our main priorities over future years.
The position of emerging countries is particularly noteworthy. In 2018, Ipsos' revenues in emerging countries saw a 3.3% drop, despite growth of nearly 4% at constant scope and exchange rate. This was due to reductions in currency values against the euro an average 7.3% decline for Ipsos) with scope effects limited to 0.7%.

By way of contrast, in developed countries the drop in performance was far less pronounced at 1%, despite negative organic growth of -0.8%. This was because the currency effects were less severe and only reduced the revenue by 2.6%. This is virtually offset by the consolidation of aquired businesses, contributing 2.4% to revenue.

Overall, even if the business share of emerging markets fell slightly from 33% in 2017 to 32% in 2018, Ipsos is still heavily involved in these markets, particularly the major emerging markets such as China and India, where global and local businesses are often in direct competition with one another and many new international companies are launched.

Change in the activity by audience

In millions of euros	**2018**	**Contribu-tion**	**Change 2018/2017**	**Organic growth**
Consumers [1]	1 059.7	61%	-3.9%	-0.3%
Clients and employees [2]	287.6	16%	-1%	1.3%
Citizens[3]	205.9	12%	8.8%	7.5%
Doctors and patients[4]	196.3	11%	-0.8%	-0.9%
Full-year revenue	**1,749.5**	**100%**	**-1.7%**	**0.7%**

Breakdown of Service Lines by audience segment:

[1]*Audience Measurement, Brand Health, Clinics & Mobility Labs, Creative Excellence, Innovation, Ipsos UU (excl. pharma), Ipsos MMA, Market Strategy & Understanding, Observer (excl. public sector), Media Development, Social Intelligence Analytics*

[2]*Customer Experience, Market Measurement, Mystery Shopping, Quality Measurement, Retail* Performance, ERM

[3]*Public Affairs, Corporate Reputation*

[4]*Healthcare (quantitative and qualitative)*

Since 1 July 2018, following its restructuring, Ipsos now intends to operate its business and development plan by audience. In this respect, new breakdowns have not changed from one quarter to the next. Services aimed at individual consumers are undoubtedly under pressure. They need to increase their use value and be both understandable and functional, while providing long-term guidance to businesses in extremely competitive and volatile markets. It is now clear that reducing costs bases is not the be-all and end-all. We need to remain agile, relevant and courageous like numerous other players. It is up to our Ipsos teams to adapt, in order to seize the numerous opportunities to support their own clients in their own transformation.

Negative changes in the pharmaceutical sector towards the end of 2018 were purely circumstantial, and should be reversed in 2019.

Customer relationship management and social research services have made progress throughout the year. For these services, Ipsos has not only the staff, know-how and technological and operational infrastructures, but also the drive to become a major player in the sector. This choice is also the consequence of the need, for our Company to expand and diversify our client base to look beyond the CPG sector.

Financial performance

In millions of euros	**2018**	**2017**	**Change 2018 / 2017**
Revenue	1,749.5	1,780.5	- 1.7%
Gross profit	**1,138.4**	**1,156.7**	**-1.6%**
Gross margin	*65.1%*	*65.0 %*	-
Operating margin	**172.4**	**182.3**	**-5.4%**
Operating margin	*9.9%*	*10.2%*	-
Other non-operating income and expense	(5.3)	(14.3)	-63.3%
Finance costs	(21.3)	(20.4)	4.4%
Income tax	(38.5)	(14.6)	163%
Net profit (attrib. to the Group)	**107.5**	**128.5**	**-16.3%**
Adjusted net profit* (attrib. to the Group)	**125.2**	**127.4**	**-1.7%**

**Adjusted net profit is calculated before (i) non-cash items covered by IFRS 2 (share-based payments), (ii) amortisation of intangible assets identified on acquisitions (client relationships), (iii) the net tax effect of other non-operating income and expenses, (iv) the non-cash effect on changes in puts in other financial income and expense and (v) deferred tax liabilities from goodwill, which in some countries can be amortised.*

Effects of acquisitions

On 10 October 2018, Ipsos finalised the acquisition of four GfK global divisions offering personalised survey solutions:

"Customer Experience"; "Experience Innovation"; "Health" and "Public Affairs", for an enterprise value of €105 million. The signing of this agreement with GfK was announced on 30 July. Almost 1,000 experts from GfK Research joined Ipsos with the closing of the deal in 26 countries: Germany, Argentina, Australia, Austria, Belgium, Brazil, Chile, China, United States, Hungary, India, Italy, Japan, Mexico, the Netherlands, Peru, Poland, Czech Republic, Romania, United Kingdom, Russia, Singapore, Sweden, Switzerland, Turkey and Ukraine. Given the structuring of this transaction and owing to the transition period required for the continuity and quality of data provided to clients, Ipsos' revenue stood at €30 million in 2018; the figure will be €180 million in 2019 and €200 million in 2020 for the full year.

On 17 October 2018, the acquisition of Market Pulse International was announced; it is an Asian company specialised in "mystery shopping", which strengthens Ipsos's position as global leader of this type of service. Employing some thirty employees in Australia, New Zealand and Thailand, revenue for the full year was €2 million and the acquisition price €0.4 million.

Finally, on 30 October, Synthesio was acquired for a cash sum of over €50 million. Established in 2006, Synthesio is the leader in "Social Media Intelligence". Located in New York, Paris, London, Singapore and Brussels, Synthesio's 130 employees have joined Ipsos' social media intelligence team to help clients to better understand social conversations and enable data from social media to be transformed into strategic insights for companies. Expected revenue for the full year is $20 million.

Impact on revenue of moving to IFRS 15 standard

From 1 January 2018 IFRS 15 replaced standards IAS 18, (Revenues from ordinary activities) and IAS 11, and includes new principles for recognising revenue, particularly with regard to the operative event generating the revenue, identifying performance obligations, calculating variable revenue and allocating the transaction price for contracts with different components. Revenues arising from contracts entered into with Ipsos clients continue to be recognised on the basis of the degree of completion under standard IFRS 15 with evidence provided for the continuous transfer of control for the service provided. Methods that do not reflect the percentage of completion of surveys were abandoned under IFRS 15 in favour of the linear method, insofar as this reliably reflects the percentage of completion.

Moreover, Ipsos has opted to apply the retrospective method for simplified transition which involves only reprocessing revenues from contracts affected by the change of standard and still in place at 1 January 2018. The impact of this change is recognised in the opening consolidated equity at 1 January 2018. As such, 2017 presented for the purposes of comparison, has not been reprocessed. In order to calculate organic growth in 2018 and for the purposes of the information provided in the notes to the accounts on the subject of the impact of the change of method, revenue (and other items affected) have continued to be monitored in the Group's internal reporting only, according to the previous standard (IAS 18).
As announced at the start of 2018, this change of accounting principles has no significant impact on Ipsos' revenue in IFRS 15 standards. The difference is only +0.2% in 2018 compared with the previous IAS 18 method.

Income statement – Other

Gross profit (which is calculated by deducting external direct variable costs of research projects from revenue) stood at 65.1%, compared with 65.0% in 2017. The slight increase in gross profit ratio is due to the positive effects of the digitalisation of data collection (53.1% of studies were online in 2018, compared with 52.1% in 2017) and the growth of New Services, up 12.7% year-on-year.

Concerning operating costs, payroll expenses rose 0.8%, The Group headcount went from 16,000 to more than 18,000, mainly due to acquisitions. Excluding acquisitions, the headcount increased by 1.5% mainly in emerging countries.

The cost of variable share-based payments was down slightly at €8.9 million (versus €10.1 million in the previous year).

Overhead costs are under control and fell 1.6%, with similar ratios to revenue.

Other operating income and expenses recorded a net gain. These mainly include the impact of positive transactional currency effects on operating account items (they were negative in 2017).

In total, the Group's operating profit stood at €172.4 million, or 9.9% relative to revenue. This decrease of 38 basis points on last year, stemmed mainly from a negative currency effects (accounting for 15 basis points), investments in the central service line teams in charge of product innovation, which were expanded as part of the Total Understanding program and scope effect accounting for 5 basis point. At constant exchange rates and scope, operating profit would have been 10.1%.

Below operating profit, the amortisation of intangibles identified on acquisitions concerns the portion of goodwill allocated to client relationships during the 12-month period following an acquisition, recognised in the income statement over several years, in accordance with IFRS. This allocation amounted to €4.4 million, compared with €4.7 million the previous year.
The balance of other non-operating and non-recurring income and expenses was -€5.3 million, compared with -€14.4 million in the previous year. It comprises unusual items not related to operations, and includes acquisition costs, as well as the costs of the restructuring plans. In 2018 in

particular, it included net income of €14.8 million following the decision to capitalise internal development expenses from 1 January 2018. The Group had previously only capitalised its external development expenses when the conditions defined in its accounting methods were met. Following the improvement of its internal monitoring system, Ipsos can capitalise its internal development costs, which consist of the payroll expenses of teams working on its platforms and projects under the same conditions. This decision gives a better idea of the total R&D costs that Ipsos incurs. It has led to a change in accounting estimates of the amounts that will now be capitalised. In accordance with IAS 8, the prospective method is applied from 1 January 2018 to record these impacts. In 2018, capitalised payroll expenses totalled €18.7 million and amortisation relating to this capitalisation amounted to €2 million.

To avoid creating a distortion in the operating profit by recognising capitalisation income not offset by amortisation during the first years of the implementation of this change in accounting estimates, the positive impacts on the operating profit of this first period of asset recognition were reclassified in "other non-operating and non-recurring income and expenses", below "operating margin". The same treatment will be applied in future years, until the capitalisation reaches full momentum in 2022, assuming a general depreciation period of five years for this asset category.

For more details, please refer to note 5.2 of the consolidated financial statements.

Finance costs. Net interest expense amounted to €21.3 million, up 4.4% from €20.4 million in 2017, mainly due to the increase in debt.

Taxes. The effective tax rate on the IFRS income statement is 26.2% (corresponding to the weighted average of the tax rates of the countries in which Ipsos operates), compared with 10.2% last year. The 2017 level was exceptionally low as it included a reversal of deferred tax provisions in the United States of €24.5 million, the corporate tax rate in that country having fallen from 35% to 21%.

Net profit (attributable to the Group), stood at €107.5 million, compared with €128.5 million in 2017.

Adjusted net profit (attributable to the Group), which is the relevant and constant indicator used to measure performance, came to €125.2 million, down 1.7% on 2017, in line with the fall in revenue.

Financial structure

Free cash flow. Operating cash flow stood at €206.3 million, an improvement of €9.1 million on 2017.

The working capital requirement recorded a positive change of €3.4 million due to a reduction in day sales by two days.

Current investments in property, plant and equipment and intangible assets consist mainly of IT investments and investments in online panels, and to a lesser extent investments in the refurbishment of various offices. This item was up €31 million due to capitalised payroll expenses of €18.7 million and panel costs of €6.4 million.

Overall, free cash flow amounted to €108.1 million, up sharply from €80.8 million euros in 2017.

With regard to non-current investments, Ipsos invested €171.2 million in its acquisition programme, which resumed in 2018 with the acquisition of GfK Research, Synthesio and Market Pulse International, and the buyout of minority interests in a US company and in some emerging countries (Vietnam).

Shareholders' equity totalled €1,035 million at 31 December 2018, as against €966 million at 31 December 2017.

At 31 December 2018, Ipsos held 882,924 of its own shares (1.99% of its share capital) allocated to its employee shareholding plans.

Net financial liabilities amounted to €574.6 million at 31 December 2018, up from €464.2 million at 31 December 2017, taking into account the financing implemented as part of the acquisitions carried out in 2018.

The net gearing is 55.5%, versus 48.0% at 31 December 2017. The leverage ratio is 2.8 times EBITDA, compared with 2.1 at 31 December 2017.

Liquidity position. Cash and cash equivalents at year-end stood at €167.8 million, compared with €137.3 million at 31 December 2017, resulting in a solid liquidity position. Ipsos also has more than €400 million in available credit lines.

On 17 September 2018, Ipsos refinanced its main 5-year multi-currency bank facility (with an option of a further two years) for €160 million with improved financial terms. On 21 September 2018, following the success of its inaugural €300 million bond issue with a maturity of 7 years (annual coupon of 2.875%), Ipsos was able to extend the maturity of its debt profile and diversify its credit investor base. The net proceeds of this issue were used to cover the company's general requirements, including the refinancing of several existing debts. They also financed the acquisition of the assets of GfK Research and Synthesio.

The Annual General Meeting of Shareholders of 28 May 2019 will be asked to approve a dividend of €0.88 per share for 2018, payable on 3 July 2019. This represents an increase of 1.1% and a dividend payout ratio of close to 30%, with adjusted net earnings per share of €2.88.

9.2.2. Presentation of Parent Company financial statements

Ipsos SA is the Ipsos group's holding company. It has no commercial activity. It owns the Ipsos trademark and receives royalties from its subsidiaries for the use of such trademark.

The financial statements presented have been prepared in accordance with the generally accepted rules in France and are consistent with the previous financial year. These rules are contained mostly in the following texts: Articles L. 123-12 to L. 123-18 and R. 123-172 to R. 123-208 of the French Commercial Code, and CRC Regulation 99-03 of 29 April 1999 relating to the French General Chart of Accounts.

Ipsos SA's net profit for the year ended 31 December 2018 was €23,425,986.

The total operating income, financial income and exceptional income was €82,897,357 compared to €223,517,767 for the previous financial year.

The aggregate operating expenses, financing expenses and exceptional expenses (before income tax on profits) came to €58,687,579 compared to €136,247,396 the previous year.
Ipsos SA, which forms a tax consolidation group with its subsidiary Ipsos (France) SAS and certain other subsidiaries in France, recorded a tax debt of €783,788. No expense recorded by Ipsos SA is non-deductible for tax purposes under Article 39-4 of the French General Tax Code.

As a result, after deduction of all expenses, taxes, depreciation and amortisation, Ipsos SA recorded a profit of €23,425,986.

The table below shows the financial results for Ipsos SA over the last five years

Year ended	**31/12/2018**	**31/12/2017**	**31/12/2016**	**31/12/2015**	**31/12/2014**
Length of financial year (in months)	**12**	**12**	**12**	**12**	**12**
Capital at the end of the financial year					
Share capital*	11,109,059	11,109,059	11,109,059	11,334,059	11,334,059
Number of ordinary shares	44,436,235	44,436,235	44,436,235.00	45 336 232.00	45,336,232.00
Operations and results					
Revenue excluding taxes	628,094	403,602.00	440,244.00	420,685.00	490,678.00
Profit before tax, profit sharing, depreciation, amortisation and provisions	**37,759,547**	**111,882,145**	**145,334,715**	**117,206,898**	**67,075,419**
Corporate income tax	783,788	-19,283	-1,649,298.00	434,225.00	499,440.00
Amortisation and provision	**13,549,773**	**24,611,776**	**68,703,706.00**	**70,057,996.00**	**34,992,716.00**
Net profit	23,425,986	87,289,652	78,280,307.00	46,714,677.00	31,583,263.00
Distributed profit	**37,831,455**	**36,292,201**	**31,105,365.00**	**31,735,362.00**	**31,735,362.00**
Earnings per share					
Earnings after tax and employee profit-sharing but before amortisation and provisions	**0.83**	**2.52**	**3.31**	**2.58**	**1.47**
Net profit	**0.53**	**1.96**	**1.76**	**1.03**	**0.70**
Dividend paid	0.88	0.87	0.85	0.80	0.75
Headcount					
Average headcount	**2.00**	**2.00**	**2.00**	**2.00**	**3.00**
Wage costs	**1,015,142**	**979,207**	**980,776.00**	**864,505.00**	**1,249,991.00**
Social benefits paid (social security contributions, other social benefits, etc.)	**405,018**	**356,866**	**330,326**	**368,515**	**554,453**

10. Cash and capital resources

Information regarding cash and capital resources for 2017 and 2016 can be found respectively in Part 10 of the 2017 Reference Document filed with the *Autorité des Marchés Financiers* on 23 March 2018 under number D. 18-0177 and in Part 10 of the 2016 Reference Document filed with the Autorité des Marchés Financiers on 6 April 2017 under number D. 17-0338. For 2018, information concerning cash and capital resources is provided below.

10.1. Issuer's capital resources (short term and long term)

Information about Ipsos SA equity during the last two years can be found in Note 4.6.2 "Equity" of the notes to the parent-company financial statements in Part 20.4 of this Reference Document. For more detailed information, please refer to Note 5.8 "Equity" to the consolidated financial statements in Part 20.2 of this Reference Document.

10.2. Source, description and amount of issuer's cash flows

The amount of cash flows for the last two years is summarised in point 3 "Cash flow statement" of the parent company financial statements in Part 20.4 of this Reference Document.

For more detailed information, please refer to point 4 "Consolidated cash flow statement" and to Note 6.1 "Notes on the consolidated cash flow statement" of the consolidated financial statements in Part 20.2 of this Reference Document.

10.3. Issuer's borrowing requirements and funding structure of the issuer

For more detailed information, please refer to Notes 5.9 "Financial debt" and 6.4.2 "Financial lease commitments" of the consolidated financial statements in 20.2 and in Part 22 of this Reference Document.

10.4. Restriction on the use of capital resources that have materially affected or could materially affect, directly or indirectly, the issuer's operations

N/A.

10.5. Sources of expected financing to honor our engagements relating to investment decisions

For more detailed information, refer to Note 6.2.5 "Liquidity risk" of the consolidated financial statements in Part 20.2 of this Reference Document.

11. Research and development

In order to optimise its cost structure for the long term, Ipsos invests in finding the best research solutions. The use of the new survey techniques with strong technological components improves the quality of our services. It also improves profitability.

For more information on research and development, please refer to 4.1.3. "Risks linked to technological changes" of this Reference Document and to Note 5.2 "Other intangible assets" of the consolidated financial statements in 20.2 of this Reference Document.

12. Information on trends

The word "transformation" is widely used. And with good reason. All private and public companies and institutions in all countries and markets worldwide are faced with new conditions and must think ahead and adapt to these new conditions.

The same concepts are used: hyper-competitiveness; increased role of local markets, market porosity, segmented supply, volatility and agility, a multiplication of distribution circuits with, in addition to all that, the need for good business and financial discipline so as to maintain a virtuous circle where growth and profitability are not set against each other but arise from the right set of circumstances. Growth drives profitability and a comfortable financial position makes it possible to fund technological, industrial, logistical and commercial innovations which, in turn, assure continued growth.

We need to be more efficient in our production, more diversified with a wider range of offerings and closer to our clients when developing and implementing specific research programmes and standardised solutions.

We know that our clients need more information, information that is more secure, more usable, more aligned with their issues and faster.

The challenge lies in our ability to re-adapt to markets where value is not exactly where it was just a few years ago.

With the effect of the globalisation and digitalisation of our societies, the research industry can no longer be satisfied with selling data and the basic analysis associated with this. Just twenty years ago, data were rare, expensive, uncertain and difficult to access. Often they were communicated very late, too late. Today, other information - or the same information - is abundant, cheap or even free, easy to access, immediate, available, it is claimed, almost “at the tip of your fingers”.

The reality is less clear and despite advances in artificial intelligence, using free data that is only half-accurate, immediate printouts that are poorly analysed and contextualised, dashboards that are pretty and simple but sometimes contain ratios that are poorly chosen or poorly calculated, has never been the key to good decision-making and guaranteed success.

The companies and institutions that are Ipsos' clients, and those of our competitors, know this, and day after day continue to work with the research teams we have put together, trained and organised to offer them - and sell to them - the related information and services they need.

And yet, we must be wary not to be satisfied with producing mere data but must also contextualise, connect, integrate and circulate this. And yet, in addition to our technical and operational skills, we must place value on our ability to make this information clear, useful, relevant, accurate, connected, even integrated. And yet, the companies and institutions undergoing transformation must be convinced of the benefit of working with service providers who are able to put in place the teams, technologies and operational resources, in order to confidently get them all of the information required to understand, share and take action.

The premise of the "Total Understanding" programme and the organisation that has been put in place, between 1st July and 31st December, is to play on Ipsos's assets so that our company can take the path towards giving its clients full, integrated control of the information they need for a good understanding of markets, society and people.

In order to succeed, Ipsos has begun a profound programme of transformation:

- We are improving - even radically altering - the 75 different services we offer our clients, using knowledge of new sciences - those related to behavioural analysis, for example - and new technologies, to move more quickly from one market to another, with more certainty and a greater degree of standardisation.

- We have created a new organisation dedicated to managing our client relations and to strengthen us in sectors such as media and platforms, which we consider to be growth sectors.

- We are increasing our presence in key markets such as the United States, the United Kingdom, Germany and France, but also, indeed especially, in the new major markets of China, India, Russia and Turkey.

- We are improving our means of accessing the best of science and technology, not to reinvent the wheel but often to better understand, grasp and use everything our clients need. We are also feeding our New Services which, on a comparable basis, have again shown double-digit growth in 2018.

- Finally, where we are unable to quickly and securely develop the structures and solutions we need, we will not hesitate to get stronger through the acquisition of companies, teams and technologies, as we did in late 2018.

The "Total Understanding" programme is our way of adjusting to the needs of our new clients and, consequently, finding faster, more sustained growth.

13. Forecasts or estimations on the benefit

In 2019, Ipsos's revenues, at constant exchange rates, will increase by over 10%. Organic growth should be between 2% and 4%, provided that the macro-political environment does not deteriorate further.

The operating profit will be higher than in 2018, even if any increase will be contained by the need to simultaneously finance an enhanced innovation programme in products and solutions and an in-depth reorganisation of operational structures.

Corporate governance

14. Board of Directors and management bodies

14.1. Information relating to members of the administrative and management bodies

Ipsos SA is managed by a Board of Directors which currently has ten members, five of whom are considered independent.

The Chairman of the Board of Directors is also the Chief Executive Officer.

Three other Deputy Chief Executive Officers have been appointed to assist the Chairman with executive management functions.

This section contains individual profiles of the executives and corporate officers. For further information on the structure and modes of governance and on the composition and functioning of the corporate and management bodies, please refer to Part 16 of the Reference document.

14.1.1. Members of the Board of Directors and the Board's Specialised Committees

14.1.1.1. Summary of the composition of the Board of Directors and its three Committees: the Audit Committee, the Nomination and Remuneration Committee (NRC), and the Corporate Social Responsibility Committee (CSR Committee)

Name	Age	Sex	Nationality	Start of first term of office	End of current term of office	Years of service on Board	Board of Directors	Audit Committee	NRC	CSR Committee
Directors who are executives										
Didier Truchot Chairman and CEO	72	M	French	23.02.1988	2020 AGM	31	C			M
Laurence Stoclet Deputy CEO	52	F	French	18.12.2002	2019 AGM	16	M			
Other directors in executive positions at Ipsos										
Jennifer Hubber Chief Client Officer	56	F	British	28.04.2017	2019 AGM	2	M			M
Directors classified as independent by the Board										
Patrick Artus	67	M	French	29.04.2009	2019 AGM	10	M	C		
Mary Dupont-Madinier	63	F	Franco-American	10.01.2013	2020 AGM	6	M		M	M
Anne Marion-Bouchacourt	60	F	French	28.04.2017	2021 AGM	2	M		M	
Florence von Erb	59	F	French	25.04.2014	2022 AGM	5	M	M		C
Neil Janin	64	M	Canadian	24.04.2015	2019 AGM	4	M		C	
Director classified as non-independent										
Henry Letulle	43	M	French	31.05.2006	2022 AGM	13	M			
Director representing employees										
Sylvie Mayou	58	F	French	26.07.2017	2021 AGM	2	M			
Rate of independence[1]							**55%**	**100%**	**100%**	**50%**

M = Member
C = Chairman

[1] The director representing employees is not taken into account in the calculation of the Board's rate of independence (Article 8.3 of the AFEP-MEDEF Code adopted by Ipsos).

14.1.1.2. Individual profiles of the Directors

Age: 72 years old

Nationality: French

Professional address: Ipsos - 35 rue du Val de Marne, 75013 Paris

Main role: Chairman and Chief Executive Officer of Ipsos

Main skills and areas of expertise: Research, economics, sociology

Number of Ipsos shares held: 266,367

Didier Truchot

Chairman and CEO

Biography

Chairman and Chief Executive Officer of Ipsos since its creation in 1975.

Mr Truchot holds a degree in sociology and economics. He started out as a researcher with IFOP, leaving to set up Ipsos in 1975.

Main appointments and positions in other companies

Within the Group:

- France: Ipsos Observer (Permanent Representative of Ipsos (France)); GIE Ipsos, Ipsos Group GIE and Ipsos Stat SA (Director); Ipsos (France) (Chairman);
- Canada: Ipsos_Corp, Ipsos-NPD Inc., Ipsos-Insight Corporation (Chairman of the Board of Directors);
- United States: Ipsos America, Inc., Ipsos-Insight, LLC, Ipsos Interactive Services US, LLC, Ipsos MMA Inc., Ipsos Public Affairs Inc., Research Data Analysis Inc. (Chairman of the Board of Directors);
- Spain: Ipsos Iberia SA (Vice Chairman); Ipsos Understanding Unlimited Research SA (Director);
- Switzerland: Ipsos S.A. (Chairman of the Board of Directors);
- United Kingdom: Pricesearch Ltd. (Chairman of the Board of Directors); Ipsos MORI UK Ltd, Ipsos EMEA Holdings Ltd, Market & Opinion Research International Limited (Director);
- Hong Kong: Ipsos Asia Ltd (Chairman of the Board of Directors).

Outside the Group:

- France: DT & Partners, Ipsos Partners (Chairman).

Main appointments and positions that have expired over the past five years

- France: LT Participations SA (Deputy CEO and Director)

Age: 52 years old

Nationality: French

Professional address: Ipsos - 35 rue du Val de Marne, 75013 Paris

Main role: Group Chief Financial Officer, Investments, Technologies

Main skills and areas of expertise: Market Studies, Finance, business administration, legal, securities, IT, market research, Operations and back-offices

Number of Ipsos shares held: 68,489

Laurence Stoclet

Director and Deputy Chief Executive Officer of Ipsos SA

Biography

With an MBA from ESCP Europe (banking & finance), Laurence Stoclet led the ESCP research association, specialising in market research, for three years. She also holds a postgraduate diploma in accounting and finance. She was an audit and consulting manager at Arthur Andersen for more than six years before joining the listed company Metaleurop as head of treasury and investor relations for two years. She joined Ipsos as Chief Financial Officer in 1998. She was notably in charge of the Company's initial public offering on 1 July 1999. Since 2010, she is deputy CEO and in charge of the finance department and several support functions for the Group. She also oversees investments in new technologies and is director of a Chinese fund - "Oneworld" - in which Ipsos holds a 40% stake. Oneworld invests in big data and platforms. She also sits on the Group's investment committee and directly oversaw the acquisitions made in 2018, Gfk Research and Synthesio. She chairs or is member of the Board of Directors of the Group's main subsidiaries.

Main appointments and positions in other companies

Within the Group:

- France: Ipsos Group GIE (Director); Ipsos Stat (Chairwoman and Chief Executive Officer); Ipsos Strategic Puls (Chairwoman and Chairwoman of the Board of Directors); Synthesio (Chairwoman);
- Australia: Ipsos Proprietary Ltd, Ipsos Public Affairs Pty Ltd, I-View Proprietary Ltd (Director);
- Canada: Ipsos-Insight Corporation, Ipsos NPD Inc. (Director);
- China: Oneworld (Director);
- Cameroun: Ipsos (Chairman of the board of directors);
- Colombia: Ipsos Napoleon Franco & Cia SAS;
- Denmark: Ipsos AS (Chairman);
- Germany: Ipsos GmbH, 1-2-3 MysteryWorldNet GmbH (Chief Executive Officer);
- Hong Kong: Ipsos Asia Ltd, Ipsos Ltd, Synovate Ltd, Ipsos China Ltd, Ipsos Observer Ltd (Director);
- India: Ipsos Research Pvt Ltd (Director);
- Indonesia: PT Ipsos Market Research Ltd, PT Field Force Indonesia (Chairman of the Supervisory Board);
- Ireland: Ipsos Ltd (Director);
- Italy: Ipsos S.r.l. (Director);
- South Korea: Ipsos Co. Ltd (Director);
- Malaysia: Ipsos Sdn Bhd (Director);
- Mexico: Ipsos SA de CV (Director);
- New Zealand: Ipsos Ltd (Director);
- Norway: Ipsos AS (Chairman of the Board of Directors);
- Peru: Ipsos Opinion y Mercado S.A. (Director);
- Poland: Ipsos sp.z.o.o. (Chairwoman and Legal Representative);
- Spain: Ipsos Iberia S.A.U., Ipsos Understanding Unlimited S.A.U. (Directors);
- Thailand: Ipsos Ltd, IJD Ltd, Synovate Ltd (Director);

	• Turkey: Recon Arastirma Danismanlik AS, Ipsos Arastirma ve Danismanlik AS (Member of the Board of Directors); • Netherlands: Synovate Holdings BV, Ipsos BV (Director); • United States: Ipsos Insight LLC, Ipsos Interactive Services US LLC, Research Data Analysis Inc., Ipsos MMA Inc,. Ipsos Public Affairs LLC (Director); Ipsos America Inc (Vice Chairwoman); • United Kingdom: Ipsos MORI UK Ltd, Ipsos Interactive Services Limited, Livra Europe Ltd, Ipsos Pan Africa Holdings Ltd, Synovate Healthcare Ltd, Ipsos EMEA Holdings Ltd, Ipsos Mystery Shopping UK Ltd, Ipsos Mystery Shopping Services UK Ltd (Director); • Czech Republic: Ipsos S.R.O. (Directors); • Singapore: Ipsos Pte Ltd (Director); • Sweden: Ipsos Norm A.B. (Directors); **Appointments and positions held outside the Group:** • France: DT & Partners (Chief Executive Officer). **Main appointments and positions that have expired over the past five years** • Netherlands: Synovate Treasury BV (Director); Ipsos Latin America BV (Co-manager) • United Kingdom: Synovate Management Services Ltd (Director); Big Sofa Technologies Group Plc (Director) • France: LT Participations (Deputy Chief Executive Officer; Permanent Representative of DT & Partners)

 **Age**: 67 years old **Nationality**: French **Professional address**: 47, Quai d'Austerlitz, 75013 Paris **Main role**: Chief Economist at Natixis **Main skills and areas of expertise**: Economics **Number of Ipsos shares held**: 792	**Patrick Artus** Independent Director and Chairman of the Audit Committee
	Biography Patrick Artus is currently Chief Economist at Natixis and Professor of Economics at PSE (Paris School of Economics). A graduate of the École Polytechnique, the École Nationale de la Statistique et de l 'Administration Economique (ENSAE) and the Institut d'études politiques de Paris, Patrick Artus began his career at the French National Institute of Statistics and Economic Studies (INSEE), where he mainly worked on forecasting and modelling. He went on to work in the Economics Department at the Organisation for Economic Co-operation and Development (OECD) in 1980, before being appointed as Director of Studies at ENSAE (1982-1985). He subsequently served as Scientific Advisor at the Banque de France Research Department, before moving to the Natixis Group as Head of Research. He has been a member of the Executive Committee since May 2013. He is also a member of the Cercle des Économistes. **Main appointments and positions in other companies** Chief Economist at Natixis, Professor of Economics at PSE (Paris School of Economics) • France: Total SA* (Director) **Main appointments and positions that have expired over the past five years** None ** Listed company*

Age: 63 years old

Nationality: Franco-American

Professional address: 15 rue de Berri, 75008 Paris

Main role: Partner of the firm Valtus

Main skills and areas of expertise: Executive Management, transformation programmes, IT/Digital

Number of Ipsos shares held: 510

Mary Dupont-Madinier

Independent Director, member of the Nomination and Remuneration Committee and CSR Committee

Biography

Mary Dupont-Madinier holds a BA from Rutgers University in the US and a Master's from George Washington University. She has more than 35 years' international experience, with a specialisation in major transformation programmes. She has held various executive management posts and has built up extensive knowledge of IT and digital technology and developments. She has been based in the United States, France and the United Kingdom, where she worked for Thales and Thales Raytheon Systems, Cable & Wireless (Vodafone) and EDS (CSC). She joined Valtus as Partner in 2012.

Main appointments and positions in other companies

Partner of the firm Valtus

- France: Groupe Limagrain Holding, Vilmorin & Cie*, American Chamber of Commerce, Paris (Director)

Main appointments and positions that have expired over the past five years

None

** Listed company*

Age: 56 years old

Nationality: British

Professional address: Ipsos - 35 rue du Val de Marne, 75013 Paris

Main role: Chief Client Officer of Ipsos

Main skills and areas of expertise: Executive Management, transformation programmes, IT/Digital

Number of Ipsos shares held: 7,674

Jennifer Hubber

Director, member of the CSR Committee

Biography

After obtaining an MBA from Bocconi University in Milan, Jennifer Hubber began her career in 1985 in the research sector, first on the client side at Pirelli and then with the agency AC Nielsen in Milan. In 1998 she joined Ipsos, where she has spent the past 20 years. Since January 2018, Ms Hubber has headed the Global PartneRing programme ("IGP") for Ipsos' key clients. Previously, she managed Ipsos' Italian operations for almost three years, after serving in various roles that enabled her to gain solid client expertise and international development experience. Ms Hubber was in charge of the WSBL ASI (advertising and brand research) in Western Europe for several years, and looked after one of Ipsos' main clients, Nestlé. Jennifer Hubber is multilingual and speaks fluent English, French, Spanish and Italian.

Main appointments and positions in other companies

Within the Group:

- France: Ipsos Partners (Member of the Supervisory Board);
- Italy: Ipsos SRL (Chairwoman of Board of Directors and Executive Director).

Outside the Group:

- HOPE Foundation (NGO) (Chairwoman).

Main appointments and positions that have expired over the past five years

None

Age: 64 years old

Nationality: Canadian

Professional address: 2 York Street, London W1U 6QD

Main role: Director Emeritus of McKinsey & Company

Main skills and areas of expertise: Strategy, leadership, organisation and change management consulting

Number of Ipsos shares held: 5,900

Neil Janin

Independent Director, Chairman of the Nomination and Remuneration Committee

Biography

Neil Janin is Director Emeritus at McKinsey & Company and a strategy and leadership consultant for senior management of commercial and charitable organisations. Since 2010, he holds the position of Chairman of the Supervisory board of Bank of Georgia (Tbilisi and London), and member of the Board of Directors of HD (Center for Humanitarian Dialogue) (Geneva). From 1982 to 2010, Neil Janin was involved in developing the “Organisation” & “Leadership” practices of McKinsey & Company in the fields of organisation consulting and change management. He worked as a consultant in strategy in various areas, including, but not limited to, bank activities, retail activities in all continents. Before joining McKinsey & Company, Neil Janin worked for Chase Manhattan in New York and Paris and for Procter & Gamble in Toronto. He also performed teaching and research functions at INSEAD (Institut européen d'administration des affaires) and HEC (École des Hautes Etudes Commerciales).

Main appointments and positions in other companies

- United Kingdom: Strategy and Leadership Consultant and Director Emeritus at McKinsey & Company; Bank of Georgia Holdings Plc* (Chairman of the Supervisory Board)
- Switzerland: HD (Center for Humanitarian Dialogue) (Director)

Main appointments and positions that have expired over the past five years

- United Kingdom: Georgia Healthcare Group (GHG) Plc (Member of the Supervisory Board)

Age: 43 years old

Nationality: French

Professional address: 3, rue Montalivet, 75008 Paris

Main role: Associate notary

Main skills and areas of expertise: Legal affairs, securities regulations

Number of Ipsos shares held: 15,755

Henry Letulle

Director

Biography

Henry Letulle is a lawyer and notary and holds a postgraduate degree in business law and taxation. In 2006 he joined the notarial firm Letulle-Joly Deloison, where he has been a partner for 12 years. Previously, he was a practising attorney for three years with the Beijing office of Gide Loyrette Nouel, later serving as Group Secretary of Ipsos for six years, from 2001 until the end of 2006.

Main appointments and positions in other companies

Associate notary

Main appointments and positions that have expired over the past five years

None

Age: 60 years old

Nationality: French

Professional address: Talacker 50, Postfach 1928 CH-8021 Zurich

Main role: Group Chief Country Officer (Switzerland) of Société Générale

Main skills and areas of expertise: Finance (audit, financial management), human resources, banking services

Number of Ipsos shares held: 800

Anne Marion-Bouchacourt

Independent Director, member of the Nomination and Remuneration Committee

Biography

Anne Marion-Bouchacourt is a graduate of the Paris Business School (École Supérieure de Commerce de Paris). She has a degree in chartered accountancy and a Master's in financial management from Paris Dauphine University. Ms Marion-Bouchacourt began her career with the consultancy and audit firm PricewaterhouseCoopers (PWC). She became Head of the Financial Services Sector in 1990 before assuming the position of Vice President of Gemini Consulting in 1999. She joined Solving International as Vice President and Head of the Banking practice in 2002. Ms Marion-Bouchacourt joined Société Générale group in 2004 as Human Resources Director at Société Générale Corporate & Investment Banking (SG CIB). In 2006, she was appointed Group Human Resources Director. Since July 2012, Marion-Bouchacourt had been Group Chief Country Officer for China at Société Générale. On 1 October 2018, she was appointed Group Chief Country Officer for Switzerland and Chief Executive Officer of SG Zurich.

Main appointments and positions in other companies

Société Générale (Chief Country Officer, Switzerland)

- Switzerland: SG Zurich (Chief Executive Officer); SG Private Banking Switzerland (Chairwoman of the Board of Directors); Fortune ALD (Director)
- France: Crédit du Nord (Director and member of the Nomination Committee)

Main appointments and positions that have expired over the past five years

- Romania: BRD – Universal Bank (Director)
- Luxembourg: SGBT (Director)
- China: Fortune Lyxor (Director), SG China (Chairwoman of the Board of Directors)

Age: 58 years old

Nationality: French

Professional address: Ipsos - 35 rue du Val de Marne, 75013 Paris

Main role: Deputy Executive Director of Ipsos Marketing in France

Main skills and areas of expertise: Marketing research, strategic client support

Number of Ipsos shares held: 3,088

Sylvie Mayou

Director representing employees

Biography

Sylvie Mayou is a graduate of the ISG Business School. Passionate about her work, Sylvie has more than 30 years' experience in the research sector. After more than 15 years spent with various agencies (Renemark, Ifop), in 1997 she joined Ipsos, where she has been for 20 years. She is currently Deputy Executive Director of Ipsos Marketing in France. Over the course of her career, Sylvie has developed considerable expertise in strategic support for key clients and major international programmes. She has experience in a wide variety of fields, including FMCG, beauty and health, and works with numerous Ipsos teams worldwide.

Main appointments and positions in other companies

None

Main appointments and positions that have expired over the past five years

None

Age: 59 years old

Nationality: French

Professional address: 55 East 86th Street, NY, NY 10028

Main role: Affamer (NGO) Representative at the United Nations

Main skills and areas of expertise: Finance (audit, financial management), human resources, banking services

Number of Ipsos shares held: 800

Florence von Erb

Independent Director, member of the CSR Committee and Ipsos Foundation

Biography

A graduate of HEC, Florence von Erb started out in 1980 in finance at JP Morgan. After working with Bankers Trust (1991-1996), she returned to JP Morgan as Vice President, Equity Derivatives Sales and Trading. In 2008, she was appointed President of MMMI, following her decision to devote herself to humanitarian causes in 2004. In 2006, she co-founded the NGO "Sure We Can". Since 2014, she has been an active member of various UN committees (committee on non-governmental organisations for social development, committee on the status of women and family committee). Florence von Erb is a member of the Ipsos Foundation and is actively involved in its work.

Main appointments and positions in other companies

Representative of Afammer (NGO) to the United Nations, member of the United Nations Commission for Social Development and the Commission on the Status of Women

- France: Klépierre SA* (Member of the Supervisory Board)

Main appointments and positions that have expired over the past five years

- United States: MMMI (Chairwoman); Sure We Can, Inc. non-profit organisation (Treasurer and Co-founder)
- France – United States: Fourpoints Investment Managers (Director)

* *Listed company*

14.1.2. Executive officers

There are four executive officers: Didier Truchot, Chairman and Chief Executive Officer, Laurence Stoclet, Director and Deputy Chief Executive Officer (see biographies under 14.1.1 above), Pierre Le Manh and Henri Wallard.

Age: 52 years old

Nationality: French

Professional address: 360 Park Avenue South, New York 10010 NY

Main role: CEO Ipsos North-America & Chairman Service Lines

Number of Ipsos shares held: 45,032

Pierre Le Manh

Deputy CEO

Biography

A graduate of the École Supérieure des Sciences Economiques et Commerciales (ESSEC), Pierre Le Manh joined Ipsos in 2004 as CEO of Ipsos Europe, before becoming Chairman and CEO of Ipsos Marketing and CEO of Ipsos North America. Prior to joining Ipsos, Pierre Le Manh was a consultant at Accenture, Finance Director of Adami, and Chairman and CEO of Encyclopaedia Universalis. He also held several management posts with the company Consodate, where he was appointed CEO in 2002.

Main appointments and positions in other companies

CEO North America and CEO Ipsos Marketing

Within the Group:

- Canada: Ipsos Insight Corporation; Ipsos NPD Inc. (Vice Chairman);
- United States: Ipsos America Inc (Chairman and Chief Executive Officer); Ipsos Insight LLC (Chairman); Ipsos Interactive Services US LLC (Vice Chairman); Ipsos Public Affairs LLC (Chief Executive Officer); Ipsos MMA Inc (Director); Research Data Analysis Inc (Vice Chairman);
- Czech Republic: Ipsos SRO (Member of the Supervisory Board);
- United Kingdom: Ipsos Interactive Services Limited (Director).

Main appointments and positions that have expired over the past five years

- Ireland: Ipsos Central Eastern Europe Limited (Director)
- Sweden: Ipsos ASI AB (Chairman of the Board of Directors)
- France: Ipsos SA* (Director)
- Italy: Ipsos Srl; Ipsos Operations Srl (Chairman of the Board of Directors)
- Canada: Ipsos Camelford Graham Inc.; Ipsos Canada Inc.; Ipsos-ASI LLC.; Ipsos Reid Public Affairs Inc.; Ipsos Operations US Inc.; Ipsos Loyalty Inc. (Vice Chairman); Synovate Market Research Holding Corp. (Chief Executive Officer)
- United States: Ipsos OTX Corporation; Ipsos USA Inc. (Chairman); Ipsos-ASI LLC; Ipsos Reid Public Affairs Inc.; Ipsos Operations US Inc.; Ipsos Loyalty Inc.; Ipsos MMA, Inc. (Vice Chairman); Synovate Market Research Holding Corp. (Chief Executive Officer)
- United Kingdom: Ipsos EMEA Holdings Ltd (Director)

** Listed company*

Age: 61 years old

Nationality: French

Professional address: Ipsos - 35 rue du Val de Marne, 75013 Paris

Main role: Chairman of Ipsos Loyalty, Ipsos Public Affairs, Ipsos Science Centre, Ipsos Laboratories, Neurosciences & Ipsos Knowledge Centre

Number of Ipsos shares held: 34,569

Henri Wallard

Deputy CEO

Biography

Henri Wallard graduated from the Ecole Polytechnique in 1980 and the Ecole des Mines in 1983. He began his career in the French public administration were he held several senior posts, notably in environmental protection, nuclear security and nuclear waste management. Prior to joining Ipsos Executive Management in 2002, Henri Wallard spent seven years at Taylor Nelson Sofres, covering the Asia-Pacific region as Asia Group Director for several years, based first in Sydney and later in Hong Kong. When Sofres merged with Taylor Nelson AGB in 1997, he was appointed to the Board of Directors of the Taylor Nelson Sofres group in the United Kingdom, where he was Executive Director for Regional Affairs (America, Europe, Asia). He also played a key role in the growth of online activities and techniques. He joined the Fimalac group in early 2001 as CEO of Fimalac Interactive.

Main appointments and positions in other companies

Chairman of Ipsos Loyalty, Ipsos Public Affairs, Ipsos Science Centre, Ipsos Laboratories, Neurosciences & and Ipsos Knowledge Centre.

Within the Group:

- Australia: I-view Pty Ltd; Ipsos Proprietary Ltd; Ipsos Loyalty Pty Ltd; Ipsos Public Affairs Pty Ltd (Director);
- Japan: Japan Marketing Organisation KK (Director);
- China: Beijing Ipsos Market Consulting Co Ltd; Ipsos Radar Market Consulting Company Limited (Director);
- Taiwan: Ipsos Ltd (Director);
- South Korea: Ipsos Co. Ltd (Director);
- Philippines: Ipsos (Philippines), Inc. (Directors);
- Indonesia: PT Ipsos Market Research; PT Field Force Indonesia (Member of the Supervisory Board);
- Thailand: Ipsos Ltd (Director);
- Hong-Kong: Ipsos Asia Limited; Ipsos China Limited (Director).

Main appointments and positions that have expired over the past five years

- United States: Ipsos Loyalty, Inc. (Chief Executive Officer)
- France: Ipsos SA* (Director)
- Hong Kong: Ipsos Limited (Director)
- United Kingdom: Ipsos Novaction & Vantis Ltd (Director)

* *Listed company*

14.1.3. Management Board Executive Committee (MBEC)

The Management Board Executive Committee (MBEC), which acts as the Group's Executive Committee, is composed of the Group's senior officers and executives.

At 31 December 2018, the MBEC was composed of the following members:

- Didier Truchot, CEO – Chairman and CEO of Ipsos, founder of the Group;
- Darrell Bricker, Chief Executive Officer Public Affairs Service Line;
- Christophe Cambournac, CEO Asia Pacific (excluding China), Chairman Middle East and Africa, Chairman Service Lines;
- Alain Couttolenc, Chief Development Officer;
- Lauren Demar, Chief Client Officer North America;
- Shane Farrell, CEO Europe, Chairman Service Line;
- Ralf Ganzenmueller, Chairman Service Lines Customer Experience et Mystery Shopping;
- Brian Gosschalk, Head of the Chairman's Office;
- Sheryl Goodman, Group General Counsel;
- Alex Grönberger, CEO Latin America;
- Jennifer Hubber, Chief Client Officer;
- Pierre Le Manh, Deputy CEO of Ipsos, CEO North America and Chairman Service Lines;
- Lifeng Liu, CEO China;
- Dean Lucker, Corporate Development Director;
- Ben Page, CEO United-Kingdom and Ireland;
- Judith Passingham, CEO Ipsos Interactive Services;
- Neville Rademeyer, Global Chief Information Officer;
- Laurence Stoclet, Deputy CEO of Ipsos, Group Chief Financial Officer;
- Carlo Stokx, Deputy CEO Innovation and technology & CEO Continental Western Europe;
- Najat Vallaud-Belkacem, CEO Global Affairs;
- Henri Wallard, Deputy CEO of Ipsos, Chairman Service Lines and Ipsos Knowledge Centre;
- Helen Zeitoun, CEO France and CEO Global Science Organisation.

Sanctions imposed to Board members and main executives

To Ipsos' knowledge, no Board members or main executives of the Group have been convicted of fraud in the last five years. None of the Directors has participated, while being a board member or officer, in a bankruptcy, an attachment procedure or liquidation during the last five years and none of them has been publicly incriminated or officially sanctioned by a governmental or quasi-governmental authority. None of the Directors have been prohibited by a court from acting as member of a board of Directors, a directorate or a supervisory board in the management or the supervision of the affairs of an issuer during the last five years.

14.2. Conflicts of interest in administrative and management bodies

To the best of the Company's knowledge, there are no conflicts of interest between the obligations towards Ipsos SA of the Directors and officers and their personal interests and other obligations.

15. Compensation and benefits

15.1. Compensation policy for the executive corporate officers (Report on the principles and criteria for the determination, allocation and distribution of the remuneration applicable to the executive corporate officers, as provided for by Article L. 225-37-2 of the French Commercial Code)

This report has been drawn up pursuant to Article L.225-37-2 of the French Commercial Code resulting from Law no. 2016-1691 of 9 December 2016, known as the Sapin II Law, for the purpose of presenting, for the so-called "*ex-ante*" shareholders' vote, the principles and criteria for the determination, allocation and distribution of the fixed, variable and exceptional items composing the total compensation and benefits in kind to executive corporate officers.

As the Sapin II Law makes explicit reference to compensation received by executives "because of their corporate office", the "*ex ante*" vote referred to therein does not apply in principle to the Deputy CEOs of Ipsos insofar as they do not receive any compensation for their term of office as Deputy CEO.

The three Deputy Chief Executive Officers of Ipsos SA are compensated solely for the salaried management duties entrusted to them under their respective employment contracts, prior to taking up their position as executive officers.

In the strict sense of the Sapin II Law, only the compensation policy of the Chairman and Chief Executive Officer is therefore concerned by this vote.

However, in the same way as for the "*ex post*" vote presented below under section 15.2, and for a purpose of good governance, an advisory vote is also proposed about the compensation policy applicable to the Deputy Chief Executive Officers in respect of their employment contracts (see part 26 of this Reference Document related to the General Meeting of May 28, 2019).

15.1.1. Compensation policy for the Chairman and CEO

The fourteenth resolution proposed to the Shareholders' Meeting of May 28, 2019, ("ex ante" vote) involves the principles and criteria for the determination, allocation and distribution of the fixed, variable and non-recurring items comprising the total compensation and fringe benefits of any kind attributable to the Chairman and Chief Executive Officer.

We highlight the fact that if this resolution is approved, the approved compensation policy will be used to determine the compensation attributable to the Chairman & CEO in respect of the current financial year and in respect of subsequent financial years if this policy remains the same. Nevertheless, the payment of the variable and exceptional components of said compensation for 2019 shall be subject to the prior approval of the General Meeting of Shareholders to be held in 2020 that decides on the financial statements for the 2019 financial year in accordance with the law.

- **General principles applicable to the Chairman and CEO's compensation**

The compensation policy applicable to the Chairman and CEO is placed under the responsibility of the Ipsos SA Board of Directors, which takes its decisions based on the proposals of the Nomination and Remuneration Committee. This policy takes account of the principles used to determine compensation in the AFEP-MEDEF Code of Corporate Governance, notably the principles of completeness, balance, comparability, consistency, transparency and measurement.

In particular, when drawing up this policy, the Board of Directors strives to:

- ensure a balance between the various compensation components: fixed compensation, variable cash compensation (annual bonus) and variable shares component in the form of free performance-based shares;
- ensure that this compensation is consistent with payments made to other executives and employees of the company, by ceasing any excessive executive compensation and by ensuring, mainly via the bonus mechanism widely applied at Ipsos, that performance-related rewards are shared by as many people as possible;

- check that the compensation components and amounts paid to the Chairman and CEO are in line with those allocated to other executives in the sector in companies comparable to Ipsos and that this compensation remains competitive, via the use of appropriate benchmarks; and
- ensure that this compensation remains aligned with the Group's strategic objectives and always encourages performance.

In the specific case of Didier Truchot, the fact that he is the founding Chairman of Ipsos and that he also holds a share of the capital of the Company has led him to ask the Board of Directors to maintain his compensation at moderate levels. The Chairman and Chief Executive Officer has also expressed the wish that, insofar as possible and in particular with regard to the methods for determining his variable compensation, his compensation be determined according to principles and amounts that are in line with those of the "Partnership Group", which at the end of 2018 included slightly over 200 senior managers (the other executive officers, MBEC members and the Group's most senior managers).

- **Criteria for determining the various compensation components paid to the Chairman and CEO**

Annual fixed compensation

The fixed compensation paid to the Chairman and CEO is set in line with the responsibility assumed in implementing the strategy determined by the Board of Directors and the work done in leading the Group's executive management.

The level of this fixed compensation also takes into account market practices within comparable companies and the compensation policy in place within the Group for the other executives and all employees.

The fixed compensation paid to the Chairman and CEO is set each year by the Board of Directors on the recommendation of the Nomination and Remuneration Committee, and as such it is likely to increase each year. However, these increases must remain stable overall; major reviews must only take place in the event of special circumstances such as (i) a fixed part of the executive's compensation is significantly out of step with the compensation paid in other companies in the industry that are similar to Ipsos or (ii) a significant increase in the executive's management responsibility and perimeter.

Accordingly, the annual fixed compensation of the Ipsos Chairman and CEO was increased slightly by 2.7% in 2017 and 2.4% in 2018, respectively. The fixed portion of the Chairman and Chief Executive Officer's compensation thus amounted to €510,000 in 2018.

On the proposal of the Nomination and Remuneration Committee, at its meeting 27 February 2019, the Board of Directors approved the maintenance of the fixed portion for 2019, which remains at €510,000.

The compensation of the Chairman and CEO remains in the first quartile (the lowest 25%) of compensation paid to the CEOs of SBF 80 companies (Mercer 2018 study on compensation of SBF 120 executives) and is therefore very moderate in comparison with the compensation of other executives observed at comparable companies.

The fixed compensation of the Chairman and CEO includes a holiday bonus, which is paid to all employees of the Group's French companies. In 2018, the holiday bonus paid to the Chairman and CEO was €4,650.

Variable cash compensation: annual bonus

The annual variable compensation paid to the Chairman and CEO acknowledges the Group's annual performance, based on the attainment of financial targets which are set every year, as well as the individual performance of the Chairman and CEO.

This variable portion is paid in the form of a bonus in cash and is subject to the same rules as those that apply to the Partnership Group with regard to the share attributable to the Group's financial performance, in order to ensure the equal treatment of the 200 key managers of the Group.

At the beginning of every financial year, the Board of Directors sets a percentage of the Chairman and CEO's fixed compensation as an individual target bonus. This represents 50% of the fixed component of the compensation. It specifies the criteria on which its attribution is contingent and sets the individual targets that will be taken into account in the qualitative criterion as well as their weight in the variable portion.

The following year, at the beginning of the period, these same bodies examine the extent to which these criteria have been achieved and from this determine the amounts of the annual bonuses to be paid to the Chairman and CEO for the previous financial year.

For 2019, the target bonus was set at €255,000, representing 50% of the fixed component, with a financial criterion weighing 80% and a qualitative criterion weighing 20%. For 2018, it was set at the same amount and also represented 50% of the fixed component, with the same weight for both performance criteria.

The entire annual target bonus will be paid only if all the performance targets set by the Board are met. If these specific Group financial targets are exceeded (financial outperformance), the amount of the annual bonus based on these financial targets being attained (financial criterion) can increase up to a limit of 150% of the corresponding annual target bonus. The qualitative criterion remains capped at 100% with personal objectives achieved or surpassed. Therefore, the overall limit on the Chairman and CEO's variable compensation is €357,000 for 2019 (140% of the annual target bonus; this limit is identical for all members of the "Partnership Group"). For

2018, the rules were identical. This means that the cap was €357,000, or 140% of the target annual bonus.

Expressed as a percentage of his fixed compensation, this limit is 70% for the Chairman and CEO.

The annual variable compensation paid to the Chairman and CEO depends on two performance criteria being met and includes a weighting mechanism, a financial criterion (80%) and a qualitative one (80%):

- The financial criterion is linked to the Group's overall financial performance - more specifically, its ability to meet an ambitious operating profit target ("Target") and exceeding the expected margin as stated in the budget approved at the start of each fiscal year by the Board of Directors ("Budget"), with a weight of 80% of the total bonus target. It is noted that if 90% of the target is not reached, then no bonus is allocated in relation to the financial criterion;
- The qualitative criterion is based on individual targets, with a weight of 20% of the total bonus target.

For 2019, the qualitative individual targets set by the Board of Directors for the Chairman and CEO are as follows:

- the incorporation of acquisitions made at the end of 2018 and the operational implementation of the new Total Understanding strategic programme in all countries (12%);
- reduction of CO_2 emissions (4%);
- improvement of the gender equality ratio (4%).

As a reminder, the individual qualitative criteria which had been set for 2018 are the following:

- definition and deployment of the new Total Understanding strategic programme (12%);
- reduction of CO_2 emissions (4%);
- improvement of the gender equality ratio (4%).

Therefore, for 2019, in line with the rules of the overall variable cash compensation plan for members of the Partnership Group, the performance criteria for the Chairman and CEO's annual variable compensation are as follows:

<table>
<tr><th colspan="3">VARIABLE COMPENSATION:
PERFORMANCE CONDITIONS</th></tr>
<tr><th>Performance criteria</th><th>Targets</th><th>Portion of the bonus (as a % of the "Individual bonus target")</th></tr>
<tr><td rowspan="2">Criterion no. 1 (financial): Group operating profit

“Target”: Target operating profit rate</td><td colspan="2">Weight: 80% of the total bonus</td></tr>
<tr><td colspan="2">The paid bonus varies from 0% to 150% depending on the level of achievement of the Target, ranging from 90% to 120%:
• Payment at 0% if the level of achievement is ≤ 90% of the Target
• Payment at 63.42% if the level of achievement is at 93.38% of the Target (= the Budget)
• Payment at 100% if the level of achievement is at 100% of the Target
• Payment capped at 150% if the level of achievement is ≥ 120% of the Target
(Between each level, there is a line for a proportional payment)</td></tr>
<tr><td rowspan="2">Criterion no. 2 (qualitative): combination of three targets

- the incorporation of acquisitions made at the end of 2018 and the operational implementation of the new Total Understanding strategic programme in all countries (12%);

- reduction of CO_2 emissions (4%);

- improvement of the gender equality ratio (4%).</td><td colspan="2">Weight: 20% of the total bonus</td></tr>
<tr><td colspan="2">From 0% to 100% depending on the target attainment level</td></tr>
</table>

The achievement of the various targets for the variable compensation for year N will be decided by the Board of Directors, and payment will only be made following approval of compensation for year N at the General Meeting of Shareholders in year N+1.

Please note that for all key managers, the Group reserves the right to retain 20% of the calculated bonuses in the event of exceptional external events.

Long-term variable compensation: allocation of free performance shares

The Chairman and CEO receives no multi-year variable cash compensation.

Long-term variable compensation at Ipsos consists of an annual allocation of a portion of free shares with a vesting period of 3 years, and which, for executive officers, are subject to performance criteria.

The Chairman and CEO is eligible for free shares under the yearly Free Share Plan (FSP), as were 1,000 Ipsos managers worldwide in 2018[1].

Free share grants to the Chairman and CEO are subject to a condition of presence and to the attainment of performance criteria set by the Board of Directors.

This annual allocation represents, according to the share price at the time of the grant, a gross sum excluding tax of between €110,000 and €150,000 for the Chairman and CEO (between 20% and 30% of his fixed compensation).

Vesting period

Final allocations are subject to a condition of presence within the Ipsos group by the beneficiary at the end of a definitive vesting period. The duration of the vesting period was extended from two to three years starting with the grants made in 2018.

This condition of presence may be waived in the event of death, infirmity or retirement of the beneficiary.

Performance criteria

Next May, after the General Meeting of Shareholders, the Board of Directors will decide the performance criteria for the final vesting of the free shares awarded to executive officers under the Plan to be implemented in respect of the 2019 financial year. Subject to the final decisions to be taken, these criteria should be similar or at least of the same nature as the ones used in the plans implemented over the last three financial years, which each set conditions for 50% of the final vesting, i.e. (i) a criterion related to organic growth and (ii) a criterion related to the improvement of operating profit, both of which are measured over a period in line with the vesting period[2].

Holding requirement

In the same way as the other executive officers of the Company, the Chairman and CEO must retain at least 25% of the vested shares throughout the entire duration of his terms of office.

Throughout that period, he and the other executive officers agree not to resort to risk hedging transactions on those shares.

Extraordinary compensation

To take account of exceptional circumstances other than the financial outperformance considered when calculating the upper limit on the annual variable compensation, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, could grant exceptional compensation. In any event, that compensation would be capped at two times the last annual compensation (fixed and variable).

In all cases, payment of exceptional compensation, determined pursuant to the principles and criteria and already approved ex ante at the General Meeting, may be made only following approval of these exceptional components ex post by the shareholders.

Attendance fees

The Chairman and CEO, like the other members of the Board of Directors performing executive functions within the Group, does not receive attendance fees for his involvement in the Board's work. Under the rules in force within the Group, he does not receive attendance fees or any other compensation for other offices he may hold in other Group companies.

Benefits in kind

No benefits in kind are payable to the Chairman and CEO.

Compensation due as a result of termination of position

In the event of the dismissal of the Chairman and CEO before the expiry of his term of office with Ipsos SA, he may be paid compensation equal to twice his gross compensation received during the calendar year preceding the termination of his functions.

Payment is subject to the following performance condition: revenue for one of the three years prior to the year of revocation must be higher, at constant exchange rates, than

[1] For a detailed description of the characteristics of these Plans, please see paragraph 21.1.4.2 of this Reference Document.

[2] For a description of these two criteria, see Table 10 in paragraph 15.3.1. of this Reference Document.

that of the preceding year.

This payment therefore presupposes a progression assessed over at least two financial years, but it does imply payment of compensation in the event of proven failure by the executive in the last years of his term of office.

This commitment has already been authorised at the General Meeting of Shareholders under the regulated agreement procedure several times, including recently at the time of the renewal of the Chairman and CEO's term of office at the General Meeting of 28 April 2016.

The payment of the compensation is not ruled out in the event that the beneficiary retires in the near future. However, the Chairman and CEO does not have a supplementary pension scheme from Ipsos, or any other statutory or contractual termination payment, as he does not have an employment contract. Therefore, it is not only reasonable, but fully in the Company’s interest, for the founding executive of Ipsos, who has dedicated almost all of his working life to developing the Company, to receive this compensation.

Supplementary pension scheme

As mentioned above, there is no supplementary pension scheme for the Chairman and CEO (or for the other Ipsos SA executive officers); more specifically, there is no top-hat pension scheme.

15.1.2. Compensation policy for executive officers

- **Absence of remuneration related to the exercise of a corporate office**

The Deputy CEOs, Laurence Stoclet, Pierre Le Manh and Henri Wallard are compensated exclusively for their respective functions as Group Chief Financial Officer, CEO of Ipsos North America & Chairman Service Lines, and Chairman Service Lines & Ipsos Knowledge Center assigned to them under their respective employment contracts prior to the assumption of their corporate offices.

They do not receive any compensation or benefits for their corporate office in Ipsos in Ipsos SA.

They do not receive either any compensation or benefits for the other corporate offices that they may exercise in other Ipsos Group’s affiliate.

Moreover, when they were appointed in 2010 as Deputy Chief Executive Officers, their compensation was unchanged and remained the same as what they received prior to their appointment under their employment contracts.

In practice, this is explained by the fact that the Ipsos Deputy Chief Executive Officers assume the salaried executive positions assigned to them under their respective employment contracts, and the supervisory role they exercise in certain specific areas is solely the result of authorisations granted to them by the Chairman and CEO.

Accordingly, the employment agreements of the three Deputy CEOs continue to apply with all their pre-existing clauses at the date of their appointment as corporate officer.

- **Compensation policy related to the exercise of salaried positions**

Pursuant to the fifteenth resolution of the Shareholders' Meeting of May 28, 2019, the shareholders are asked to vote on the principles and rules applicable to determine the annual fixed and variable compensation items and other benefits that the Deputy Chief Executive Officers receive in the context of their employment contract.

These principles and rules are decided by the Chairman and CEO as part of the compensation policy of the Partnership Group, which includes all of the Level 1 senior managers of the Group (slightly over 200 people in 2018).

This policy aims to attract, develop and retain the best talent in a highly competitive industry where people are the main asset. This policy is guided by several principles such as (i) competitiveness and consistency of compensation with the market practices and (ii) the necessary relationship which must exist between compensation and individual and collective performance.

Each year, the Nomination and Remuneration Committee and the Board of Directors are informed of the compensation policy for these corporate officers as well as the other members of the executive committee (“MBEC”, the composition of which is precised in section 14.1.3) and are invited to express their opinion, even though they do not have any decision-making power over the compensation components granted under the employment contracts.

Under this policy, the compensation of the Deputy CEOs consists of a fixed portion, a variable portion in cash (annual bonus) and the allocation of free performance shares. Other components of the Deputy CEOs' compensation include (i) an eight-year incentive plan (introduced in 2012 via a stock option plan initially comprised of 152 other key Company managers), and (ii) clauses in the employment contracts that may be applied in the event of a departure that are described below.

Annual fixed compensation

The fixed compensation paid to the Deputy CEOs is determined each year by the Chairman and CEO. It is presented to the Nomination and Remuneration Committee and submitted to the Board of Directors for approval.

The amounts of compensation of the Deputy CEOs are specified in the tables presented in paragraph 15.3.1. below.

For 2019, it is expected that this compensation will increase slightly (1.8% on average)

For 2018, this increased by an average of 2.9%, and in 2017 by about 3.3%, for an overall increase of 4.8% over three years.

Compared with the companies in the SBF 80, the amounts of executive compensation within Ipsos are in the third quartile of the market (2018 Mercer study of the compensation of SBF 120 executives).

Variable cash compensation: annual bonus

The annual bonus for the Deputy CEOs is calculated according to the rules of the "Ipsos Partnership Bonus Plan", which applies to the members of the "Partnership Group" (approximately 200 managers ranged at level 1) and consists of a global bonus package ("Partnership Pool"). The same rules which apply to the Chairman and CEO are described in section 15.1.1.

The target individual bonus, which corresponds to the achievement of 100% of the objectives, may be, depending on the executive, between 41% and 56% of their 2019 annual fixed compensation (see below). For 2018, this target bonus represented between 42% and 55% of their fixed compensation.

The entire annual target bonus will be paid only if all the Group performance targets are met. If the Group financial targets are exceeded (financial outperformance), the portion of the annual bonus dependent on these financial targets being attained (quantitative criterion) can increase up to a limit of 150% of the corresponding amount. The portion linked to personal targets remains capped at 100%. Therefore, the overall limit on the Deputy Chief Executive Officers' variable compensation is €253,000 to €254,000 for 2019 (140% of the annual target bonus; this limit is identical for all members of the "Partnership Group"). For 2018, the rules were identical. This cap, depending on the executives, therefore went from €247,500 to €249,600, representing 140% of the target annual bonus.

Compared with the companies in the SBF 80, the amounts of executive compensation within Ipsos are in the top quartile of the market (2018 Mercer study of the compensation of SBF 120 executives). Overall, taking into account target cash compensation (base salary and target bonus), the cash compensation amounts are at that study's market median

The performance criteria governing the granting of annual bonuses that may be allocated for the 2019 financial year are summarised in the table below:

VARIABLE COMPENSATION: PERFORMANCE CONDITIONS		
Performance criteria	**Targets**	**Portion of the bonus (*as a % of the "Individual bonus target"*)**
Criterion no. 1 (financial): Group operating profit "Target": Target operating profit rate	***Weight: 60% of the total bonus*** The paid bonus varies from 0% to 150% depending on the level of achievement of the Target, ranging from 90% to 120%: • Payment at 0% if the level of achievement is ≤ 90% of the Target • Payment at 63.42% if the level of achievement is at 93.38% of the Target (= the Budget) • Payment at 100% if the level of achievement is at 100% of the Target • Payment capped at 150% if the level of achievement is ≥ 120% of the Target (Between each level, there is a line for a proportional payment)	
Criterion No. 2 (financial): Financial performance specific to the management perimeter Operating profit or Revenue or Net cash and cash equivalents or Budget level for a specific scope (geographic or service line, depending on the executive's responsibilities)	***Weight: 20% of the total bonus*** The paid bonus varies from 0% to 150% depending on the level of achievement of the Target, ranging from 90% to 120%: • Payment at 0% if the level of achievement is ≤ 90% of the Target • Payment at 63.42% if the level of achievement is at 93.38% of the Target (= the Budget) • Payment at 100% if the level of achievement is at 100% of the Target • Payment capped at 150% if the level of achievement is ≥ 120% of the Target (Between each level, there is a line for a proportional payment)	
Criterion No. 3 (qualitative): Individual objectives Individual objectives such as: the implementation of specific projects within the framework of the strategic plan on the scope of responsibilities, the increase of the rate of women in levels 1 and 2 of the hierarchy on the scope of responsibilities	***Weight: 20% of the total bonus*** From 0% to 100% depending on the level of achievement of the objectives	

For 2018 exceptionally, these criteria were slightly simplified compared to previous years to take into account the implementation of the new Group Strategic Plan (Total Understanding). This means that Criterion no. 1 was given a 60% weighting and only one other criterion was added, with a 40% weighting, based on individual objectives such as:

- the deployment of the Total Understanding strategic plan within a specific scope of responsibilities,
- the resumption of the acquisition programme and the integration of new activities,
- And, for Laurence Stoclet only, a good level of free cash flow and refinancing operations successfully executed.

Long term variable compensation: allocation of free performance shares

The Deputy CEOs receive no multi-year variable cash compensation.

The Deputy Chief Executive Officers are eligible for free shares under the yearly Free Share Plan (FSP), as were 1,000 Ipsos managers worldwide in 2018[3].

Free share grants to the Deputy CEOs are subject to a condition of presence and to the attainment of performance criteria set by the Board of Directors. Each year, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, reviews the fulfilment of the performance criteria before the delivery of shares.

This annual allocation represents, at the time of allocation, a gross sum before tax of around €110,000 to €150,000 for each Deputy CEO, which represents 30% of their fixed compensation on average (from 18% to 33% depending on the recipient).

Vesting period

Final allocations are subject to a condition of presence within the Ipsos group by the beneficiary at the end of a definitive vesting period. The duration of the vesting period was extended from two to three years starting with the grants made in 2018.

This condition of presence may be waived in the event of death, infirmity or retirement of the beneficiary.

Performance criteria

Next May, after the General Meeting of Shareholders, the Board of Directors will decide the performance criteria for the final vesting of the free shares awarded to executive officers under the Plan to be implemented in respect of the 2019 financial year. Subject to the final decisions to be taken, these criteria should be similar or at least of the same nature as the ones used in the plans implemented over the last three financial years, which each set conditions for 50% of the final vesting, i.e. (i) a criterion related to organic growth and (ii) a criterion related to the improvement of operating profit, both of which are measured over the vesting period[4].

Holding requirement

All executive officers are required to retain at least 25% of the vested shares for the duration of their term of office, with the possibility to contribute these shares in kind to Ipsos Partners entity which is composed of approximately 160 key managers of the Group.

Throughout that period, they agree not to resort to risk hedging transactions on those shares.

Long Term Incentive Plan

The Deputy Chief Executive Officers, along with the other Level 1 senior executives who were members of the Partnership Group during the implementation of that plan, are also beneficiaries of the long-term incentive plans implemented within the Group. The latest long-term incentive plan is called "IPF 2020" and was established by the Board of Directors on 4 September 2012, by a decision taken on the basis of an authorisation granted by the General Meeting of 25 April 2012,[5] that will end in September 2020.

Participation in this plan was subject to the vesting of a certain number of Ipsos shares (the "Investment Shares"). Under the IPF 2020 Plan, beneficiaries were awarded a number of rights to free shares equal to the number of Investment Shares vested and a number of stock options equal to ten times the number of Investment Shares.

The following executive officers participated in the IPF 2020 Plan as indicated below and, as a result, at the end of the vesting period that ended on 4 September 2017, they definitively acquired the following free shares and stock options:

Name	Number of free shares acquired on 4 September 2017*	Number of stock options acquired on 4 September 2017*
Pierre Le Manh	4,872	48,720
Laurence Stoclet	4,872	48,720
Henri Wallard	4,872	48,720

** The vesting conditions and timetable are described in Section 21.1.4.2.1. of this Reference Document.*

[3] For a detailed description of the characteristics of these Plans, please see paragraph 21.1.4.2 of this Reference Document.

[4] For a description of these two criteria, see Table 10 in paragraph 15.3. of this Reference Document.

[5] For a detailed description of the characteristics of the Company's IPF 2020 Plan, please see paragraph 21.1.4.2.1. of this Reference Document.

Free shares are subject to a two-year holding period for French resident beneficiaries. The stock options are exercisable until 4 September 2020, subject to conditions of presence. In the event of departure, the stock options must be exercised within 30 days following such departure on penalty of cancellation.

Supplemental pension plan

There is no supplementary pension plan in place for Ipsos SA's executive officers; more specifically, there is no top-hat pension scheme.

Change in control clause, non-compete and non-solicitation obligations

The employment contracts of the three Deputy CEOs contain three types of clauses.

Change in control clause:

In the event of a change in control as defined below and that is considered a substantial modification of the employment contract of each relevant party, Pierre Le Manh, Laurence Stoclet and Henri Wallard may be paid, in addition to the legal compensation for dismissal, an amount equal to one year's compensation.

Under the terms of implementation of this clause, a change of control is defined as the occurrence of one of the following events that has the effect of changing the role and powers of the founding executive Didier Truchot, such that he may no longer define the strategy of the Group: (a) a change in the Company's shareholding structure; (b) a change in the composition of the Board of Directors; or (c) a change in the organisation of the management of the Company or of the Ipsos group with the effect of modifying the role and powers of the founding executive such that he may no longer define the strategy. However, the resignation, retirement or other voluntary departure of the founding executive not linked to one of the abovementioned events does not constitute a triggering event.

It should be noted that this clause was entered into in 2005 with each of the relevant parties because of the long-standing nature of their contractual relationship with Ipsos and their shared views with the founding executives on the strategy developed and the policies followed.

Concerning Laurence Stoclet and Henri Wallard, this change in control clause had been subject to a regulated agreement and been approved by the Shareholders General Meeting held in 2006 to approove the 2005 financial statements.

Non-compete clause:

In order to protect the interests of the Ipsos group, whose activities depend on the skills and know-how of its employees and corporate officers, Pierre Le Manh, Laurence Stoclet and Henri Wallard are each subject, in accordance with the provisions of their employment contracts, to a non-compete obligation to the Ipsos group for a period of 12 months, in exchange for compensation equal to the remuneration received during the previous calendar year or the preceding 12 months, paid on a monthly basis.

For Henri Wallard, this compensation would also cover a non-solicitation of clients' commitment (see Paragraph C below). It should be noted that the Company has the right to elect to waive the non-compete clauses, in which case no non-compete payments shall be due. The amounts paid shall, where appropriate, in accordance with the non-compete clause, be added to the amounts paid in accordance with the change of control clause.

Non-solicitation clause:

In order to protect the interests of the Ipsos group, Pierre Le Manh, Laurence Stoclet and Henri Wallard are subject, in accordance with the provisions of their employment contract, for a period of one year from their actual departure from Ipsos, to a commitment not to solicit Ipsos clients directly or indirectly and not to encourage any Group client to end its business relationship with Ipsos. In exchange for this undertaking, Ipsos agrees to pay a lump-sum amount equal to (i) 50% of gross average monthly compensation over the twelve months preceding departure (excluding bonuses and the medium-term incentive plan) for Pierre Le Manh, and (ii) 30% of gross average monthly compensation over the twelve months preceding departure (excluding bonuses and medium-term incentive plan) for Laurence Stoclet. For Henri Wallard, the compensation referred to above covers both the non-compete and non-solicitation commitments.

Such compensation will be paid on a monthly basis at the end of the notice period and/or departure from the Company. Ipsos has the right to waive this commitment. In this case, no payment will be made to the relevant parties, and they shall be released from that commitment.

Clarification regarding the application of the non-compete and non-solicitation clauses:

The non-compete clause does not form part of a "package" offered by Ipsos and may guarantee additional compensation in the event of the relevant party's departure. This clause, which is optional and entered into for the sole benefit of Ipsos, is paid monthly for the duration of its application, provided that Ipsos has decided to implement it.

The non-solicitation clause is also an optional compensation component stipulated for the sole benefit of Ipsos in order to preserve its commercial interests, not for the benefit of the employee who would be forced no not work anymore in the market studies and surveys industry during all the duration of such clause.

Ipsos is a "people business", and in the highly competitive market research sector in which it operates, these clauses are customary and included in all employment contracts for directors, managers and all employees who are directly involved with clients and the normal course of business. It is an indispensable way to protect the business interests of the company. Ipsos must be able to use them, implement them if necessary, and be able to compensate them at market levels. It should be noted, however, that Ipsos may waive the performance of one or both clauses. In practice, in most cases, if Ipsos decides to implement and compensate the non-compete clause to prevent a person from applying to a competitor, Ipsos will at the same time waive the application of the non-solicitation clause, whose application will then no longer be necessary. In contrast, if Ipsos waives the performance of the non-compete clause and allows a former employee to go to work for a competitor, then Ipsos must of course implement, and thus compensate, the non-solicitation clause.

Accordingly, compensation for those clauses will not in practice exceed one year of compensation for each relevant party.

These non-compete and non-solicitation clauses have been reviewed for all the key managers of the Group, and for the three Deputy CEOs, were subject to regulated agreements. These regulated agreements have been approved by the Shareholders General Meeting held in 2015 to approve the 2014 financial statements.

15.2. Compensation of executive officers subject to the approval of the General Meeting in the context of the "ex post" vote

15.2.1. Compensation components and benefits in kind paid or awarded in respect of the 2018 financial year to Didier Truchot, Chairman and Chief Executive Officer (10th resolution submitted to the Shareholders' Meeting of May 28, 2019)

In accordance with the system implemented by the law n ° 2016-1691 of December 9, 2016, known as "Sapin II Law" and in application of the provisions of article L.225-100 of the French Commercial Code, we invite you to approve the fixed, variable and non-recurring items as summarized in the following table, comprising the total compensation and benefits of any kind, paid or allocated to Mr. Didier Truchot, for the past year, due to his mandate as Chairman and CEO. These items are part of the compensation policy applicable to the Chairman and Chief Executive Officer as approved by the 8th resolution of the Shareholders' Meeting of May 4, 2018, under the "ex ante" vote.

Elements of compensation paid or allocated to Mr. Didier Truchot, Chairman and CEO, in respect of the 2018 financial year	**Amounts or accounting valuation subject to the vote**
Fixed compensation (including holiday bonus)	€514,676
Annual variable compensation (Amount due for 2018, to be paid in 2019, subject to the approval of the general meeting)	€35,000
Multi-annual variable compensation	-
Exceptional compensation	-
Stock options, performance shares or any other element of long-term compensation	€136,060 (Free allocation of 4,801 shares under the annual “bonus shares” plan of May 4, 2018)

No other items were collected or attributed (multi-year variable compensation, benefits in kind, attendance fees, severance and / or non-competition benefits, supplementary pension plan).

15.2.2. Compensation components and benefits in kind paid or awarded in respect of the 2018 financial year to each Deputy CEO (11th, 12th and 13th resolutions submitted to the Shareholders' Meeting of May 28, 2019)

As stated above in Part 15.1., and for the reasons set out therein, the three Deputy Chief Executive Officers of the Company, who hold salaried positions within the Group, do not receive any compensation for their corporate office. As a result, no compensation component was paid or awarded in respect of the 2018 financial year to Pierre Le Manh, Laurence Stoclet and Henri Wallard because of their appointment as Deputy Chief Executive Officer and cannot be submitted as such to the "ex post" vote as strictly provided for by the Sapin II Law.

Nevertheless, the Board of Directors wished to invite the shareholders, for good governance purposes, to an advisory vote on fixed, variable and non-reccuring items comprising the total remuneration and benefits of any kind paid or awarded under the past financial year to each of the three Deputy Chief Executive Officers, under their respective employment contracts.
These compensation elements are part of the remuneration policy described in section 15.2. of the 2017 Reference Document (see pages 116 to 120).

Compensation items paid or awarded to Mr. Pierre Le Manh, Deputy CEO, in respect of the 2018 financial year (11th resolution)	**Amounts or accounting valuation subject to the vote**
Compensation received linked to the mandate of Deputy CEO	-
Fixed compensation received linked to the employment contract (including holiday bonus)	€592,472
Annual variable compensation received linked to the employment contract	€45,000
Stock options, performance shares or any other element of long-term compensation	€136,060 (Free allocation of 4,801 shares under the annual "bonus shares" plan of May 4, 2018)
Value of benefits in kind	€112,019
Compensation items paid or awarded to Mrs. Laurence Stoclet, Deputy CEO, in respect of the 2018 financial year (12th resolution)	**Amounts or accounting valuation subject to the vote**
Compensation received linked to the mandate of Deputy CEO	-
Fixed compensation received linked to the employment contract (including holiday bonus)	€486,864
Annual variable compensation received linked to the employment contract	€60,000
Stock options, performance shares or any other element of long-term compensation	€136,060 (Free allocation of 4,801 shares under the annual "bonus shares" plan of May 4, 2018)
Value of benefits in kind	-
Compensation items paid or awarded to Mr. Henri Wallard, Deputy CEO, in respect of the 2018 financial year (13th resolution)	**Amounts or accounting valuation subject to the vote**
Compensation received linked to the mandate of Deputy CEO	-
Fixed compensation received linked to the employment contract (including holiday bonus)	€450,196
Annual variable compensation received linked to the employment contract	€45,000
Stock options, performance shares or any other element of long-term compensation	€136,060 (Free allocation of 4,801 shares under the annual "bonus shares" plan of May 4, 2018)
Value of benefits in kind	-

No other items than those listed in the tables above have been received or awarded in the past financial year.

Details relating in particular to variable compensation and benefits in kind are included in part 15.3.1. of the Reference Document (see in particular Table 2)

15.3. Individual compensation of executive officers for the 2018 financial year

15.3.1. Summary tables prepared in accordance with Position-Recommendation No. 2009-16 of the Autorité des Marchés Financiers with respect to the information to be given in the Reference Document for the compensation of executive officers

The amounts of compensation are stated as gross amounts in euros.

Only Mr. Didier Truchot receives the following compensation for his mandate as Chairman and Chief Executive Officer. The three Deputy Chief Executive Officers are paid exclusively for the salaried positions they perform under their respective employment contracts.

Table 1: Summary of compensation and options and shares allotted to each executive officer

Executive Officer	2017	2018
Didier Truchot, Chairman and Chief Executive Officer		
Compensation due for the year[1]	592,750	549,676
Value of multi-annual variable compensation granted during the year	-	-
Value of options granted during the year	-	-
Value of performance shares granted during the year[2]	140,060	136,060
Total	732,810	685,736
Laurence Stoclet, Deputy Chief Executive Officer		
Compensation due for the year[1]	557,000	546,864
Value of multi-annual variable compensation granted during the year	-	-
Value of options granted during the year	-	-
Value of performance shares granted during the year[2]	140,060	136,060
Total	697,060	682,924
Henri Wallard, Deputy Chief Executive Officer		
Compensation due for the year[1]	530,216	495,196
Value of multi-annual variable compensation granted during the year	-	-
Value of options granted during the year	-	-
Value of performance shares granted during the year[2]	140,060	136,060
Total	670,276	631,256
Pierre Le Manh, Deputy Chief Executive Officer		
Compensation due for the year[1]	809,630	749,491
Value of multi-annual variable compensation granted during the year	-	-
Value of options granted during the year	-	-
Value of performance shares granted during the year[2]	140,060	136,060
Total	949,690	885,551

[1]Compensation due with respect to 2017 and 2018 to each Executive Officer is detailed in table 2 below, "Summary of compensation paid to each executive officer". Such compensation includes amounts relating to accrued but not taken paid leave periods.

[2]The value of performance shares granted during the year to each executive officer is detailed in Table 6 below, “Performance shares granted to each executive officer".

Table 2: Summary of compensation paid to each executive officer

Executive Officer	2017[1]		2018[1]	
	Amounts due	Amounts paid	Amounts due	Amounts paid
Didier Truchot, Chairman and Chief Executive Officer				
Fixed compensation	502,750	502,750	514,676	514,676
Annual variable compensation[2]	90,000	115,000	35,000	90,000
Multi-year variable compensation	-	-	-	-
Extraordinary compensation	-	-	-	-
Attendance fees	-	-	-	-
Benefits in kind	-	-	-	-
Total	**592,750**	**617,750**	**549,676**	**604,676**
Laurence Stoclet, Deputy Chief Executive Officer				
Fixed compensation	467,000	467,000	486,864	486 864
Annual variable compensation[2]	90,000	115,000	60,000	90,000
Multi-year variable compensation	-	-	-	-
Extraordinary compensation	-	-	-	-
Attendance fees	-	-	-	-
Benefits in kind	-	-	-	-
Total	**557,000**	**582,000**	**546,864**	**576,864**
Henri Wallard, Deputy Chief Executive Officer				
Fixed compensation	440,216	440,216	450,196	450,196
Annual variable compensation[2]	90,000	115,000	45,000	90,000
Multi-year variable compensation	-	-	-	-
Extraordinary compensation	-	-	-	-
Attendance fees	-	-	-	-
Benefits in kind	-	-	-	-
Total	**530,216**	**555,216**	**495,196**	**540,196**
Pierre Le Manh, Deputy Chief Executive Officer				
Fixed compensation	606,599	606,599	592,472	592,472
Annual variable compensation[2]	90,000	115,000	45,000	90,000
Multi-year variable compensation	-	-	-	-
Extraordinary compensation	-	-	-	-
Attendance fees	-	-	-	-
Benefits in kind[3]	113,031	113,031	112,019	112,019
Total	**809,630**	**834,630**	**749,491**	**794,491**

[1]*Total 2017 and 2018 figures for fixed compensation include holiday bonuses given to all Group employees in France.*
All the aforementioned executive officers are paid in euros, with the exception of Pierre Le Manh whose compensation is paid in USD. The exchange rate used above is the average EUR/USD exchange rate for 2018. The +4.6% change in the exchange rate masks the 2.2% increase in salaries allocated in USD.

[2]*The variable* ***compensation*** *due for year N is paid in year N+1 after assessment of the achievement of the performance criteria as specified below.*

Regarding variable compensation payable for 2018, to be paid in 2019:

Group operating profit in 2018 was below budget. The margin rate thus achieved (9.8%) therefore meant that no portion of the target bonus that may be received under this criterion was granted. After assessment of the individual targets, the bonuses that will be paid in 2019 are as follows:

Executive	Rate of achievement of performance criteria	2018 bonus (gross, in €)	% of fixed compensation
Didier Truchot	Criterion No. 1: 0% (Weighting: 80%) Criterion No. 2: 13.7% (Weighting: 20%), of which: - definition and deployment of the new Total Understanding strategic programme: 5.7% (Weighting: 12%); - reduction of CO_2 emissions: 4% (Weighting: 4%); - improvement of the gender equality ratio: 4% (Weighting: 4%).	€35,000	7%
Laurence Stoclet	Criterion No. 1: 0% (Weighting: 60%) Criterion No. 2 (individual targets): 2% (Weighting: 40%)	€60,000	13%
Henri Wallard	Criterion No. 1: 0% (Weighting: 60%) Criterion No. 2 (individual targets): 16.2% (Weighting: 40%):	€45,000	10%
Pierre Le Manh	Criterion No. 1: 0% (Weighting: 60%) Criterion No. 2 (individual targets): 20.2% (Weighting: 40%):	€45,000	8%

Regarding the variable compensation (bonus) payable for 2017 and paid in 2018: see the 2017 Reference document, page 123.

[3]As regards Pierre Le Manh, in 2018, Ipsos paid a total of €112,019, which covers:

(i) the portion of the rent relating to the personal use of an apartment in which Pierre Le Manh has been living since he undertook his responsibilities in the North America Region in February 2013 (a total amount of €53,718 in rent for 2018);

(ii) the tax payable on such amount at a tax rate of 50% of the global amount of €112,019 in accordance with the local tax regulations (i.e. an amount of €58,300).

In 2017, Ipsos paid a total amount of €113,031, which covers:

(i) the portion of the rent relating to the personal use of an apartment in which Pierre Le Manh has been living since he undertook his responsibilities in the North America Region in February 2013 (a total amount of €56,176 in rent for 2017);

(ii) the tax payable on such amount at a tax rate of 50% of the global amount of €113,031 in accordance with the local tax regulations (i.e. an amount of €56,855).

Table 3: Attendance fees and other compensation received by non-executive officers

This table appears in paragraph 15.5.3 of this Reference Document.

Table 4: Share options alloted during the year to each executive officer by the issuer and by any Group company

No share options were granted during the year to executive officers.

Table 5: Share options exercised during the year by each executive officer

No share options were exercised during the year by the executive officers.

Table 6: Free shares granted during the year to each executive officer by the issuer and by any Group company

Executive Officers	Number and date of plan	Number of shares granted during the year	Value of shares calculated using the method adopted in the consolidated financial statements	Vesting date	Date of availability	Performance conditions
Didier Truchot	No. 15 Date: 04/05/2018	4,801	€136,060	04/05/2021	04/05/2021	Two non-cumulative criteria each affecting 50% of attributions – See Table 10 (Historical information on free share grants)
Laurence Stoclet	No. 15 Date: 04/05/2018	4,801	€136,060	04/05/2021	04/05/2021	
Henri Wallard	No. 15 Date: 04/05/2018	4,801	€136,060	04/05/2021	04/05/2021	
Pierre Le Manh	No. 15 Date: 04/05/2018	4,801	€136,060	04/05/2021	04/05/2021	
Total		**19,204**	**€544,240**			

Each executive officer will be required to hold 25% of the shares definitively vested in registered form for the duration of his or her term of office.

Table 7: Free shares granted to executive officers which became available for trading during the financial year

Executive Officers	Number and date of plan	Number of shares became available for trading in 2018	Vesting requirements[1]
Didier Truchot	No. 11 – Date: 25 April 2014 No. 13 – Date: 28 April 2016	2,650 6,224	The performance conditions are specified in Table 10 below.
Laurence Stoclet	No. 11 – Date: 25 April 2014 No. 13 – Date: 28 April 2016	2,650 6,224	
Henri Wallard	No. 11 – Date: 25 April 2014 No. 13 – Date: 28 April 2016	2,650 6,224	
Pierre Le Manh	No. 13 – Date: 28 April 2016	6,224	
Total		**32,846**	

[1] At the end of the vesting period (25/04/2016 for the 2014 Plan), the beneficiaries had obtained 50% of the free shares initially attributed, as the performance criteria were partially met.
At the end of the vesting period (28/04/2018 for the 2016 Plan), the beneficiaries had obtained 100% of the free shares initially attributed, as the performance criteria were fully met.

It should be noted that there was no holding requirement for free shares granted under the International Plans, the retention period only applying to French beneficiaries under the French Plans. In addition, there is no longer a retention period since the Plan implemented from 28 April 2016.

Table 8: History of grants of share subscription or purchase options (stock options)

This table appears in paragraph 21.1.4.2.1. of this Reference Document.

Table 9: Share subscription or purchase options granted to the top ten non-corporate officers and options exercised by the latter during the year

This table appears in paragraph 21.1.4.2.1. of this Reference Document.

Table 10: History of allotments of free shares

	IPF 2020 Long-term plan	2013 Annual plan (No. 10)	2014 Annual plan (No. 11)	2015 Annual plan (No. 12)	2016 Annual plan (No. 13)	2017 Annual plan (No. 14)	2018 Annual plan (No. 15)[3]
Date of General Meeting of Shareholders	5/04/2012	28/04/2013	25/04/2014	24/04/2015	28/04/2016	28/04/2018	04/05/2018
Date of Board Meeting	04/09/2012	28/04/2013	25/04/2014	24/04/2015	28/04/2016	28/04/2018	04/05/2018 15/11/2018[3]
Number of shares granted	196,937	414,155	410,135	416,143	451,115	397,878	448,603
Of which to Executive Officers	14,616	40,268	31,794	28,870	31,120	20,696	19,204
Didier Truchot	-	6,838	5,299	5,774	6,224	5,174	4,801
Jean-Marc Lech	-	6,838	5,299	-	-	-	-
Carlos Harding	-	6,648	5,299	5,774	6,224	-	-
Pierre Le Manh	4,872	6,648	5,299	5,774	6,224	5,174	4,801
Laurence Stoclet	4,872	6,648	5,299	5,774	6,224	5,174	4,801
Henri Wallard	4,872	6,648	5,299	5,774	6,224	5,174	4,801
Vesting date	04/09/2017	25/04/2015	25/04/2016	24/04/2017	28/04/2018	28/04/2019	04/05/2021 15/11/2021

	IPF 2020 Long-term plan	2013 Annual plan (No. 10)	2014 Annual plan (No. 11)	2015 Annual plan (No. 12)	2016 Annual plan (No. 13)	2017 Annual plan (No. 14)	2018 Annual plan (No. 15)[3]
Performance criteria (solely for executive officers) beyond the condition of presence (applicable to all beneficiaries)	Retention of Ipsos shares vested prior to allocation (allocation was conditional on prior vesting by the beneficiary of the same number of Ipsos shares.	Two non-cumulative criteria each affecting 50% of attributions: • average organic growth rate over the two-year term of the plan higher than the average organic growth over the same period for our three main competitors [2] and: • an increase in the operating profit over the two-year term of the plan.	Two non-cumulative criteria each affecting 50% of attributions: • Ipsos organic growth greater than average organic growth of three main competitors[2] for comparable activities during the two-year period of the plan; • an increase in Ipsos' operating profit over the two-year term of the plan.	Two non-cumulative criteria each affecting 50% of attributions: • cumulative rate of organic growth over the two-year duration of the plan (Year 1 and Year 2) higher than 3.02% (if this rate falls between 2% and 3.02%, the number of shares vested will be between 80% and 100% of the number of shares allocated according to a linear progression); • Ipsos operating profit greater than or equal to 10% in Year 1 and, for Year 2, operating profit greater than Year 1.			Two non-cumulative criteria each affecting 50% of attributions: • cumulative rate of organic growth over three years of 6% (if this rate falls between 3% and 6%, the number of shares vested will be between 80% and 100% of the number of shares allocated according to a linear progression); • average Ipsos operating profit for Years 2 and 3 is higher than Year 1.
End of holding period [1]	04/09/2019	25/04/2017	25/04/2018	24/04/2019	-	-	-
Number of shares delivered as at 31/12/2018	119,426	350,982	322,757	361,826	415,397	1,724	800
Cumulative number of shares cancelled or lapsed at 31/12/2018	15,744	63,173	87,378	54,317	35,718	29,390	12,307
Number of shares to be delivered as at 31/12/2018	0	0	0	0	0	366,764	435,496

[1]There was no holding requirement for free shares granted under the International Plans, the retention period only applying to French beneficiaries under the French Plans. There is no longer a retention period since the Plan implemented from 28 April 2016.
[2]The three main competitors used in the organic growth calculation are: Nielsen's "Insights" division; Kantar excluding its panel business; and the "Consumer experience" division of GfK.
[3]On 4 May 2018, the annual plan rules were amended by the Board of Directors to allow several successive grants in the same year governed by the same plan/rules. As a result, in addition to the grant awarded on 4 May 2018 to 1,006 Group employees, the Board of Directors decided to grant an additional 54,205 shares to 30 of the Group's top managers who joined Ipsos Partners in November 2018. For the second grant, the vesting date (15 November 2021) is still three years from the grant date.

Table 11: Summary of information concerning the compensation of executive officers

Executive Officers	Employment contract	Supplementary pension scheme	Compensation or benefits due or liable to become due as a result of termination or change of position	Compensation relating to non-compete clause
Didier Truchot Chairman and CEO Start of duties: 23 February 1988 End of duties: General Meeting to be held in 2020	No	No	Yes	No
Laurence Stoclet Deputy CEO Start of duties: 8 April 2010 End of duties: General Meeting to be held in 2020	Yes	No	Yes Note: compensation linked to the termination of the employment contract only	Yes Note: compensation linked to the termination of the employment contract only
Pierre Le Manh Deputy CEO Start of duties: 8 April 2010 End of duties: General Meeting to be held in 2019	Yes	No	Yes Note: compensation linked to the termination of the employment contract only	Yes Note: compensation linked to the termination of the employment contract only
Henri Wallard Deputy CEO Start of duties: 21 February 2003 End of duties: General Meeting to be held in 2019	Yes	No	Yes Note: compensation linked to the termination of the employment contract only	Yes Note: compensation linked to the termination of the employment contract only

15.3.2. *Summary of share, option and voting rights holdings of Ipsos SA executive officers*

The following table shows, as at 31 December 2018, the shareholding in Ipsos SA of each executive officer in terms of number of shares and voting rights; number of shares that may be acquired by exercising stock options; and number of shares that may be obtained through allocation of free shares.

Executive officer	Number of Ipsos SA shares	Number of Ipsos SA voting rights	Number of shares that may be purchased by exercising share subscription options	Number of shares that may be purchased by exercising stock options	Number of shares that may be obtained by free share attributions
Didier Truchot	266,367	521,313	-	-	9,975
Laurence Stoclet	68,489	120,685	48,720	-	9,975
Pierre Le Manh	45,032	78,968	28,720	-	9,975
Henri Wallard	43,800	71,307	48,720	-	9,975
Patrick Artus	792	1,584	-	-	-
Mary Dupont-Madinier	510	520	-	-	-
Jennifer Hubber	7,674	11,941	7,310	-	4,032
Neil Janin	5,900	5,900	-	-	-
Henry Letulle	15,755	31,510	-	-	-
Anne Marion-Bouchacourt	800	800	-	-	-
Florence von Erb	800	810	-	-	-
Sylvie Mayou	3,088	5,896	-	-	221

15.4. Trading by officers in Ipsos SA financial instruments (article L. 621-18-2 of the Monetary and Financial Code)

The officers of Ipsos SA and persons who have close personal links with them have notified to the AMF the following transactions in Ipsos SA financial instruments in 2018:

Registrant	Date of transaction	Type of transaction	Unit price (in €)	Volume (number of instruments)
Geneviève Gosschalk (related to Brian Gosschalk)	8 March 2018	Sale of shares	€32.10	500
Judith Passingham	23 May 2018	Sale of shares	€29.02	3,980
Judith Passingham	24 May 2018	Sale of shares	€29.02	168
Judith Passingham	25 May 2018	Sale of shares	€29.02	1,038
Lauren Demar	28 May 2018	Sale of shares	€29.44	350
Lauren Demar	1 June 2018	Sale of shares	€29.44	6,450
Henri Wallard	14 Sept 2018	Sale of shares	€26.32	1,000
Henri Wallard	31 Oct 2018	Sale of shares	€23.54	1,200
Henri Wallard	2 Nov 2018	Sale of shares	€23.52	961
Henri Wallard	7 Nov 2018	Sale of shares	€24.70	800
Henri Wallard	9 Nov 2018	Sale of shares	€22.98	800
Henri Wallard	12 Nov 2018	Sale of shares	€22.94	994
Henri Wallard	12 Nov 2018	Sale of shares	€22.90	882
Henri Wallard	13 Nov 2018	Sale of shares	€23.14	869
Henri Wallard	10 Dec 2018	Sale of shares	€20.12	1,600
Henri Wallard	10 Dec 2018	Sale of shares	€20.12	1,200
Henri Wallard	11 Dec 2018	Sale of shares	€20.48	1,000
Henri Wallard	11 Dec 2018	Sale of shares	€20.38	900

15.5. Remuneration of the Directors

15.5.1. Eligibility for attendance fees

No external director receives any compensation for the performance of his or her duties as a director (including participation in the Specialised Committees), other than attendance fees.

The director representing employees is also eligible to receive attendance fees.

However, the Chairman and Chief Executive Officer and the other directors who exercise executive functions within Ipsos do not receive attendance fees for their terms as members of the Board of Directors. Under the rules in force within the Group, they do not receive attendance fees or any other compensation for other offices they may hold in other Group companies.

15.5.2. Amount of attendance fees and rules of distribution

Since 2017, the unit amount of the fees per Board of Directors and Committee meeting attended has been €2,000.

The amount of the annual budget granted by the General Meeting of Shareholders of 29 April 2017 is €250,000, starting in 2017.

In accordance with the rules adopted by the Board of Directors on the basis of the recommendations of the Nomination and Remuneration Committee of 5 January 2017, the fees are now allocated and distributed on the following basis:

- €2,000 for each Board meeting attended in person during the financial year;
- €2,000 for any Committee meeting attended in person during the financial year, excluding Committee Chairpersons;
- a half-token of €1,000 for each meeting attended by phone for either the Board of Directors or a specialised committee, except for Directors living abroad and participating via phone, who will receive the full fee;
- an annual lump-sum compensation of €10,000 for each of the Committee Chairpersons, excluding the receipt of unit fees subject to additional amounts received (then added to the annual fixed lump sum) for a unit fee per additional meeting of the Committee after the fifth session per year;

up to a limit of €250,000.

15.5.3. *Individual amounts of attendance fees received by directors*

	Gross amounts paid for 2017	Gross amounts paid for 2018
Patrick Artus		
Attendance fees	€22,000	€20,000
Other compensation	-	-
Xavier Coirbay		
Attendance fees	€14,000	€2,000
Other compensation	-	-
Sébastien Coquard, representative of FFP Invest		
Attendance fees	€10,000	-
Other compensation	-	-
Mary Dupont-Madinier		
Attendance fees	€22,000	€18,000
Other compensation	-	-
Florence von Erb		
Attendance fees	€30,000	€32,000
Other compensation	-	-
Neil Janin		
Attendance fees	€18,000	€20,000
Other compensation	-	-
Henry Letulle		
Attendance fees	€9,000	€10,000
Other compensation	-	-
Anne Marion-Bouchacourt		
Attendance fees	€6,000	€18,000
Other compensation	-	-
Sylvie Mayou (director representing employees)		
Attendance fees	€4,000	€12,000
Other compensation	-	-
TOTAL	**€143,000**	**€132,000**

A table setting out the attendance and assiduity of directors at Board and Committee meetings held in 2018 is included in part 16.4.3 of this Reference Document (page 140).

16. Functioning of the corporate and management bodies

16.1. Date of expiration of current term of mandate

Please refer to Section 14 "Board of Directors and management bodies" in this Reference Document. The start and end dates of each tenure are listed in the first table in paragraph 14.1.1.

16.2. Information on contracts between the Company and its corporate officers

There are no service agreements between any corporate officers and Ipsos SA or any of its subsidiaries, providing for the grant of benefits under the terms of that agreement.

16.3. Compliance of the issuer with the corporate governance regime of AFEP-MEDEF

See paragraph 16.4.1. below.

16.4. Board of Directors' report on corporate governance

This corporate governance report, which accompanies the management report referred to in Article L. 225-37 of the French Commercial Code and is prepared in accordance with the last paragraph of that article, was compiled by the Board of Directors.

It contains all the information referred to in Articles L.225-37-3, L. 225-37-4 and L. 225-37-5 of the French Commercial Code on corporate governance.

16.4.1. Corporate governance standards

On 17 December 2008 the Board of Directors of Ipsos SA adopted the Code of Corporate Governance for listed companies of AFEP-MEDEF (hereinafter the "AFEP-MEDEF Code") as its corporate governance standards.

Since that date, and following successive updates of the Code, the Board of Directors has been working to enhance and develop its governance rules. For example, the Board of Directors endeavours to stay informed of new rules and updates, notably, its own internal regulations.

The Company applies the latest version of the AFEP-MEDEF Code, as revised in June 2018 and currently in effect. It can be obtained from the Company's head office and can also be found on the AFEP website.

It should be noted that the Company follows all the recommendations contained in the Code, provided that they are compatible with the mode of operation and management of the Company by market research professionals, as well as the organisation, size and resources of the Ipsos group. Any recommendations that Ipsos may not have applied and the reasons for said non-application are listed in the table below.

AFEP MEDEF Code recommendations rejected by Ipsos	Ipsos situation	Detailed justifications
<u>Article 24.5.1 - Termination payments</u> The performance conditions set by the Board meetings for these termination benefits must be assessed over at least two financial years. In addition, termination benefits must not be paid to an executive officer (...) if he or she is able to claim a retirement package.	Termination payments to Didier Truchot In the event of his dismissal before the end of his term of office, Didier Truchot will be entitled to the payment of compensation equal to twice the gross remuneration he received in the year preceding the date of termination of his duties within Ipsos. This compensation is subject to the following performance condition: revenue for one of the three financial years ending prior to the year of dismissal must be higher, at constant exchange rates, than that of the preceding year. For example, if his dismissal takes place in 2017, the performance condition will be met in any of the following situations: (i) revenues in 2016 are higher than in 2015, (ii) revenues in 2015 are higher than in 2014, or (iii) revenues in 2014 are higher than in 2013.	The performance taken into account is that of a single financial year, compared with the performance of the previous financial year. The performance condition is therefore not assessed *stricto sensu* over at least two financial years, but it does imply growth assessed over at least two financial years. Compensation will not be paid in the event of proven failure by the executive in the last years of his term of office. Furthermore, it is not explicitly stated that payment of the compensation is ruled out in the event that Didier Truchot retires in the near future. However, Didier Truchot does not have a supplementary pension scheme from Ipsos, nor any other statutory or contractual termination payment, as he does not have an employment contract. Therefore, it is not only reasonable, but fully in the Company's interest, for the founding executive of Ipsos, who has dedicated almost all of his working life to developing the Company, to receive this compensation.
<u>Article 17.1 – Composition of the Remuneration Committee</u> It is recommended that the committee chair be independent and that an employee Director be a member.	The Director representing employees is not a member of the Company's Nomination and Remuneration Committee.	It was not considered appropriate to appoint Sylvie Mayou, the Director representing employees, as a member of the Nomination and Remuneration Committee insofar as the remit of this Committee is not confined solely to the matter of executive compensation. For example, the Committee also examines appointments and succession plans. The Board is therefore of the opinion that the Director representing employees should not automatically be given a seat on the Committee, and that consideration should be given instead to the possible appointment of one – or even several – employee Directors to a particular Committee according to his or her specific competences and preferences.

16.4.2. *Presentation of executives and corporate officers*

This part of the corporate governance report can be found in paragraph 14.1 of this Reference Document.

16.4.3. *Governance structure: the Executive Management, Board of Directors and Board Committees*

1. Executive Management

Chairman and CEO

Choice of Executive Management model:

Ipsos SA is a *société anonyme* with a Board of Directors. In accordance with legal requirements, its Articles of association delegate to the Board of Directors the choice between the combination of the roles of Chairman and Chief Executive Officer or the appointment of one person for each function.

At its meeting of 12 December 2001, the Board of Directors of Ipsos decided that Didier Truchot, Chairman of the Board and founder of Ipsos, would also take on the role of Chief Executive Officer of Ipsos SA, and that Jean-Marc Lech, Vice-Chairman and co-founder of Ipsos, would act as Deputy Chief Executive Officer. This structure was chosen to allow the two founding Co-Chairmen to work together.

This choice was confirmed twice during Mr Lech's lifetime, on 23 June 2004 and on 8 April 2010.

It was again confirmed following Jean-Marc Lech's death and upon Didier Truchot's re-election on 28 April 2016, when the Board decided that this arrangement should continue until the end of his tenure, due to expire at the end of the Ordinary General Meeting held to approve the financial statements for the financial year ended 31 December 2019.

The decision to keep this management model, which reflects the original organisational structure, is closely linked to Didier Truchot as an individual.

Mr Truchot, who founded the Group and managed and controlled it for nearly 40 years with his now deceased partner, Jean-Marc Lech, is an internationally renowned and respected market research professional. He has in-depth knowledge of the industry and its markets.

At a time when Ipsos is facing changes in its competitive environment, maintaining a streamlined governance structure focused on its founding Chairman is considered the most appropriate model in view of the Company's goals.

This decision gives the Group a clear and strong vision of its development prospects and needs, while allowing greater responsiveness in decision-making, which is essential in this context.

The corollary of combining the roles of Chairman and Chief Executive Officer is the close involvement of the Board of Directors. All the Directors work closely together and share a commitment to act in the best interests of Ipsos and all its shareholders, within a Board that is both balanced and responsive.

The continual changes in the Board's membership – with an increasing number of independent Directors or a wider diversity of backgrounds, skills and expertise, for example – are all signs that the chosen governance model is working effectively.

Powers of the Chairman and Chief Executive Officer:

As Chairman of the Board of Directors, Didier Truchot guides and organises the Board's work. He is responsible for the effective operation of the Company and ensures that Directors are able to discharge their responsibilities. Mr Truchot acts in accordance with the applicable laws and the Articles of Association, as well as the internal regulations of the Board of Directors referred to in paragraph 2.3. below.

As Chief Executive Officer, Didier Truchot has the utmost authority to act in any circumstances on behalf of the Company. He exercises that authority within the bounds of the corporate purpose and subject to the powers that the law expressly recognises for shareholders' meetings and for the Board of Directors. He represents the Company in its dealings with third parties. In accordance with the provisions of Article R.225-28 of the French Commercial Code, the Board of Directors has delegated authority to the Chairman and Chief Executive Officer to grant sureties, endorsements and guarantees on behalf of the Company, within the limit of a total annual amount of €50,000,000.

Age limit:

According to the Articles of Association of Ipsos SA, the age limit for the Chief Executive Officer is 75.

Deputy Chief Executive Officers

Alongside the Chairman and Chief Executive Officer, the Board of Directors has appointed three Deputy Chief Executive Officers. Their main duties are to continue discharging the management responsibilities linked to the salaried positions they hold within the Group:

- Laurence Stoclet, Group Chief Financial Officer responsible for Investment and Technology;
- Pierre Le Manh, Director of Ipsos North America and Ipsos Marketing;
- Henri Wallard, Director of Ipsos Loyalty, Ipsos Public Affairs, Ipsos Science Centre, Ipsos Laboratories, Neurosciences and Ipsos Knowledge Centre.

Management Board Executive Committee (MBEC)

The Management Board Executive Committee (MBEC), which acts as the Group's Executive Committee, is composed of the Group's senior officers and executives. At 31 December 2018, the MBEC had 22 members, seven of whom were women (see paragraph 14.1.3 of the Reference Document).

2. Board of Directors and Specialised Committees

Ipsos SA is managed by a Board of Directors, which is assisted by three specialised committees: the Audit Committee, the Nomination and Remuneration Committee, and the Corporate Social Responsibility Committee.

Keen to comply with the corporate governance principles resulting from the applicable recommendations, the Board of Directors unanimously adopted **internal regulations** at its meeting of 8 April 2010. The internal regulations are regularly reviewed and have been amended on several occasions. They consist of an internal document adopted in accordance with the Articles of Association, which supplements them. The internal regulations clarify – within the framework of the existing laws, regulations and Articles of Association – the rules governing the composition, organisation and functioning of the Board of Directors and the committees established within it, as well as the ethical rules to be applied by the Company's Directors.

Each Committee also has internal regulations which set out the specific rules applicable to each of them.

The latest version of the internal regulations can be found on the global website www.ipsos.com under https://www.ipsos.com/en/management.

The Company's Articles of Association are also available on the website at **https://www.ipsos.com/en/regulated-informations/fr.**

2.1 Main rules governing the composition of the Board of Directors and the Specialised Committees

- **Applicable principles**

Number of Directors: Ipsos' Board of Directors has a maximum of 18 members. At least half of them must be independent and without vested interests in Ipsos within the meaning of Article 2.2 of the internal regulations, as specified below.

Duration and staggering of tenures: Article 12 of the Articles of Association provides that Directors shall be appointed for a four-year term. As an exception to this principle, and when justified in order to facilitate the staggered re-election of Directors, the Ordinary General Meeting may, when a Director is appointed, limit his or her term to two (2) or three (3) years. This mechanism should allow for the staggered and harmonious replacement of the Board of Directors.

Age limit and eligibility for re-election: No more than a third of the individual Directors or permanent representatives of companies on the Board of Directors may be over 75 years of age. If this proportion is exceeded, the oldest member will be deemed to have resigned automatically.

Share ownership: any Director or permanent representative of a legal entity on the Board who personally receives attendance fees from the Company must personally hold at least 400 shares in the Company. Any Director who does not hold the minimum number of securities required will undertake to make the necessary purchases by investing his or her attendance fees, where applicable.

The requirement to hold a minimum number of Company shares does not apply to Directors representing employees or, where applicable, Directors representing employee shareholders.

Each Director undertakes to hold the minimum number of 400 shares throughout his or her term of office.

All shares held by the Chairman, a Chief Executive Officer, a Director or a permanent representative of a legal entity on the Board must be in registered form.

Absence of convictions: To Ipsos' knowledge, no Board members or senior executives of the Group have been convicted of fraud in the last five years. None of the Directors has participated, while being a board member or officer, in a bankruptcy, an attachment procedure or liquidation during the last five years and none of them has been publicly incriminated or officially sanctioned by a governmental or quasi-governmental authority. None of the Directors have been prohibited by a court from acting as member of a board of Directors, a directorate or a supervisory board in the management or the supervision of the affairs of an issuer during the last five years.

Management of conflicts of interest: To prevent conflicts of interest, the internal regulations of Ipsos' Board of Directors specify that Directors have a duty of loyalty. Accordingly, each Director undertakes to inform the Board of any conflict of interest, even if only potential, and to abstain from taking part in discussions and voting on the corresponding resolution, and not to have any personal involvement with companies that compete with Ipsos and the Group without informing the Board and obtaining its consent. No conflicts of interest between the obligations towards Ipsos SA of the Directors and officers and their personal interests and other obligations have been brought to the Company's attention.

- **Independent Directors**

Independence criteria used: Any Director who does not have a relationship of any nature whatsoever with Ipsos or its management which might compromise the exercise of his freedom of judgement or be of a nature to put him in a situation of conflict of interest with the management, Ipsos or the Group, is deemed to be independent.

The status of independent Director is discussed by the Nomination and Remuneration Committee, which presents the outcome of its assessment to the Board. Each year, the Board of Directors examines, on the basis of this assessment and before the publication of the annual report, the position of each Director with regard to the independence criteria.

The Nomination and Remuneration Committee and the Board of Directors must apply the following criteria to test whether a Director qualifies as independent and to prevent the risk of a conflict of interest between the Director and the management, the Company (i.e. Ipsos SA, hereinafter referred to as "Ipsos") or the Group:

- not to be, either currently or at any time in the previous five years:
  - an employee or executive corporate officer of Ipsos,
  - an employee, executive corporate officer or director of a Group company, or,
  - an employee, executive corporate officer, or director of a shareholder holding sole or joint control of Ipsos within the meaning of Article L. 233-3 of the French Commercial Code or a company consolidated by that shareholder;
- not to be an executive corporate officer of a company in which Ipsos holds a directorship, directly or indirectly, or in which an employee appointed as such by Ipsos, or an executive corporate officer of Ipsos (or someone who had been a Director within the previous five years) is a Director;
- not to be, or be bound directly or indirectly to, a customer, supplier, investment banker, commercial banker or consultant:
  - that is material for Ipsos or the Group,
  - or for which Ipsos or the Group accounts for a material share of business,

  The evaluation of how significant the relationship is with the company or its group must be debated by the Board and the quantitative and qualitative criteria used in this evaluation (continuity, economic dependence, exclusivity, etc.) must be explicitly stated in the annual report;
- not to be closely related to a Director of Ipsos or the Group;
- not to have been an auditor of the company or a Group company within the previous five years;
- not to have been a Director of Ipsos for more than twelve years.

A non-executive corporate officer may not be considered independent if he or she receives variable compensation in cash or securities or any compensation linked to the performance of the Company or Group.

Directors representing major direct or indirect shareholders of Ipsos may be considered independent, provided that these shareholders do not take part in control of the company. However, the qualification as independent of any Director representing an Ipsos shareholder that directly or indirectly owns over 10% of the share capital or voting rights of Ipsos requires that the Board, upon a report from the Nomination and Remuneration Committee, systematically reviews the qualification of the Director as an Independent Director taking into account Ipsos' capital structure and the existence of any potential conflicts of interest.

Review of the independence of Directors: Each year, normally at the start of the financial year, the independent status is examined by the Nomination and Remuneration Committee, which prepares a report on the subject. On the basis of this report, the Board of Directors examines the position of each Director with regard to each of the independence criteria. In addition, when examining nominations for new Directors, the Committee and the Board consider the candidate's eligibility for independent director status on the basis of each criterion. This examination only covers external Directors, excluding those with executive or salaried positions within Ipsos.

From the assessments carried out, it emerges that of the six external Directors on the Board of Directors as of the date of this Report, five of them are considered to have no vested interests and are thus deemed independent.

Criteria	Patrick Artus	Mary Dupont-Madinier	Neil Janin	Henry Letulle	Anne Marion-Bouchacourt	Florence von Erb
Absence of status of employee or executive corporate officer of Ipsos or of the Group, or of a shareholder having control of Ipsos, in the previous five years	Yes	Yes	Yes	Yes	Yes	Yes
Absence of cross-directorships	Yes	Yes	Yes	Yes	Yes	Yes
Absence of significant business relationships	Yes	Yes	Yes	Yes	Yes	Yes
Absence of close family ties with a corporate officer	Yes	Yes	Yes	Yes	Yes	Yes
Absence of a statutory auditor relation within the previous five years	Yes	Yes	Yes	Yes	Yes	Yes
Absence of Director status within the Company for more than 12 years	Yes	Yes	Yes	No	Yes	Yes
Absence of variable compensation received in addition to attendance fees	Yes	Yes	Yes	Yes	Yes	Yes
Status determined by the Board of Directors	Independent	Independent	Independent	Non-independent	Independent	Independent

<u>Assessment of whether or not the business relationship is significant</u>: Two of the external Directors (Patrick Artus and Anne Marion-Bouchacourt) primarily work for banks that Ipsos has business dealings with (Natixis and Société Générale, respectively).

The independence of each of these Directors means that the business relationship that Ipsos has with the bank that each Director works for is not considered “significant” for either party, i.e. for Ipsos or for the bank. A relationship that was significant for either party would give rise to conflicts of interest and would therefore make it impossible for the Director to qualify as independent.

It should first be noted that the Ipsos Group’s drawn debt is 92% composed of instruments in which investors are highly atomised and variable (including 36% bond debt, 31% Schuldshein, and 25% USPP). All of these products involve a broad panel of international financial institutions. In addition, Ipsos has €400 million in undrawn facilities.

Patrick Artus is Chief Economist at Natixis, which is one of Ipsos’ corporate banks. Based on the work carried out by the Nomination and Remuneration Committee, the Board of Directors found that in 2018, the volume of business with this bank represented 4% of the Group’s drawn debt – a percentage in line with the Group’s other two banks (and representing 4% of the total authorised/drawable debt, if one includes the *Caisse d’Epargne* network, which together with Natixis is part of the BPCE group). Therefore, this is a non-significant volume, given that five other banks or banking groups have a share of between 5% and 7% of the authorised/drawable debt and that 44% of the debt is contracted outside the Group’s main banks. Consequently, the Board does not regard this business relationship as significant for Ipsos. Similarly, the fees earned by Natixis from this financing make up a tiny part of its revenue and do not lead to any dependency on Ipsos. Therefore, this business relationship cannot be considered significant for the bank either. Lastly, the Board has noted the existence within Natixis of a “Chinese wall”, which means that Patrick Artus would never be involved in any business dealings with Ipsos.

Accordingly, the Board of Directors does not consider this business relationship to be significant for any of the parties concerned. Patrick Artus thus remains eligible for the status of independent Director.

For Anne Marion-Bouchacourt, Société Générale Group Chief Country Officer in China until October 2018, and now in Switzerland, the Board of Directors’ analysis, based on the work of the Nomination and Remuneration Committee, was as follows. The volume of loans that Société Générale granted to Ipsos in 2018 only represented 4% of the drawn debt at 31 December 2018, and 7% of the Group’s total authorised/drawable debt, 44% of the debt being contracted outside the Group’s main banks. To conclude, the Board emphasises that for financing purposes, the Ipsos Group uses a whole range of instruments (bilateral or syndicated credit lines, Schulschschein loans, private placement, bond issues) involving a broad panel of international financial institutions. This ability to diversify its sources of funding in a highly competitive environment rules out any dependency of Ipsos on Société Générale or any other bank, Ipsos working with more than 100 banks in total worldwide. Similarly, the fees earned by Société Générale from this financing make up a tiny part of its revenue and do not lead to any dependency on Ipsos. Lastly, the Chinese wall that exists within the banking group is an additional safeguard against any conflict of interest.

Consequently, the Board of Directors does not consider the business relationship to be significant for any of the parties concerned. Anne Marion-Bouchacourt thus remains eligible for the status of independent Director.

As of the date of this report, Ipsos' Board of Directors therefore has ten members, including one Director representing employees, taking the Board's independence rate to 55%.

- **Other rules governing the composition of the Board of Directors and the Committees**

<u>Director representing employees</u>: Pursuant to Law No. 2013-504 of 14 June 2013 on "secure employment", a mechanism for the mandatory appointment of one or more employee representatives on the Company's Board of Directors was incorporated into the Company's Articles of Association by decision of the General Meeting of 28 April 2017.

The new Article 11-1 of the Articles of Association relating to Directors representing employees thus provides that the Board of Directors shall, under Article L. 225-27-1 of the French Commercial Code, have one Director representing the Group's employees, with the proviso that if more than 12 Directors are appointed by the General Meeting, a second Director representing employees shall then be appointed.

The director representing employees shall be appointed by the trade union organisation that obtained the most votes in the first round of the elections mentioned in Articles L.2122-1 and L.2122-4 of the French Labour Code in the Company and its direct or indirect subsidiaries, whose registered offices are located in French territory.

It should be noted that this arrangement is set to change in the near future, subject to the final adoption of the bill on the Action Plan for Business Growth and Transformation (so-called "*Pacte*").

<u>Composition of the Board's Committees</u>: The members of standing committees are appointed by the Board of Directors. They may be removed by the Board. They are appointed either for the duration of their tenure as Director, or for a period determined by the Board, which may not exceed that of their tenure as Director.

Audit Committee – The Audit Committee is composed of two to four members appointed by the Board from among its members. The Committee chair is appointed by the Board of Directors. At least two thirds of Audit Committee members must be independent Directors, as defined by the AFEP-MEDEF corporate governance code for listed companies. Committee members must have the necessary financial and/or accounting expertise for their role.

Nomination and Remuneration Committee – The Nomination and Remuneration Committee may not include executive corporate officers. It is composed of two to four members, the majority of whom must be independent Directors.

Corporate Social Responsibility Committee – The CSR Committee is composed of three to four members appointed by the Board of Directors, at least two of whom must be independent Directors.

- **Diversity policy within the Board of Directors and management bodies**

Diversity within the Board of Directors – For several years, the Board of Directors has been regularly asked to assess both its own composition and that of its Committees.

The Board was therefore called upon to express its opinion not only during the annual assessment of its membership and its operational assessment, but also during the compilation of the annual report and the preparations for the General Meeting, through the annual membership and independence review, and when examining nominations for new Directors.

These periodic meetings are an opportunity – under the aegis of the Nomination and Remuneration Committee, which examines these topics in detail – to improve the diversity of the Board's membership from year to year. This happened most recently in 2017, notably with (i) the arrival of Anne Marion-Bouchacourt, independent Director with solid management expertise and in-depth knowledge of the Chinese market, (ii) the arrival of Jennifer Hubber, a leading industry professional, and (iii) the appointment of Sylvie Mayou as the Director representing employees.

Of the ten members of the Board of Directors (see summary table in paragraph 14.1.1.1 of this Reference Document):

- the Board considers five out of nine Directors (excluding the Director representing employees) to be independent (i.e. the majority of its members);
- four Directors are men and five are women (excluding the Director representing employees, who is also a woman), which is a very good level of parity;
- the Directors are aged between 43 and 72, the average age being 59;
- five Directors are foreign nationals or primarily work abroad, thus ensuring a high degree of open-mindedness and a deeper understanding of the global market and economy;

- all the Directors have different and complementary skills and expertise (financial, economic, sociological, legal, sectoral, etc.), as shown in the tables in paragraph 14.1.1.2 of this Reference Document.

Recently surveyed on this issue, the Directors unanimously found the Board's membership to be balanced and in line with diversity targets, which they believe are the key to wide-ranging debates and the efficient operation of the Board.

Diversity within other management bodies – The discussions that the Board of Directors of Ipsos SA has on the subject of diversity are not confined to its own membership policy. Under the aegis of the CSR Committee, extensive work and analysis is carried out on the non-discrimination and diversity policy to be implemented at Group level. This concerns management bodies in the broader sense of the term, including the MBEC and the "top levels" (levels 1 and 2) of Group employees, i.e. around 750 people out of a Group with just over 18,000 employees at the end of 2018. It is at the highest levels of management that women seem to be less well represented, with women making up 31.8% of the MBEC, 29.4% of level 1 positions (Partnership Group), and 40.5% of level 2 positions (Business Leadership Group). Conversely, at level 3 and below (1,242 employees, 52% of whom are women), women are in the majority. Therefore, the Board of Directors ensures that its diversity policy, which focuses mainly on gender equality targets (see paragraph 8.2.6.4. of this Reference Document), is clearly defined, relevant and effective by regularly monitoring the results of its implementation and seeking to adjust the targets where necessary.

2.2. Changes in the composition of the Board of Directors and its Committees

- **Board of Directors**

Director	At 31 December 2017	At 31 December 2018	Comment
Didier Truchot	Director (non-independent)	Director (non-independent)	Continuation of current term of office
Laurence Stoclet	Director (non-independent)	Director (non-independent)	Continuation of current term of office
Patrick Artus	Director (independent)	Director (independent)	Continuation of current term of office
Mary Dupont-Madinier	Director (independent)	Director (independent)	Continuation of current term of office
Jennifer Hubber	Director (non-independent)	Director (non-independent)	Continuation of current term of office
Neil Janin	Director (independent)	Director (independent)	Continuation of current term of office
Henry Letulle	Director (non-independent)	Director (non-independent)	Re-elected on 04.05.2018
Anne Marion-Bouchacourt	Director (independent)	Director (independent)	Continuation of current term of office
Florence von Erb	Director (independent)	Director (independent)	Re-elected on 04.05.2018
Sylvie Mayou	Director representing employees	Director representing employees	No change
Xavier Coirbay	Director (non-independent)	-	End of tenure: 16.01.2018 (resignation)

As the above table shows, the composition of the Board of Directors remained stable during the 2018 financial year. That said, the number of Board members fell from 11 to 10 at the start of the financial year following the departure of Xavier Coirbay, who was not replaced.

Two Directors, Florence von Erb and Henry Letulle, were re-elected at the General Meeting held on 4 May 2018.

By contrast, the 2017 financial year saw significant changes in the Board's composition, especially after the merger with LT Participations (approved by the Extraordinary General Meeting of 29 December 2016) and the resignation of FFP Invest. Yann Duchesne also left the Board when his tenure expired at the General Meeting of 28 April 2017. This General Meeting was thus an opportunity to inject more independence, equality and diversity into the Board, with:

- the appointment of Anne Marion-Bouchacourt as Director, the Board having found that she qualified as an independent Director;
- the appointment of Jennifer Hubber as Chief Client Officer of Ipsos and a partner of Ipsos Partners;
- And lastly, the arrival on the Board of Directors in July 2017 of a director representing employees, Sylvie Mayou.

- **Committees**

The composition of the three Committees did not change during 2018.

Committee	At 31 December 2018
Audit Committee	• Patrick Artus, Chair (independent) • Florence Von Erb, Member (independent)
Nomination and Remuneration Committee	• Neil Janin, Chair (independent) • Mary Dupont-Madinier, Member (independent) • Anne Marion-Bouchacourt, Member (independent)
Corporate Social Responsibility (CSR) Committee	• Florence von Erb, Chair (Independent) • Didier Truchot, Member • Mary Dupont-Madinier, Member (independent) • Jennifer Hubber, Member

The Audit Committee has had two members since the departure of Xavier Coirbay during the year.

The General Meeting of Shareholders to be held on 28 May 2019 will be asked to approve the appointment of a new independent Director. If appointed, this candidate is also expected to join the Audit Committee.

2.3. Organisation and functioning of the Board of Directors and its Specialised Committees

The Board of Directors is organised in accordance with and performs the functions assigned to it by the applicable laws and regulations, the Articles of Association of Ipsos SA, the AFEP-MEDEF Code and the internal regulations of the Board of Directors. The same applies to the Committees, which have their own internal regulations.

The tasks of the Board of Directors

The Board of Directors determines the guidelines of the Company's business and supervises their implementation. Subject to the powers specifically attributed to the General Meeting of Shareholders, and within the limit of its corporate object, it concerns itself with any issue of interest to the proper functioning of the Group and resolves any issues that may arise. It performs the controls and checks that it deems necessary.

In particular, the Board of Directors is responsible for the following matters:

a. all decisions relating to the overall strategic, economic, social, financial and technological orientation of the Company and the Group;

b. the subscription or conclusion of loans of a material amount, whether in the nature of a bond issue or otherwise;

c. The creation of joint ventures or any material acquisition of activities, assets, or shareholdings;

d. the annual budget and the approval of the business plan of the Group;

e. the nomination or revocation of the Statutory Auditors or any one of them;

f. any merger or planned merger involving the Company, or more generally any operation ensuing the transfer or sale of all or almost all of the assets of the Company;

g. exercise of any delegations of power or competence relating to the issue or purchase of shares or financial instruments giving access to the share capital of the Company or any transaction leading to a capital increase or reduction, including the issue of financial instruments giving access to the share capital or preference shares[1];

h. the creation of any double voting rights or any modification of the voting rights attached to the shares of the Company;

i. any changes to the corporate governance, including any changes to the rules of corporate governance applicable

[1] A table summarising the powers currently delegated by the General Meeting of Shareholders for capital increases, indicating the use made of those powers during the financial year, can be found in paragraph 21.1.4.1 of this Reference Document on "Share capital authorised but not issued".

within the Company;

j. any proposal to amend the Articles of association of the Company;

k. any new admission for trading of the Company's shares on a regulated market other than Eurolist of NYSE Euronext;

l. the voluntary dissolution or amicable liquidation of the Company, any decision having as a consequence the commencement of a collective procedure or the nomination of an ad hoc administrator against the Company;

m. in case of litigation, the entering into of any agreements or settlements, or the acceptance of any compromise if the relevant amounts are material;

n. upon proposal by the Nomination and Remuneration Committee, draft stock option or free shares plans and more generally the policy of associating employees and Directors with the results of the Group;

o. the quality of the information provided to the shareholders and to the market, through the accounts or during an important transaction.

Any material transaction which is outside of the strategy of the undertaking must receive the prior approval of the Board of Directors.

The Board of Directors examines any transactions of strategic importance, particularly as regards external growth, divestments, important investments in internal growth and internal restructuring.

The Board of Directors is informed in due time of the liquidity situation of the Company and the Group in a manner allowing it to take such decisions relating to financing or indebtedness as may be required.

Once a year, the Board meets solely to review topics relating to the Group's strategy.

The Board of Directors regularly examines issues relating to the strategy and internal or external growth projects. This allows Directors to receive regular progress reports and to support or potentially challenge the Executive Management on these topics.

Lastly, although this specific role has not yet been formally added to its internal regulations, following the entry into force of the new version of the AFEP-MEF Code in June 2018, the Board of Directors is also tasked with promoting the company's long-term value creation by considering the social and environmental impact of its activities.

With the exception of the limitations imposed by laws, regulations and the provisions of the above-mentioned internal regulations, no limitations have been imposed by the Board of Directors on the powers of the CEO.

To perform its functions effectively and to facilitate its deliberations and decision-making, the Board of Directors is assisted by Specialised Committees which give advice and make proposals and recommendations to the Board within their respective areas of responsibility. They are: the Audit Committee, the Nomination and Remuneration Committee, and the Corporate Social Responsibility Committee (CSR Committee). Their role is described in more detail below.

The information of the Board of Directors

The Board of Directors meets when summoned. Notices may be sent by post, fax, or email. In an emergency, they may be given verbally.

At least once a year, usually in the last quarter, the provisional schedule of Board meetings for the following year and for the start of year N+2 is sent to the Directors and then finalised. If one or more Directors are unable to attend on one or more of the proposed dates, those meetings will be rescheduled wherever possible, provided that the new dates suit all the Directors. On the basis of this schedule, electronic invitations are sent to the Directors and, where appropriate, to the Statutory Auditors, so that they can add the Board meetings to their calendars.

At least five days before each Board meeting (except in urgent or extraordinary circumstances, which might warrant a shorter period), the Secretary of the Board formally sends the Directors the notice of meeting on the Chairman's behalf. The notice of meeting is normally sent by email, together with the agenda.

In principle, Board meetings are held at the Company's registered office. However, subject to the applicable statutory provisions and in the conditions stipulated in the Board's internal regulations, Board meetings may also take place by conference call. This method may be used in particular in the case of acquisitions or financing projects which require a swift decision from the Board, where it is not possible to schedule a meeting in advance. If individual Directors are temporarily prevented from physically attending a Board meeting, they may also take part by conference call, subject to the limits provided by law. This option also applies to participation in Committee meetings.

Information on agenda items requiring specific analysis and prior consideration is sent to Board members prior to the meeting. A Director may request communication of any additional documents that he or she deems necessary to prepare for a meeting provided that the request is made with reasonable prior notice. Where particularly sensitive information is involved, the information may be communicated during the meeting.

Directors may meet with senior executives of the company. However, the main discussions with management take place on the annual Board strategy day, which is usually followed by a dinner.

Board members may also receive training to familiarise them with the market research business and the Group's operations. The annual strategy day is part of this training, since the main issues relating to Ipsos' activities are examined in detail. Training in Ipsos' business lines, which is provided through the Ipsos Training Center, is also available for Directors who request it.

Digitalisation of the Board of Directors

During the 2018 financial year, the Board of Directors set up a website to interact with its members and to send them data and documents about the Board and/or Committees securely. This digitalised "board room" has been in place since October 2018.

Assistance from the Specialised Committees

The Committees only have a consultative role and exercise their attributions under the responsibility of the Board of Directors.

The Committees regularly report to the Board of Directors as to the performance of their tasks and inform it of any problems they encounter.

Each Committee has adopted internal regulations approved by the Board of Directors, the main provisions of which relating to its functioning are described below.

No Executive Officer may be a member of the Audit Committee or Nomination and Remuneration Committee. Nevertheless, they may attend meetings without taking part in the deliberations. Accordingly, Didier Truchot, Chairman and Chief Executive Officer, participates in the meetings of the Nomination and Remuneration Committee but does not vote, and Laurence Stoclet, Deputy CEO in charge of the Group's Finance Department, participates in the meetings of the Audit Committee.

The Committees meet as often as necessary. The Chairman and Chief Executive Officer can call a Committee meeting if he/she notes that a Committee has not met as many times as specified in the Committee's internal regulations. He may also call a meeting whenever he feels it is necessary for a Committee to present the Board with an opinion or recommendation on a specific subject.

<u>Audit Committee</u>:

The Audit Committee was created by the Board of Directors on 1 October 1999.

In addition to its members who have voting rights, the Group Chief Financial Officer, the Deputy Chief Financial Officer, the Director of Accounting, Consolidation and Reporting and the Statutory Auditors also attend meetings of the Audit Committee.

Whenever necessary, the head of internal audit also takes part in these meetings.

Ipsos refers to the recommendations of the working group regarding the Audit Committee dated July 2010 for the definition and conduct of the work of the Audit Committee.

The legal framework for the auditing of the financial statements was substantially revised in 2016 following the entry into force on 17 June of Order No. 2016-315 of 17 March 2016 for the adaptation of French law of the "Statutory audit reform" initiated by the European Community institutions in 2014 with Directive 2014/56 and Regulation 537/2014.

Under these circumstances, on 26 July 2016, the Board of Directors amended its internal regulations to take account of the new tasks of the Audit Committee arising from said Statutory audit reform. The internal regulations of the Audit Committee were amended in 2017 to reflect these changes and to provide for a specific procedure for the approval of "services other than the certification of accounts" to be entrusted to the Statutory Auditors.

The Committee is responsible for matters pertaining to the preparation and control of accounting and financial information.

Without prejudice to the competence of the Board of Directors, the Committee is specifically tasked with:

a) monitoring the process for preparing financial information and making recommendations or proposals to ensure its integrity;

b) ensuring the effectiveness of the internal control, risk management and, where applicable, internal audit systems with regard to financial information;

c) overseeing the statutory audit of the separate and consolidated financial statements by the Statutory Auditors;

d) verifying the independence of the Statutory Auditors, particularly as regards the provision of services other than the statutory audit of the accounts of the audited entity;

e) issuing a recommendation on the Statutory Auditors nominated for appointment or re-election by the General Meeting, including through a call for tenders under applicable laws and regulations;

f) authorising the outsourcing of "services other than the certification of accounts" to the Statutory Auditors, ensuring that their provision does not compromise the independence of the Statutory Auditors, according to a specific procedure annexed to its regulations, approved in accordance with the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes* – CNCC).

Specifically, it is mandated by the Board of Directors:

- to conduct a preliminary review of the draft annual and half-year separate and consolidated financial statements, to examine how these were prepared and ensure the relevance and permanence of the accounting policies adopted;

- to examine the integration methods and the scope of consolidation of the accounts (as well as the reasons why companies might not be included);
- to ensure the correct treatment of material transactions at the Group level, particularly where a conflict of interest could arise in those transactions;
- to keep up to date on the financial situation, cash position and significant liabilities of the Company and the Group;
- to ensure the relevance and quality of the Company's financial reporting;
- to examine significant off-balance sheet risks and commitments;
- to monitor the effectiveness and quality of the Group's internal control, risk management and, where applicable, internal audit systems;
- to be briefed by the head of internal audit and to be informed of his or her work programme. It receives internal audit reports or a periodic summary of these reports;
- to oversee the procedure for the selection of the Statutory Auditors by examining issues relating to their appointment, re-appointment or dismissal;
- to review the amount and breakdown of fees paid by the Group to the Statutory Auditors and to any networks they might belong to; as such, the Committee must be informed of the fees paid by the Company and the Group to the firm and network of Statutory Auditors and ensure that their amount, or the proportion they represent of the revenue of the firm and network, are not liable to compromise the independence of the Statutory Auditors;
- to examine the safeguard measures taken to mitigate the risks to their independence.

The Committee may be charged with any other task that the Board of Directors deems necessary or appropriate.

The Committee's duties on behalf of the Board of Directors of the Company do not limit the powers of the Board of Directors, which cannot avoid liability by citing the Committee's work or advice.

The Committee may directly and independently consult the Statutory Auditors, the corporate officers and senior executives, as well as all management documents, ledgers and records of the Company. In this respect, it may conduct visits or interview managers if this proves relevant or necessary for its work. Specifically, the Committee may interview the individuals involved in the preparation or control of accounts. The Committee informs the Chairman of the Board of Directors of any consultation, visit or interview; this information is given in advance or, if this is not possible in the circumstances or due to an emergency, immediately after the consultation, visit or interview concerned.

The Committee may arrange meetings with the Statutory Auditors without the Executive Management being present.

The Committee may ask the Board of Directors to provide it with external assistance for the fulfilment of its mission if it deems it necessary. The Committee may also ask, at any time, for a report to be produced by the Company's executive management, Statutory Auditors or CFO concerning a specific point in the financial statements.

The Committee may also submit any proposed amendments to its regulations to the Board of Directors for approval.

<u>Nomination and Remuneration Committee</u>:

The Nomination and Remuneration Committee was created by the Board of Directors on 1 October 1999.

In addition to its members who have voting rights, the Chairman and Chief Executive Officer of Ipsos, the Group's Human Resources Director, the Group's Remuneration Director and the Corporate Secretary also attend meetings of the Nomination and Remuneration Committee.

In accordance with its internal regulations, and without prejudice to the powers of the Board of Directors, the Nomination and Remuneration Committee is responsible for examining and issuing recommendations on the remuneration and benefits of the executive officers. The Board of Directors has ultimate responsibility for any decisions. The Committee also make recommendations on the total amount of attendance fees and how they should be allocated to Directors.

In addition, the Committee is informed of the compensation policy for senior managers who are not corporate officers.

The Committee is consulted on and examines any nominations of Ipsos Directors, presenting its opinion to the Board. Nominations can come from the Board in the form of resolutions to be put to shareholders, through co-opting or following a proposal from Ipsos shareholders. The Committee also analyses the independence of candidates according to the criteria established by the Board and issues a proposal regarding their status. It is responsible for submitting proposals to the Board following a detailed review of all factors to be taken into account in its deliberations, particularly in view of the composition and development of the Company's shareholding structure, so as to achieve a balanced composition of the Board through the representation of different genders, nationalities, international experience, expertise, etc.

Each year, it analyses the status of independent Directors and submits its opinion to the Board, which examines this status.

The Committee is consulted on, examines and advises the Board on any nominations to the position of Chief Executive Officer of Ipsos.

The Nomination and Remuneration Committee also prepares succession plans for executive officers.

In late 2015 and early 2016, it worked with the Chairman and Chief Executive Officer on establishing a succession plan for that role. The plan was approved by the Board of Directors in February 2016. The Committee returned to this highly confidential subject in January 2019. It was also addressed during the Board meeting on 27 February 2019, without the executive directors, the director representing the employees and the Board Secretary being present.

Corporate Social Responsibility Committee (CSR Committee):

The CSR Committee was created by the Board of Directors on 23 July 2014.

The Deputy Chief Financial Officer, in charge of the Committee secretariat, the CSR Officer and the Secretary of the Board of Directors participate in the meetings of the CSR Committee.

In accordance with its internal regulations and without prejudice to the powers of the Board of Directors, the CSR Committee's main task is the supervision of the Group's social projects, including the projects conducted by the Ipsos Foundation.

Its remit covers all aspects of the Company's corporate social responsibility, in line with the Group's mission and activities, and specifically its labour, environmental, societal and ethical issues.

The work of the CSR Committee notably concerns the following three areas:

- the review of CSR policies, reporting tools and monitoring of the Group's non-financial issues and objectives;
- review of the statement of non-financial performance and review of non-financial information contained in this report;
- supervision of the activities of the Ipsos Foundation, the purpose of which is to provide assistance and develop and implement educational actions for children and young people worldwide.

With regard to its supervision of the Foundation, the CSR Committee is regularly informed of and consulted on these various activities, which form part of the Group's CSR initiatives. However, in operational terms, the Ipsos Foundation operates independently from and outside this Committee.

2.4. The work of the Board of Directors and the Specialised Committees in 2018

Board of Directors

During the financial year ended 31 December 2018, the Board of Directors met seven times and had a fairly sustained level of activity.

The opinions and recommendations of the various Committees assisting it in its work were sent to it regularly in the form of verbal and written reports.

At these meetings, items within its remit and on which it is required to deliberate each year were referred to the Board, including:

- approval of the Company and consolidated full-year financial statements for the year ended 31 December 2017;
- review of the half-year financial statements as at 30 June 2018;
- review of financial press releases on the annual and half-year results;
- regular discussions and updates on the Group's business performance;
- review of governance issues, particularly the independence of Directors and proposals to be submitted to the General Meeting on the composition of the Board of Directors;
- the annual self-assessment of the composition and functioning of the Board of Directors;
- the compensation of the Chairman and Chief Executive Officer and the compensation of the other MBEC members;
- preparations for the General Meeting of Shareholders of 4 May 2018;
- free share grants and the assessment of the level of achievement of the performance criteria of the plan implemented in 2016;
- authorisation of surety bonds, endorsements and guarantees.

On matters specifically concerning the 2018 financial year, various strategic matters and acquisitions were referred to the Board, including:

- the definition and implementation of the new "Total Understanding" strategic plan;
- several internal and/or external growth projects, including the proposed acquisition of some of GfK's businesses and the proposed acquisition of Synthesio;

The implementation of the General Data Protection Regulation ("GDPR") was also referred to the Board, given the topical nature of this subject and its importance for Ipsos' activities.

Two major refinancing operations were also presented to the Board before being implemented:

- a €300 million bond issue, placed in September 2018;
- a new €160 million syndicated credit agreement, also finalised in September 2018.

Lastly, the Board examined the transaction that took place in late 2018, following which 30 of the Group's top managers who recently joined the Partnership Group ("level 1" managers) became shareholders of Ipsos Partners and, as authorised by the Board of Directors of Ipsos SA, were therefore allocated free Ipsos shares.

Specialised Committees

Audit Committee:

The Audit Committee held four meetings in 2018, one in each quarter.

The Committee's members were closely involved in its work, with a meeting attendance rate of 100%.

The main topics examined and discussed by the Committee were:

- the review of the annual and half-yearly financial statements, with specific items (revenue recognition and goodwill measurement) considered by the Statutory Auditors as key points of the audit;
- the review of major disputes and litigation;
- the internal audit programme for 2018 and the results of the internal control self-assessment carried out in 2017 in each country;
- the implementation of IFRS 15 and in particular the methods used;
- the presentation by the Statutory Auditors of the audit approach (schedule, approach, key points, etc.) and of IFRS 16 on leases, which came into effect in January 2019;
- the protection of personal data in relation to the implementation of the GDPR and the examination of several specific CSR risks;
- the definition and implementation of the Ipsos vigilance plan and the extension of the whistle-blowing system.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee met twice in 2018, in February and May.

Its work focused on the following topics:

- the composition of the Board of Directors, particularly in view of the preparatory work for the General Meeting of 4 May 2018, with a review of the independence criteria;
- the information to be provided to shareholders regarding executive compensation and say on pay;
- the compensation policy applicable to the Chairman and Chief Executive Officer for the 2018 financial year, the calculation of his compensation for 2018, and the setting of performance criteria, including the CSR targets which determine the variable cash portion (bonus) of his compensation;
- the calculation of the variable portion to be awarded for the 2017 financial year after assessing the achievement of the criteria previously set;
- review of the compensation of the Deputy Chief Executive Officers and other members of the MBEC;
- the award of free shares, with the adoption in 2018 of new plan rules authorising the Board to make several awards in the same year, all subject to a vesting period extended to three years; the review of the 2018 "annual" plan (volume, distribution and performance criteria on which the vesting of the shares is contingent for executive officers) and the plan for an additional share award for the Group's top managers who became shareholders of Ipsos Partners in 2018.

In 2018, the attendance rate at meetings of the Nomination and Remuneration Committee was 100%.

Corporate Social Responsibility Committee:

The CSR Committee met twice in 2018, in January and July.

It examined and discussed the following topics in particular:

- the Group's CSR policy and in this respect, the monitoring of CSR key performance indicators for which the Group has set measurable targets for 2020;
- presentation of the results of the 2017 CSR "Taking Responsibility Survey";
- the presentation by KPMG, independent auditor, of the results of the CSR audit carried out for the 2017 financial year;
- the monitoring of the reduction in greenhouse gas (GHG) emissions;
- follow-up on efforts to improve the gender pay gap, with a particular focus on countries where significant gaps have been observed;
- review of the activities of the Ipsos Foundation.

In 2018, the attendance rate at meetings of the CSR Committee was 100%.

Attendance rate of Directors at meetings of the Board of Directors and of the Committees in 2018

The overall attendance rate at Board meetings held in 2018 was 94% (a rate equal to 2017). The participation rate was 100% for each of the three Committees.

The following table details the attendance of each Director at meetings of the Board and the Committee(s) on which they sit. The table also shows the number of meetings for which participation took place remotely. It should be noted that if a Director resident in France participates in a meeting by telephone rather than in person, he or she will receive half of the attendance fee instead of the full amount (see section 15.5.2 of this Reference Document).

Director	Board of Directors	Audit Committee	Nomination and Remuneration Committee	CSR Committee
Didier Truchot	7/7			2/2
Laurence Stoclet	7/7			
Patrick Artus	6/7 of which 2 by telephone	4/4		
Mary Dupont-Madinier	6/7 of which 2 by telephone		2/2	2/2
Jennifer Hubber	7/7			2/2
Neil Janin	5/7		2/2	
Henry Letulle	7/7 of which 4 by telephone			
Anne Marion-Bouchacourt	7/7		2/2	
Florence von Erb	7/7	4/4		2/2
Sylvie Mayou	7/7 of which 2 by telephone			
Overall attendance rate	**94%**	**100%**	**100%**	**100%**

Assessment of the functioning of the Board of Directors and its Specialised Committees

In accordance with its internal regulations, the Board of Directors conducted an assessment of its composition, organisation and operating procedures in the first quarter of 2018.

In 2018, this assessment was not carried out formally but was simply discussed, unlike in the previous year, when it was conducted with the help of an external consultant.

Directors were asked to express their views and give feedback, particularly considering the areas for improvement identified during the formal assessment carried out the previous year.

The discussions revealed an increased level of satisfaction with the contribution of each director to the work of the Board, the overall quality of the Board's operation and the balanced composition sought.

In 2017, the results of the assessment were extremely satisfactory on the whole, although two main areas for improvement were identified: the timing of the documents sent prior to meetings, and – from an organisational point of view – the need to set up a secure platform for document transfer as part of the digitalisation of the Board's procedures.

This second point was revisited in early 2018 and, after receiving the approval of all the Directors, the decision was taken to set up a digital platform. This has been in place since October 2018.

16.4.4. *Remuneration of executives and corporate officers*

This part of the corporate governance report can be found in part 15 of this Reference Document.

16.4.5. *Items that may potentially affect a public offer*

Factors likely to have an impact in the event of a public tender offer for the Company's shares, as referred to in Article L. 225-37-5 of the French Commercial Code, are covered in the following sections of this Reference Document:

Factors referred to in Article L. 225-37-5 of the French Commercial Code	**Sections of the Reference Document**
Company's equity structure	18 and notably 18.1., 18.2. and 18.3; 21.1.
Restrictions laid down in the Articles of Association on the exercise of voting rights and transfers of shares or clauses of agreements brought to the Company's attention pursuant to Article L. 233-11 of the French Commercial Code	18.4. ; 21.2.6; see note 1 below
Direct or indirect equity interests in the Company of which it is aware pursuant to Articles L. 233-7 and L. 233-12 of the French Commercial Code	18.1.
Holders of any securities conferring special control rights and a description of those rights	See note 2 below
Control mechanisms within any employee shareholding scheme, where control rights are not exercised by the employees	See note 3 below
Agreements among shareholders known to the Company that could lead to restrictions on transferring shares or exercising voting rights	18.4. ; See note 4 below.
Rules governing the appointment and replacement of members of the Board of Directors and amendments to the Company's Articles of Association	16.4.2. (particularly 2.1.); 21.2.
Powers of the Board of Directors, particularly concerning the issue or buyback of shares	21.1.3; 21.1.4.
Agreements entered into by the Company that are amended or terminate in the event of a change in control, unless such disclosure could severely compromise its interests (excluding cases where disclosure is required by law)	See note 5 below
Agreements providing for payments for employees or members of the Board of Directors in the event that they resign or are dismissed without cause or if their employment contract is terminated as a result of a public tender offer or public exchange offer	See note 6 below

The following points should be noted in particular:

1) there is no clause in the articles of association restricting the transfer of shares;

2) there are no shares giving special control rights other than the double voting rights allocated to all fully paid-up shares, which have been registered in the name of the same shareholder for more than two years;

3) voting rights of Ipsos shares held by the FCPE "Ipsos *Actionnariat*" (employee savings mutual fund) are exercised by the Supervisory Board of the fund in accordance with Article 8.2, Paragraph 2 of the FCPE's internal regulations;

4) there are no limitations in the articles of association governing the exercise of voting rights, other than the penalty for non-disclosure of any ownership thresholds exceeded;

5) the main financing agreements of the Ipsos Group contain clauses allowing for amendment or termination in the event of a change in control. It is the policy of the Group to resist, wherever possible, any clauses in its commercial or partnership contracts allowing amendment or termination in the event of a change in control in Ipsos SA;

6) Didier Truchot is entitled to a severance payment in the event of his removal from office under the conditions set out in paragraph 15.1.1 of this Reference Document. Laurence Stoclet, Pierre Le Manh and Henri Wallard benefit from a conscience clause in respect of their salaried positions, as described in paragraph 15.2 of this Reference Document. Other senior employees within the Group may have a similar clause in their employment contracts.

16.4.6. *Share capital authorised but not issued*

This part of the corporate governance report can be found in paragraph 21.1.4.1 of this Reference Document.

16.4.7. *Other information covered by the French Commercial Code*

Agreements referred to in Article L. 225-37-4 2 of the French Commercial Code

The reporting requirement does not apply to agreements made directly or through an intermediary between any corporate officer or shareholder holding more than 10% of the voting rights of a Group company and another company in which the former directly or indirectly holds more than half of the share capital, except for standard business agreements concluded at arm's length.

Specific arrangements relating to shareholder participation in the General Meeting or provisions of the Articles of Association providing for such arrangements

Shareholder participation at Ipsos SA General Meetings is governed by law and by the Articles of Association, and specifically Articles 20 to 23 of the Company's Articles of Association, available online at www.ipsos.com in the section on regulated information.

The conditions for convening and deliberating at General Meetings are those stipulated by applicable laws and regulations. General Meetings are held at the Ipsos SA's registered office, or at any other place specified in the notice of the meeting.

Regardless of the number of shares owned, any shareholder can take part in General Meetings of Shareholders if proof of the right to participate can be provided by way of registration of the shares in the shareholder's name or, in the case of a shareholder not resident in France, in the name of the intermediary registered on its behalf, on the third business day at midnight (Paris time) preceding the second day of the General Meeting (Article 21 of the articles of association). Registration of the shares within the time limits provided by the foregoing paragraph must take the form of registration in the registered share accounts kept by the Company or of registration in bearer share accounts kept by the authorised intermediary. Pursuant to Article 23 of the articles of association, an Extraordinary General Meeting must be held to modify any shareholder rights.

16.5. Internal monitoring and risk management procedures

16.5.1. *Introduction*

1. Reference framework for internal control

The methodology adopted by the Ipsos Group uses the reference framework of the French Financial Markets Authority (*Autorité des Marchés Financiers*, AMF) concerning risk management and internal control systems published on 22 July 2010 and the risk management and internal control procedures published on 4 November 2013. This defines internal control as the system developed by or on behalf of Senior Management and implemented under its responsibility by all Group employees. It is made up of a body of means, behaviours, procedures and actions adapted to the characteristics of each Group company and which contributes to the management of the Company business, the efficiency of its operations and resources with the purpose of allowing the Company to take into account in an appropriate manner all material risks, whether of an operational, financial, compliance or reputational nature.

The purpose of the framework is more particularly to ensure the:

- compliance with applicable laws and regulations;
- implementation of instructions and orientations set by Senior Management;
- effectiveness of the Group's internal procedures, in particular as regards safeguarding corporate assets; and
- reliability of accounting and financial information.

2. Scope and purpose of internal control at Ipsos

The overall objective of the internal control system is to anticipate and control risks arising from Ipsos SA's activities, as well as risks of error or fraud, particularly in financial and accounting matters. To achieve this objective, a risk management policy has been set up to identify and measure these risks. Like any control system, however, it cannot absolutely guarantee the elimination of these risks, and depends largely on individual respect of the procedures put in place.

The Ipsos Group attempts to control these risks by implementing measures to ensure that management and operational actions and employee behaviour comply with applicable laws and regulations, the guidelines provided by general management, and the Company's internal regulations.

These procedures also aim to ensure that the accounting, financial and management information communicated to the management bodies gives a true and fair picture of the business activity and financial position of Ipsos and its Group.

Ipsos also takes measures to ensure that these measures are applied by its subsidiaries. Mechanisms are in place at the country level to meet their specific needs and are subject to regular monitoring by the Group (please refer to paragraph 16.5.4 of this Reference Document).

16.5.2. People and structures exercising internal control procedures within the Ipsos Group

At the central level, in addition to the Board of Directors and the specialised committees whose duties and operations are described above, the Group's Senior Management relies on the Management Board Executive Committee (MBEC). This committee supervises all areas of Ipsos' organisational structure, namely the regions, service lines and support functions. One of its duties is to specify and supervise policies and procedures allowing the Ipsos Group to achieve its goals.

The following departments are specifically involved in internal control: finance department; legal and tax department; technology and information systems department; human resources department; audit, quality and compliance department. These departments report to MBEC members.

With the exception of the corporate development department and the audit, quality and compliance department, similar structures are generally set up at regional and national levels.

1. The finance department

The finance department encompasses the functions of management controls, accounting & consolidation, cash management and management of financial information systems. It is supported by local financial teams working at the regional and national level.

Management control is responsible for monitoring the quality of financial information including supervising the quality of account closing and reporting. It also monitors the performance of business units based on budget forecasts, and may suggest corrective actions when necessary. The finance department objectively evaluates the quality of internal financial controls at all levels of the organisation.

The heads of Group accounting and consolidation supervise the work of the central and local accounting teams and ensure the quality of the accounting information produced.

The Chief Financial Officer of the Ipsos Group is also responsible for implementing the Group's financing policy and supervises its application in subsidiaries.

The Finance Directors responsible for subsidiaries and national or regional operations ensure the quality of the accounting and financial information reported to the Group's central bodies by the entities that they supervise. Since 1 January 2007, they report to the next level of hierarchy of the finance department and operationally to the operational managers.

Finance Directors occupy a key role at the national and regional level and appointments to these functions are carefully examined by the Group's finance department to ensure that appointees have the required level of expertise. These people always benefit from an integration programme at the Group's headquarters.

2. The legal and tax department

The Group's legal and tax department is responsible for (i) contributing to the defence and protection of the Group's interests, (ii) defining, implementing and managing the Group's governance, in particular through procedures and controls, and (iii) advising the Group's Executive Management, functional departments and operational departments on a wide range of subjects.

The legal and tax department also ensures that each country's laws and regulations are complied with.

The Group's legal and tax department is organised in four geographical areas - (a) France, Middle East and North Africa, (b) the Americas, (c) Europe and sub-Saharan Africa and (d) Asia-Pacific - and has a "Corporate" unit. In addition, it has a centralised Corporate Division. The regions' Legal Affairs Directors, the Director of the Corporate Division and the Tax Manager report directly to the Group's General Counsel. Local lawyers report to their region's Legal Affairs Director. In countries where there is no lawyer, legal and fiscal matters are the responsibility of the Finance Directors or the Country Managers, as the case may be, assisted by outside counsels placed under the supervision of the legal department of the region concerned.

3. The technology and information systems department

The Technology and Information Systems Department, called Ipsos Tech, actively contributes to risk management by (i) overseeing technological infrastructure investments and solutions, (ii) developing and implementing rules, standards and policies applicable to the Group in the choice and management of information, systems and data technologies, (iii) approving and monitoring the implementation of multinational projects and major regional projects and (iv) implementing the necessary measures to ensure the reliability and safety of the Group's technological operations. The technology and information systems department, in collaboration with the Group legal department, and the Group audit and quality department, establishes risk management procedures relating to information security and data protection and monitors their implementation and proper application.

4. The human resources department

The tasks of the human resources department include (i) the development of human resources management methods and rules, (ii) monitoring of the various variable compensation programmes within the Group, and (iii) monitoring the consistency of the human resources policy of the Group's various companies.

Apart from establishing the various human resources systems and policies, the human resources department is directly involved in the supervision of all senior executives of the Ipsos Group.

5. The corporate development department

Working in conjunction with the finance and legal departments, the corporate development department is responsible for identifying and securing potential acquisition targets.

For each acquisition, a detailed review of the target company is undertaken with the assistance of relevant country and regional departments, the legal department, the finance department as well as external advisors, notably to ensure the accuracy and reliability of the financial data and financial information system and audit risks of all types. Every acquisition project is reviewed and validated by the dedicated Review Committee and is discussed within Ipsos' Board of Directors. Newly consolidated companies are very closely monitored during the first few years to ensure that the various internal policies and procedures are correctly implemented. Acquisition due diligence is performed systematically by outside auditors or internally as regards acquisitions of lesser importance.

6. The audit, quality and compliance department

The internal audit department was created in 2007 to help improve internal control within the Group. In April 2011, the “quality” function was incorporated within this department. This was followed in October 2017 by “compliance”. The department therefore became the audit, quality and compliance department.

Annual audit plans are prepared on the basis of the Group-level risks identified. After being reviewed by the Chairman and Chief Executive Officer and the finance department, they are submitted to the Audit Committee for approval.

The audit plans include subsidiary reviews as well as aspects covering several countries.

Through its work, the department helps to ensure compliance with the Group’s internal control procedures and improves their efficiency.

A summary of internal audit activities is presented to the Audit Committee at its meeting in January or February each year. In principle, the internal audit plan is presented to the Audit Committee in April/May.

16.5.3. Significant control measures put in place

Ipsos has implemented a series of organisational rules, policies, procedures and systems that contribute to the effectiveness of internal controls.

1. Values, rules and general procedures applicable to all employees

The Group adopted a Green Book - the Ipsos Code of Conduct, which was modified in September 2014. It sets out the Group's organisation, structures, values and procedures. It also describes the professional obligations, rules and principles that must be observed, notably codes of practice and ethics. The book is given to new employees upon joining the Group and is available to all Group employees via the Ipsos intranet.

The duties and responsibilities of the different levels and the different players in the Group’s organisation are detailed in a document entitled “Ipsos Organisation”, and a document on the organisation of the finance (Finance Accounting and Administration), a key player in this organisation, setting out the rules applicable in terms of the separation of powers and corporate governance.

The Ipsos Book of Policies and Procedures contains all general procedures relating to financial matters, legal questions, the management of human resources, communications, IT and the conduct of surveys, thereby contributing to internal control. In particular the book includes specific procedures concerning acquisitions, banking powers, the delegation and limitation of powers, cash flow management, litigation monitoring, the review and approval of investments, the preparation and implementation of budgets, accounting rules and methods, the corporate calendar and consolidation tools.
The Group regularly updates these procedures. All of these documents are available to all Group employees on the Ipsos intranet.

Since April 2013, a whistle-blowing system has enabled all Ipsos employees to express their doubts or concerns in relation to known or suspected fraud, conflicts of interest or ethical issues, through various means of communication (online or by post, email or telephone). This system will also allow for investigations to be monitored using an integrated alert management system. Every year, the cases reported and investigated are presented to the Audit Committee at its January meeting.

2. Internal control procedures relating to the preparation and treatment of accounting and financial information for the parent company and consolidated financial statements

The subsidiaries prepare detailed monthly financial reports, used to prepare the monthly consolidated financial statements of the Group. Reviews of results and forecasts are carried out very regularly to ensure that targets will be achieved and, if this is not the case, to take any corrective action that might be necessary.

Accounting rules are defined in the Ipsos Group manual. Explanatory notes are issued for each account closing, emphasising subjects to be given particular attention in light of changes in accounting rules or problems that may have been identified in previous years.

The consolidation of accounting data is performed through a well-known software system which is used by a number of listed companies.

A timetable for reporting information is disseminated within the Group to allow the different accounting teams to organise their work and identify any potential delays or difficulties as soon as possible.

The information reported by the different subsidiaries complies with International Financial Reporting Standards (IFRS). The consolidation files are controlled by a central team, which verifies the accounting options used throughout the year and carries out elimination and consolidation operations. It also verifies the items that present the highest risk.

All material subsidiaries are subject to an audit or a limited review at least once per year by an external accounting firm.

Each subsidiary monitors its internal controls and may set up specific control procedures when necessary, depending on the type of business it conducts and the risks involved.

Lastly, based on information correlated with the current book of procedures, automated monthly indicators have been established to ensure the quality of financial reporting and the effectiveness of our customer collection cycle. These indicators are followed at all levels of the organisation (countries, regions and Group) and are led by the Group Management Control Department, some of the indicators are part of the quarterly business reviews.

3. Symphony management information system

In addition to office computers used by employees, the Group has a comprehensive information and management system (Symphony) that is used in all the countries where Ipsos operates.

The system is made up of a series of tools to help control operations in each line of business. It comprises a secure Business Intelligence tool used by all Group entities. It has an access management system that ensures that the roles of different types of users are defined according to best practices in terms of the separation of tasks.

The Group has set up a system, which automatically detects projects, which may present anomalies (Jobs Under Review). This system is used for each closing, and all countries currently use Symphony. The subsidiaries' Finance Directors confirmed to the Group's finance department that, since the year-end closing at 31 December 2014, they have been performing a review of ongoing surveys, as well as of the year's revenue and gross margin.

16.5.4. Risk management

1. Objectives and scope of risk management

Risk management is a management lever that contributes to (i) creating and preserving the value, assets and reputation of the Company, (ii) securing the Company's decision-making and processes to promote the achievement of objectives, (iii) promoting consistency of actions with the values of the Company and (iv) mobilising the Company's employees around a common vision of the main risks and making them aware of the risks inherent in their business.

The risk management policy applies to all Group assets.

2. General organisation of risk management

Since 2007, Ipsos has set up a risk management procedure supervised and managed by the internal audit department.

3. Risk management

Risk assessments should identify the events that may affect the ability of the organisation to achieve its objectives, assess its risks and determine the appropriate responses. A first risk analysis was conducted in 2007 based on interviews with members of the Executive Committee and other senior managers of the Group, and updates were carried out in 2010 and 2013 using a questionnaire sent to key managers of the Group to evaluate previously identified risks and detect the emergence of new risks.

In December 2016, a new risk analysis was conducted via a questionnaire relating to the Group's main domains. Ipsos' key managers were invited to participate in this survey. The risks identified were classified according to the probability of their occurrence and their impact on the Group's business.

The initial results of this analysis were presented by the head of the internal audit department to the Audit Committee on 9 January 2017. It formed part of the basis used to establish the 2017 internal audit plan. The full risk mapping report was presented to the Board. For each risk identified, a specific action plan was drawn up in order to limit this risk across the Group and to take appropriate measures to prevent similar risks from occurring in our future operations. This approach also led to new tools and procedures being developed to manage these risks (see paragraph 16.5.3 above).

The risk analysis is taken into account when assessing the main risks referred to in Section 4 of the Reference Document.

This risk analysis is regularly followed up to allow for an update of previously identified risks (their evolution or disappearance) and to add any new risks that might be identified.

A new analysis is performed every three years. New risk mapping will therefore be completed and is part of the 2019 internal audit plan.

4. Monitoring the internal control system

The self-evaluation of the quality of the internal control system, performed in each country through an online questionnaire in 2013, was monitored in order to challenge the evaluations, assess the progress made and identify the actions that may need to be set up in the countries where the Group operates.

Likewise, local external auditors had appraised the processes during their interim or annual certification missions by entering their own evaluations in the analysis grid.

The results thus obtained by country allowed closer monitoring and a more precise analysis of weaknesses and of the actions to be set up to improve the quality of internal control.

In 2016, a new questionnaire was developed and used by the external auditors during the annual certifications in order to update their assessment of internal controls.

In 2017, Internal Audit carried out a new self-assessment with Country Finance Directors using an updated questionnaire. The results were compared with assessments carried out by local external auditors to define appropriate actions and establish a follow-up plan.

Reviews of specific processes are also performed by the external auditors at each interim (for entities in full audit scope).

In addition, the internal audits carried out during the country audits assess the risks and weaknesses and set up the required corrective measures to ensure data reliability and compliance with Group requirements.

Each country audit gives rise to customised monitoring throughout the implementation of the recommendations set out in the audit report. As required, the internal audit teams call on the appropriate internal or external resources to perform the missions entrusted to them.

17. Employees

17.1. Information about Ipsos SA

Ipsos SA has one permanent employee.

Therefore, the requirement to provide information regarding reductions in headcount, protection of employment, reclassification of employees, working time provisions and sub-contracted work is not applicable to Ipsos SA.

17.2. Information about the Group

Information regarding Group employees is described in Part 8 “Statement of non-financial performance” of this Reference Document.

18. Major shareholders

18.1. Distribution of share capital and voting rights as at 31 December 2018

As at 31 December 2018, distribution of share capital and voting rights of Ipsos SA was as follows:

	Number of shares	% Shares	Number of voting rights	% of voting rights
DT & Partners	4,406,988	9.92%	8,813,976	17.94%
Didier Truchot	266,367	0.60%	521,313	1.06%
Public*	37,661,122	84.75%	37,883,558	77.12%
Employees ** *Including FCPE and Group savings plan*	1,218,834 *23,798*	2.74% *0.05%*	1,902,736 *46,966*	3.88% *0.10%*
Treasury shares *Of which liquidity agreement*	882,924 *34,979*	1.99% *0.08%*	0 *0*	0.00% *0.00%*
Total	44,436,235	100%	49,121,583	100.00%

** Given the crossings of thresholds reported during the year (see below), as at 31 December 2018, three investment funds held more than 5% of Ipsos SA capital.*
*** Employee participation within the meaning of Article L. 225-102 of the French Commercial Code was 1% as at 31 December 2018.*

Changes in distribution of share capital and voting rights during the 2018 financial year

In 2018, the Company's shareholder structure did not undergo any major changes.
However, significant changes had marked 2016, such as the absorption of LT Participations, the largest shareholder of Ipsos, and the creation of Ipsos Partners.

Following the absorption of LT Participations, which was completed on 29 December 2016, FFP Invest and Sofina, Ipsos's two financial partner shareholders, assisted the Group in its expansion and in the acquisition of Synovate in particular wanted to take advantage of the liquidity offered by the aforementioned merger to sell some or all of their respective holdings in Ipsos's capital, which were 2.1% and 7.16%.

As a result, FFP Invest withdrew from the share capital, selling its stake on the market in the first half of 2017, which was finalised in June 2017.

Sofina, for its part, after a transfer of its Ipsos bearer shares, sold 2.3% of its stake in a private placement and on 18 May 2018 declared that it (i) crossed the threshold of 10% of voting rights and 5% of share capital and voting rights, and (ii) held 1,929,919 Ipsos shares.

Regarding the company Ipsos Partners created in October 2016, it will be noted that in November 2018, 30 new senior managers and top managers of the Ipsos Group purchased stakes in its share capital. Ipsos Partners is a holding company of which only managers of Ipsos can be shareholders, and owns 19% of the share capital and voting rights of DT & Partners, a company 81%-owned by Didier Truchot. DT & Partners owns 9.92% of the share capital and 17.94% of the voting rights of Ipsos.

At 31 December 2018, Ipsos's 157 managers were shareholders of Ipsos Partners, forming a core of professionals who aim to ensure a certain degree of independence for Ipsos.

Employee shareholding

The level of employee participation in the share capital of Ipsos within the meaning of Article L. 225-102 of the French Commercial Code was 1% at 31 December 2018.

This employee shareholding includes:

- the shares held by employees through the "Ipsos Actionnariat" FCPE (0.05% of the share capital);
- due to capital increases exclusively offered to employees as part of the Group employee savings plans, three tranches were offered to employees in 1999 and 2000. The remaining 5,568 Ipsos shares are still currently held by employees;
- registered shares held directly by employees pursuant to Article L.225-197-1 of the French Commercial Code (0.95% of share capital).

In addition, employees of the Group hold shares in the Company that they acquired by means other than those referred to in Article L. 225-102 of the French Commercial Code and therefore do not fall strictly within the scope of the employee shareholding within the meaning of the Code. In particular, the following are not included in the calculation of the employee shareholding:

- shares subscribed directly by certain Group managers at the time of the Company's initial public offering (shares in registered or non-registered form);
- the Ipsos shares that were awarded as part of the acquisition of MORI in 2005 to MORI shareholder managers in compensation for their MORI shares;
- certain employees and officers of the Group, who were

also shareholders of LT Participations, received Ipsos shares in exchange for their LT Participations shares contributed to the Company in connection with the merger on 29 December 2016;

- the shares delivered to employees and executive officers of the Group under the free share plans approved annually by the Board of Directors since 2006, up to the 28 April 2016 plan.

As a result, employees of the Ipsos Group hold 2.74% of the share capital and 3.88% of the voting rights, of which 0.95% corresponds to shares delivered from the free shares attribution plan of 28 April 2016, and 0.05% through a Company Investment Plan (*fonds commun de placement d'entreprise*, or FCPE), "Ipsos Actionnariat", whose voting rights are exercised upon a decision of the Supervisory Board of the FCPE, in accordance with Article 8.2 of its charter.

Treasury shares

Treasury shares no longer confer voting rights at General Meetings.
For information, at 31 December 2018, the total number of voting rights attached to shares, including those stripped of their voting rights, to be used in accordance with Article 223-11 of the General Regulations of the Autorité des Marchés Financiers for the calculation of ownership thresholds expressed in terms of voting rights amounted to 50,004,507.

At 31 December 2018, Ipsos SA held 882,924 treasury shares, representing 1.99% of the share capital, including 34,979 shares under the liquidity contract and 847,945 shares outside the liquidity contract.

Double voting rights

As per Article 10 of the articles of association of Ipsos, shares registered in a shareholder's name for more than two years qualify for double voting rights. At 31 December 2018, 5,568,272 shares carried double voting rights. Except these double voting rights, there are no other securities having different voting rights.
It should be noted that LT Participations had double voting rights in Ipsos SA.

The shareholders of LT Participations were themselves holders of shares in the company that acquired double voting rights on 30 June 2017. As a result of the merger of LT Participations into Ipsos SA, the Ipsos SA shares delivered in exchange for the merger to the shareholders of LT Participations also enjoyed double voting rights that were to be applicable as of 30 June 2017 to shares still held in registered form by their holders on that date.

Crossings of thresholds during the year:

Pursuant to Article L.233-7 of the French Commercial Code and to Article 8 of the Company's Articles of Association, the following declarations in relation to crossings of thresholds during the 2018 financial year were sent to the Autorités des Marchés Financiers (AMF) and are published on its database of financial information (BDIF) under the references mentioned below:

AMF reference No. of the decision	Date of AMF publication	Registrant	Shareholder(s) concerned - Aggregate	Legal threshold(s) crossed	Direction of crossing
218C0895	18 May 2018	Sofina	Sofina	10% of voting rights 5% of share capital and voting rights	Downward
218C1683	17 October 2018	Polaris Capital Management, LLP	Polaris Capital Management, LLC	5% of share capital	Upward
218C1875	22 November 2018	Fil Limited	Fil Limited	5% of share capital	Upward
218C1973	13 December 2018	Schroders Plc	Schroders Plc	5% of share capital	Upward
218C2003	18 December 2018	Fil Limited	Fil Limited	5% of voting rights	Upward
218C2027	20 December 2018	Fidelity (Canada) Asset Management ULC Concert Fil Limited	Fidelity (Canada) Asset Management ULC, aggregate member: Fil Limited)	5% of share capital: Fidelity (Canada) Asset Management ULC	Upward

Other significant shareholding interests

To the best of Ipsos SA's knowledge, there is no shareholders' agreement for at least 0.5% of the share capital or voting rights or aggregates, other than the aggregates within the investment funds managed by Schroders PLC and Fil Limited mentioned in the threshold crossing table above.

18.2. Whether the issuer's major shareholders have different voting rights

As per Article 10 of the articles of association of Ipsos, shares registered in a shareholder's name for more than two years qualify for double voting rights. At 31 December 2018, 5,568,272 shares carried double voting rights. Except these double voting rights, there are no other securities having different voting rights.

18.3. Control

As a result of the merger of LT Participations with Ipsos on 29 December 2016, Ipsos is no longer a controlled company.

Since that date, DT & Partners, the holding company controlled by Didier Truchot, in which 144 Group managers - through Ipsos Partners - had invested in 2016 and which has 157 managers in its share capital as at the end of 2018, became the new reference shareholder of Ipsos SA.

At 31 December 2018, DT & Partners held approximately 9.9% of the share capital and 17.9% of the voting rights of Ipsos SA. Didier Truchot is the Chairman of DT & Partners and the Chairman and Chief Executive Officer of Ipsos SA.

18.4. Agreements among shareholders

18.4.1. *A description of any arrangements regarding a change in control of the issuer*

None.

18.4.2. *Other types of shareholders' agreements*

To the best of Ipsos SA's knowledge, there is no shareholders' agreement for at least 0.5% of the share capital or voting rights or aggregates, other than the aggregates within the investment funds managed by Schroders PLC and Fil Limited mentioned in the threshold crossing table above.

18.5. History of the share capital

To Ipsos SA's knowledge, the breakdown of share capital and voting rights over the past three years was as follows:

	31 December 2018.			31 December 2017			31 December 2016.		
	Shares	% of share capital	% voting rights	Shares	% of share capital	% voting rights	Shares	% of share capital	% voting rights
DT & Partners	4,406,988	9.92%	17.94%	4,406,988	9.92%	17.37%	4,406,988	9.92%	10.08%
Didier Truchot	266,367	0.60%	1.06%	260,143	0.59%	1.01%	254,946	0.57%	0.63%
Sofina	-	-	-	2,179,919	4.9%	8.59%	3,179,919	7.16%	7.28%
FFP Invest	-	-	-	-	-	-	924,337	2.10%	2.11%
SG Capital Développement	-	-	-	-	-	-	514,272	1.16%	2.35%
Employees*	1,218,834	2.74%	3.88%	1,052,386	2.37%	3.34%	1,294,358	2.91%	4.59%
Treasury shares	882,924	1.99%	-	1,350,841	3.04%	-	2,092,179	4.71%	-
Public	37,661,122	84.75%	77.12%	35,185,958	79.18%	69.68%	31,769,236	71.49%	72.96%
Total	44,436,235	100%	100%	44,436,235	100%	100%	45,336,235	100%	100%

** Employee participation within the meaning of Article L. 225-102 of the French Commercial Code was 1% as at 31 December 2018.*

18.6. Pledge of registered shares of Ipsos at 31 December 2018

At 31 December 2018, 1,868,934 shares registered in the name of the shareholder DT & Partners representing 4.21% of Ipsos's share capital had been pledged to credit institutions as security for a loan granted to said shareholder.

19. Related-party transactions

19.1. Main related-party agreements

A description of the main related-party transactions appears in Note 6.6 “Related-party transaction” of the consolidated financial statements presented in Section 20.2 of this Reference document.

In accordance with the regulations in force (Article L. 225-40-1 of the French Commercial code), the Board of Directors, meeting on 27 February 2019, reviewed the agreements entered into and authorised in previous financial years whose performance continued in 2017, the list of which was shared with the Statutory Auditors for the preparation of their special report.

The Board of Directors thus reaffirmed the value of each of those agreements to the Company and consequently decided to maintain each of its authorisations previously granted.

19.2. Statutory Auditors' special report on regulated agreements and commitments

This is a translation into English of the statutory auditors' special report on regulated agreements and commitments issued in French and it is provided solely for the convenience of English-speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Ipsos 31 December 2018

To the general meeting of shareholders of IPSOS SA,

In our capacity as Statutory Auditors of Ipsos SA, we hereby present our report on the Company's regulated agreements and commitments.

It is not our responsibility to investigate the possible existence of other such agreements and commitments, but to inform you, based on the information provided to us, of the main terms and conditions of those agreements and the justification of their merits brought to our attention, without having to express an opinion on their usefulness or appropriateness. Pursuant to the terms of Article R. 225-31 of the French Commercial Code, it is your responsibility to assess the merits of these agreements and commitments with a view to their approval.

Moreover, we are required, if necessary, to provide you with the information specified in Article R. 225-31 of the French Commercial Code relating to the continuation, during the year, of agreements and commitments already approved by the General Meeting of Shareholders.

We have conducted our work in accordance with the professional standards applicable in France. These standards require that we plan and perform our work to verify the consistency of the information provided to us with the underlying documents from which it was taken.

1. Agreements and commitments submitted for the approval of the general meeting of shareholders

Authorized agreements and commitments authorized and concluded during the year

In accordance with Article L. 225-38 of the French Commercial Code, we were not informed of any agreement or commitment approved during the year and that should be submitted for the approval of the general meeting of shareholders.

2. Agreements and commitments already approved by the general meeting of shareholders

2.1. Agreements and commitments approved during prior financial years

2.1.1. Agreements and commitments still implemented during the past financial year

In accordance with Article R. 225-30 of the French Commercial Code, we were informed that the following agreement, approved by the General Meeting of Shareholders over prior financial years, was still in force in the past financial year.

2.1.1.1. Master agreement for the sale of shares by Ipsos SA to some of its subsidiaries

On 27 February 2013 meeting, the Board of Directors approved a master agreement for the sale of shares by Ipsos SA to some of its subsidiaries. The purpose of this agreement is for Ipsos SA to sell Ipsos shares to subsidiaries employing the beneficiaries of bonus share plans, in order to be able to deliver the shares allotted in the context of such plans with effect from April 2013. These sales will be invoiced to the subsidiaries once delivery of the bonus shares is completed.

The sale price of the shares invoiced by Ipsos SA to each subsidiary concerned will be equal to the total price paid by Ipsos SA to buy the shares including the expenses associated with the purchase, divided by the number of shares to be allotted.

Directors/persons concerned: Didier Truchot (Chief Executive Officer), Laurence Stoclet (Deputy Chief Executive Officer).

During the financial year 2017, Ipsos SA invoiced €10,583,213 to some of its subsidiaries pursuant to the agreement.

2.1.1.2. Amendment to the employment contract of Laurence Stoclet dated on 8 June 2005

On 8 June 2005, Laurence Stoclet signed an amendment to her employment contract dated 27 May 1998 providing for the updating of her duties within the Group and her base compensation and the bonus target amount expressed as a percentage of the base pay.

Directors/persons concerned: Laurence Stoclet (Deputy Chief Executive Officer).

During the financial year 2017, Ipsos SA payed €576,864 to Laurence Stoclet.

2.1.1.3. Amendment to the employment contract of Henri Wallard on 25 October 2005

On 25 October 2005, Henri Wallard signed an amendment to his employment contract dated 27 May 1998 providing for the updating of his duties within the Group and his base compensation and the bonus target amount expressed as a percentage of the base pay.

Directors/persons concerned: Henri Wallard (Deputy Chief Executive Officer)

During the financial year 2017, Ipsos SA payed €540,196 to Henri Wallard.

2.1.2. Agreements and commitments which were not executed during the past financial year

Moreover, we were informed of the ongoing validity of the following agreements and commitments, already approved by the General Meeting of Shareholders, which were not executed during the past financial year.

2.1.2.1. Severance payment for Didier Truchot

In the context of the renewal of Didier Truchot as Chairman and Chief Executive Officer during the General Meeting of 28 April 2016, the Board of Directors dated 17 February 2016 has renewed the authorization to allocate a severance payment for Didier Truchot, based on the fulfilment of performance conditions already authorized. The amount of payment will be equal to twice the gross compensation received over the course of the calendar year preceding the termination of their functions at Ipsos.

This payment is subject to performance conditions: if Didier Truchot's severance occurs in year N, the revenue of the Group in one of the three years N-1, N-2 or N-3 shall have been greater than the year preceding (N-2, N-3 and N-4 respectively), at constant exchange rates.

Directors/persons concerned: Didier Truchot (Chief Executive Officer)

2.1.2.2. Amendment to the employment contract of Laurence Stoclet dated 3 October 2012

On 3 October 2012, Laurence Stoclet signed an amendment to her employment contract, whereby she undertakes, for a period of one year from the date she actually leaves Ipsos, not to solicit Ipsos customers either directly or indirectly, nor incite any Group customer to end its business relations with Ipsos.

In exchange for this commitment, Ipsos will pay a lump-sum amount equal to 30% of her gross average monthly compensation over the twelve months preceding her departure. Such compensation will be paid on a monthly basis at the end of the notice period and/or departure from the Company. Ipsos has the right to waive this commitment.

Under this amendment, Laurence Stoclet also undertakes not to solicit any employees for a period of one year from the date she actually leaves the Group. This commitment does not involve any financial compensation.

Directors/persons concerned: Laurence Stoclet (Deputy Chief Executive Officer)

2.1.2.3. Amendment to the employment contract of Pierre Le Manh dated 3 October 2012

On 3 October 2012, Pierre Le Manh signed an amendment to his employment contract comprising a post-contractual non-compete obligation for a period of twelve months. This obligation is compensated by a payment equal to the remuneration he received during the previous calendar year, to be paid monthly. Ipsos Group GIE has the option of waiving the non-compete clause and thus not making the compensatory payment.

Under this amendment, Pierre Le Manh also undertakes, for a period of one year from the date he actually leaves Ipsos, not to solicit Ipsos customers either directly or indirectly, nor incite any Group customer to end its business relations with Ipsos. In exchange for this commitment, Ipsos will pay a lump-sum amount equal to 50% of his gross average monthly compensation over the twelve months preceding his departure. Such compensation will be paid on a monthly basis at the end of the notice period and/or departure from the Company. Ipsos has the right to waive this commitment.

Moreover, Pierre Le Manh undertakes not to solicit any employees for a period of one year from the date he actually leaves the Group. This commitment does not involve any financial compensation.

Directors/persons concerned: Pierre Le Manh (Deputy Chief Executive Officer)

2.1.2.4. Amendment to the employment contract of Henri Wallard dated 25 October 2015

On 25 October 2005, Henri Wallard signed an amendment to his employment contract, whereby he undertakes, for a period of one year from the date he actually leaves Ipsos, not to compete with Ipsos nor solicit Ipsos customers or employees either directly or indirectly.

In exchange for this commitment, Ipsos will pay a lump-sum amount equal to 100% of his gross average monthly compensation over the twelve months preceding his departure. Such compensation will be paid on a monthly basis at the end of the notice period and/or departure from the Company. Ipsos has the right to waive this commitment.

Directors/persons concerned: Henri Wallard (Deputy Chief Executive Officer)

2.1.2.5. Call Option agreements between some Ipsos SA Executive Officers as promisors, with Didier Truchot as first-tier beneficiary and Ipsos SA as second-tier beneficiary for the implementation of the Ipsos Partners project

Under these Call Option agreements, (i) Laurence Stoclet, Henri Wallard and Pierre Le Manh undertake to assign to Didier Truchot as first-tier beneficiary or Ipsos SA as second-tier beneficiary, and (ii) Didier Truchot undertakes to assign to Ipsos SA, as beneficiary, all of the Ipsos Partners shares they hold in the event that they cease to hold positions within the Ipsos Group.

These promises to sell by Laurence Stoclet, Henri Wallard and Pierre Le Manh will enable Ipsos SA to organize the exclusion from the share capital of Ipsos Partners of these managers in the event that they no longer exercise functions within the group. The exercise of these call options will occur at a value determined by an independent expert. Ipsos SA also enjoys a right of substitution such that the shares may be purchased by a new manager who fulfils the conditions set to participate in the share capital of Ipsos Partners. These call options are an essential protection for Ipsos SA to ensure that Ipsos Partners can continue to assemble only a core of executive shareholders.

Directors/persons concerned: Didier Truchot (Chief Executive Officer), Laurence Stoclet (Deputy Chief Executive Officer), Henri Wallard (Deputy Chief Executive Officer), Pierre Le Manh (Deputy Chief Executive Officer).

2.1.2.6. Put Option agreements between some Ipsos SA Executive Officers as beneficiaries and Ipsos SA as promisor for the implementation of the Ipsos Partners project

Under the Put Option agreements, Ipsos SA undertakes to purchase from Didier Truchot, Laurence Stoclet, Henri Wallard and Pierre Le Manh all Ipsos Partners shares that they hold in the event that they cease to hold positions within the Ipsos Group.

These promises to buy liquidity at a "fair" price set by an independent expert will allow Ipsos SA to consolidate a core of executive shareholders alongside Didier Truchot within Ipsos Partners SAS and thus give executives a stake in the growth of the Company.

Directors/persons concerned: Didier Truchot (Chief Executive Officer), Laurence Stoclet (Deputy Chief Executive Officer), Henri Wallard (Deputy Chief Executive Officer), Pierre Le Manh (Deputy Chief Executive Officer).

Neuilly-sur-Seine and Courbevoie, 8 March 2019

The statutory auditors

French original signed by

Grant Thornton
French member of Grant Thornton International
Solange Aïache
Partner

Mazars
Isabelle Massa
Partner

Financial statements

20. Financial information concerning the issuer's assets and liabilities, financial position and profits and losses

20.1. Statutory Auditors' report on the consolidated financial statements

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended 31 December 2018

To the general meeting of shareholders of IPSOS SA,

Opinion

In compliance with the engagement entrusted to us by your annual general meetings, we have audited the accompanying consolidated financial statements of IPSOS SA for the year ended December 31, 2018.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2018 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1st, 2018 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of Ethics (Code de déontologie) for statutory auditors.

Emphasis of Matter

We draw attention to the following matter in Note "1.2.1.1 - Standards, amendments and interpretations adopted by the European Union and mandatory application for annual periods beginning on or after January 1, 2018" to the consolidated financial statements which describes the impacts of the first applications of IFRS 15 " Revenue from Contracts with Customers "and IFRS 9" Financial Instruments ". Our opinion is not modified in respect of this matter.

Justification of assessments - Key audit matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Revenue recognition

(Notes 1.2.1.1 and 1.2.25 to the consolidated financial statements)

Risk identified

Total consolidated revenue for 2018 amounted to €1,749 million recognised using the percentage of completion method. Percentage of completion is generally determined on a straight-line basis over the period from the beginning of each survey to the presentation of the survey's conclusions to the customer.

Any error in analysing agreements concluded with customers, or in estimating surveys' degree of completion, may result in improper revenue recognition.

We have considered revenue recognition as a key audit matter given the volume and diversity of the surveys performed and the necessary analysis of the Group's obligations and of service performance.

Our audit response

We obtained an understanding of the revenue recognition process determined by management and covering service performance, billing, accounting recognition and receipt of the associated payments.

We assessed the key controls over the revenue recognition process and associated information systems, with help from our computer specialists, and performed testings.

For a random, statistical or judgmental quantitative/qualitative selection of contracts, we also performed detailed substantive testing of the revenue recorded, by comparison with signed contracts or other external evidence, and verified sales cut-off.

We assessed the compliance of the company's revenue recognition methodology with generally accepted revenue recognition principles including the IFRS principles.

We also verified the appropriateness of the revenue disclosures in the notes to the consolidated financial statements.

Valuation of goodwill

(Notes 1.2.8, 1.2.15 and 5.1.1 to the consolidated financial statements)

Risk identified

As at 31 December 2018, the carrying amount of the Group's goodwill amounted to €1,291 million.

Ipsos performs goodwill testing at least annually and whenever an indication of impairment is observed. Impairment is recognised in the amount of any excess of the current carrying amount over recoverable value defined as the higher of value in use and fair value net of costs to sell.

Assessment of the recoverable value of goodwill requires the exercise of judgement and the performance of estimates by Ipsos Group management in respect of such matters as the assessment of the competitive, economic and financial environment of the countries in which the Group operates, its ability to achieve the operating cash flows reflected in its strategic plans and the determination of the appropriate discount and growth rates.

We consider the valuation of goodwill as a key audit point given its sensitivity to management's assumptions and the materiality of the amount to the consolidated financial statements.

Our audit response

Our audit procedures consisted in:

- Obtaining an understanding of the process of impairment testing of each CGU implemented by management with particular regard to:
  - The determination of market multiples;
  - The determination of the cash flows used in determining recoverable value;
- Assessing the reliability of the business plan data used in calculating recoverable value. In particular, when impairment testing of a CGU proved sensitive to a particular assumption we:
  - Compared the 2019 business plan projections to previous business plans and to the actual results for prior years;
  - Interviewed Group financial management and country financial managements in order to identify the main business plan assumptions, and assessed those assumptions in the light of the explanations obtained;
  - Assessed the Group's sensitiveness testing and performed our own sensitiveness testing of key assumptions in order to assess their impact on the conclusions of the impairment tests performed;
- In respect of the models applied in determining recoverable values, and with help from our valuation experts, we :
  - Tested the models' arithmetical accuracy and recalculated the resulting recoverable amounts;
  - Assessed the consistency of the methods retained for determining the applicable discount rates and terminal values, compared them with appropriate market data or other external sources and recalculated their values using our own data sources.

We equally assessed the appropriateness of the information included in note 5.1 to the consolidated financial statements.

Accounting treatment for the acquisition of 4 global divisions of GfK Custom Business Research and purchase price allocation

(Notes 1.2.8, 1.2.15 and 5.1.1 to the consolidated financial statements)

Risk identified

On 10 October 2018, Ipsos acquired 4 global divisions of GfK, "Customer Experience", "Experience Innovation", "Health" and "Public Affairs", operating in 26 countries, for a total enterprise value of €105 million. Allocation of the purchase price of €99 million was in progress at 31 December 2018 as, in accordance with the IFRS accounting framework, the Group has a period of twelve months within which it may retrospectively adjust the provisional amounts recognised at the date of acquisition in order to take account of any new information obtained with regard to the facts and circumstances prevailing at the date of acquisition which, had they been known at that time, would have affected the measurement of the amounts recognised at that date.

As set out in note 2.1.1 – GfK of the consolidated financial statements, the purchase price allocation was determined on the basis of provisional fair values for the assets acquired and liabilities assumed at the date of acquisition. The provisional amount of goodwill amounts to €65.8 million.

We believe that the accounting treatment for this acquisition constitutes a key audit matter given the large number of subsidiaries in 26 different countries and the importance of management's judgement for the determination of the fair values applicable to the assets acquired and liabilities assumed in the framework of this transaction.

Audit response

As at 31 December 2018, our audit procedures mainly consisted in:

- Examining the methodology applied by the company and its compliance with the requirements of IFRS;
- Verifying that the determination of the purchase consideration and estimated purchase price adjustments was as provided for by the acquisition agreement and reflected management's best estimates;
- Assessing the appropriateness of management's approach and main assumptions for identifying the applicable assets acquired and liabilities assumed and provisionally measuring their fair value. In particular, we reviewed the work performed and conclusions formulated by the expert retained by Ipsos to identify the assets acquired and liabilities assumed in the framework of this acquisition, as well as the expert's working assumptions as to the existence of any assets overstated or liabilities understated or omitted from the exercise;
- Verifying the accounting treatment by each subsidiary of the assets and liabilities identified;
- Reviewing the clauses of the acquisition agreement dealing with commitments provided or received in the framework of the transaction.

We also verified the appropriateness and accuracy of the additional disclosure provided in the consolidated financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group information given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statement

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (Code de commerce) is included in the Group's management report, it being specified that, in accordance with article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein.

Report on other legal and regulatory requirements

Appointment of the statutory auditors

We were appointed, as statutory auditors of IPSOS SA, by the annual general meetings held on 31 May 2006 for Grant Thornton and on 24 April 2017 for Mazars.

As at 31 December 2018, Grant Thornton and Mazars were respectively in the 13th year and 2nd year of total uninterrupted engagement.

Responsibilities of Management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the board of directors.

Statutory auditors' responsibilities for the audit of the consolidated financial statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Courbevoie, 8 March 2019

The statutory auditors

French original signed by

Grant Thornton
French member of Grant Thornton International
Solange Aïache
Partner

Mazars
Isabelle Massa
Partner

20.2. Consolidated financial statements

for the year ended 31 December 2018

20.2. Consolidated financial statements

1 – Consolidated income statement

For the year ended 31 December 2018

In thousand euros	Notes	31/12/2018	31/12/2017
Revenue	**3**	1,749,494	1,780,453
Direct costs	4.1	(611,119)	(623,787)
Gross profit		**1,138,374**	**1,156,666**
Payroll - excluding stock-based compensation		(753,464)	(747,500)
Payroll - share based payments	5.8.3	(8,937)	(10,094)
General operating expenses		(207,477)	(210,865)
Other operating income and expense	4.2	3,922	(5,931)
Operating profit	**3**	**172,418**	**182,275**
Amortization of intangibles identified on acquisitions	4.3	(4,380)	(4,668)
Other non-current income and expenses	4.4	(5,273)	(14,364)
Income from associates	5.4	587	217
Operating profit		**163,352**	**163,460**
Finance costs	4.5	(21,281)	(20,380)
Other financial income and expense	4.5	4,980	633
Profit before tax		**147,051**	**143,713**
Taxes - excluding deferred taxes on goodwill amortization	4.6	(37,078)	(39,118)
Income tax - deferred tax on goodwill	4.6	(1,420)	24,482
Current income tax	**4.6**	**(38,498)**	**(14,636)**
Net income		**108,554**	**129,076**
Of which attributable to equity holders of the Parent Company		**107,520**	**128,507**
Attributable to non-controlling interests		**1,033**	**569**
Earnings per share (in euros) - Basic	4.8	2.48	2.99
Earnings per share (in euros) - Diluted	4.8	2.40	2.94

2 – Statement of comprehensive income

For the year ended 31 December 2018

In thousand euros	31/12/2018	31/12/2017
Net income	**108,554**	**129,076**
Other elements of the Comprehensive Income		
Hedges of net investments in a foreign subsidiary	(9,225)	(432)
Currency translation differences	(649)	(67,357)
Deferred tax on hedges of net investments in a foreign subsidiary	1,650	(1,849)
Total of other reclassified comprehensive income	**(8,225)**	**(69,638)**
Actuarial gains and losses on defined benefit plans	834	181
Deferred taxes on actuarial gains and losses	-	95
Total of other non-reclassified comprehensive income	**834**	**276**
Total of Other Comprehensive Income	**(7,391)**	**(69,362)**
Comprehensive income	**101,163**	**59,715**
Of which attributable to equity holders of the Parent Company	99,393	61,086
Of which non-controlling interests	1,769	(1,372)

3 – Consolidated balance sheet

For the year ended 31 December 2018

In thousand euros	Notes	31/12/2018	31/12/2017
ASSETS			
Goodwill	5.1	1,291,077	1,159,352
Other intangible assets	5.2	82,001	59,964
Property, plant and equipment	5.3	37,890	32,228
Investments in associates	5.4	2,892	916
Other non-current financial assets	5.5	35,021	21,425
Deferred tax assets	4.6	26,987	21,252
Non-current assets		**1,475,868**	**1,295,136**
Trade receivables and related accounts	5.6	466,119	441,399
Contract assets	5.13	168,822	176,261
Current taxes	4.6	16,905	13,517
Other current assets	5.7	78,831	75,802
Financial instruments assets	5.9	500	1,462
Cash and cash equivalents	5.9	167,834	137,267
Current assets		**899,011**	**845,708**
TOTAL ASSETS		**2,374,878**	**2,140,844**
LIABILITIES AND EQUITY			
Share capital	5.8	11,109	11,109
Share premium		516,038	516,130
Own shares		(22,723)	(35,235)
Other reserves		526,177	441,212
Currency translation differences		(121,475)	(112,515)
Adjusted net profit attributable to equity holders of the Parent		107,520	128,507
Shareholders' equity - attributable to the Group		**1,016,646**	**949,208**
Non-controlling interests		18,314	17,290
Equity		**1,034,960**	**966,498**
Borrowings and other long-term financial liabilities	5.9	729,180	577,432
Non-current provisions	5.10	4,678	8,964
Provisions for retirements	5.11	29,715	26,918
Deferred tax liabilities	4.6	70,934	66,450
Other non-current liabilities	5.12	22,040	18,183
Non-current liabilities		**856,547**	**697,948**
Trade payables		276,266	259,432
Borrowings and other short-term financial liabilities	5.9	13,713	25,527
Current taxes	4.6	12,153	14,658
Current provisions	5.10	4,996	7,189
Contract liabilities	5.12 and 5.13	15,656	16,134
Other current liabilities	5.12	160,588	153,458
Current liabilities		**483,372**	**476,398**
TOTAL LIABILITIES AND EQUITY		**2,374,878**	**2,140,844**

4 – Consolidated cash flow statement

For the year ended 31 December 2018

In thousand euros	Notes	31/12/2018	31/12/2017
OPERATING ACTIVITIES			
NET PROFIT		**108,554**	**129,076**
Items with no impact on cash flow			
Amortisation and depreciation of property, plant and equipment and intangible assets		32,698	24,910
Net profit of equity associated companies - net of dividends received		(609)	(217)
Losses/(gains) on asset disposals		(9,461)	(43)
Net changes in provisions		4,074	(511)
Share-based payments expense		8,458	9,549
Other non-cash income/(expense)		(1,106)	(778)
Acquisition costs of consolidated companies		3,930	178
Finance costs		21,281	20,380
Income tax expense		38,498	14,636
OPERATING CASH FLOW BEFORE FINANCIAL EXPENSES AND TAX PAID		**206,317**	**197,182**
Change in the working capital requirement	6.1.1	3,482	(37,771)
Interest paid		(18,385)	(21,245)
Income tax paid		(39,697)	(38,975)
CASH FLOW FROM OPERATING ACTIVITIES		**151,717**	**99,191**
INVESTMENT ACTIVITIES			
Acquisitions of property, plant and equipment and intangible assets	6.1.2	(49,006)	(17,518)
Proceeds from disposals of property, plant and equipment and intangible assets		164	285
(Increase)/Decrease of financial assets		5,216	(1,201)
Acquisitions of companies and consolidated activities, net of acquired cash	6.1.3	(152,479)	(2,212)
CASH FLOW FROM INVESTMENT ACTIVITIES		**(196,105)**	**(20,647)**
FINANCING ACTIVITIES			
Increase/(Decrease) in capital		-	-
(Purchase)/Proceeds of treasury shares		1,219	6,399
Increase in long-term borrowings		603,286	700,272
Decrease in long-term borrowings		(481,034)	(753,587)
Increase/(Decrease) in bank overdrafts and short-term debt		567	86
Buy-out of non-controlling interests	6.1.3	(9,125)	(12,785)
Dividends paid to Parent-Company shareholders		(37,831)	(36,414)
Dividends paid to non-controlling interests of consolidated companies		(857)	-
CASH PROVIDED BY FINANCING ACTIVITIES		**76,225**	**(96,030)**
NET CHANGE IN CASH		**31,837**	**(17,485)**
Impact of foreign exchange rate movements		(1,269)	(10,140)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**137,267**	**164,892**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**167,834**	**137,267**

5 – Statement of changes in consolidated shareholders' equity

For the year ended 31 December 2018

In thousand euros	Share capital	Share premium	Own shares	Other reserves	Currency translation differences	Equity		
						Attributable to the Company's shareholders	Non-controlling interests	Total
Position at 1 January 2017	**11,109**	**516,489**	**(55,905)**	**492,738**	**(44,819)**	**919,612**	**19,805**	**939,417**
Change in capital	-	-	-	-	-	-	-	**-**
Dividends paid	-	-	-	(36,292)	-	(36,292)	(75)	**(36,367)**
Impact of acquisitions and commitments to buy out non-controlling interests	-	-	-	(10,899)	-	(10,899)	(1,332)	**(12,231)**
Delivery of treasury shares related to the 2015 plan to grant free shares and the IPF 2012-2020	-	-	13,935	(13,935)	-	-	-	**-**
Other movements on own shares	-	(358)	6,735	22	-	6,399	-	**6,399**
Share-based payments taken directly to equity	-	-	-	9,543	-	9,543	-	**9,543**
Other movements	-	-	-	(241)	-	(241)	264	**22**
Transactions with the shareholders	**-**	**(358)**	**20,670**	**(51,803)**	**-**	**(31,491)**	**(1,143)**	**(32,634)**
Net profit	**-**	**-**	**-**	**128,507**	**-**	**128,507**	**569**	**129,075**
Other elements of the Comprehensive Income	-	-	-	-	-	-	-	-
Hedges of net investments in a foreign subsidiary	-	-	-	-	*(972)*	*(972)*	540	***(432)***
Deferred tax on hedges of net investments in a foreign subsidiary	-	-	-	-	*(1,849)*	*(1,849)*	-	***(1,849)***
Currency translation differences	-	-	-	-	*(64,876)*	*(64,876)*	*(2,481)*	***(67,357)***
Revaluation of the net liability (asset) for defined benefit plans	-	-	-	*181*	-	*181*	-	***181***
Deferred taxes on actuarial gains and losses	-	-	-	95	-	*95*	-	***95***
Total of Other Comprehensive Income	-	-	-	**276**	**(67,697)**	**(67,421)**	**(1,941)**	**(69,362)**
Comprehensive income	**-**	**-**	**-**	**128,783**	**(67,697)**	**61,086**	**(1,372)**	**59,715**
Position at 31 December 2017	**11,109**	**516,130**	**(35,235)**	**569,719**	**(112,515)**	**949,208**	**17,290**	**966,498**

In thousand euros	Share capital	Share premium	Own shares	Other reserves	Currency translation differences	Equity		
						Attributable to the Company's shareholders	Non-controlling interests	Total
1 January 2018 Comprehensive income	**11,109**	**516,130**	**(35,235)**	**569,719**	**(112,515)**	**949,208**	**17,290**	**966,498**
Impact of initial application of IFRS 15	-	-	-	(6,958)	-	(6,958)	(41)	**(6,998)**
Change in capital		-		-	-	-		**-**
Dividends paid	-	-	-	(37,484)	-	(37,484)	(857)	**(38,341)**
Impact of acquisitions and commitments to buy out non-controlling interests	-	-	-	1,424	-	1,424	(296)	**1,128**
Delivery of treasury shares related to the 2016 plan to grant free shares and the IPF 2012-2020	-	-	10,905	(10,905)	-	-	-	**-**
Other movements on own shares	-	(92)	1,607		-	1,515	-	**1,515**
Share-based payments taken directly to equity	-	-	-	8,458	-	8,458	-	**8,458**
Other movements	-	-	-	1,089	-	1,089	449	**1,537**
Transactions with the shareholders	**-**	**(92)**	**12,512**	**(37,418)**	**-**	**(24,999)**	**(704)**	**(25,701)**
Net profit	-	-	-	**107,520**	-	**107,520**	**1,033**	**108,554**
Other elements of the Comprehensive Income								
Hedges of net investments in a foreign subsidiary	-	-	-	-	*(9,108)*	*(9,108)*	(117)	***(9,225)***
Deferred tax on hedges of net investments in a foreign subsidiary	-	-	-	-	*1,650*	*1,650*	-	***1,650***
Currency translation differences	-	-	-	-	*(1,503)*	*(1,503)*	*854*	***(649)***
Revaluation of the net liability (asset) for defined benefit plans	-	-	-	*834*	-	*834*	-	***834***
Deferred taxes on actuarial gains and losses	-	-	-	-	-	-	-	**-**
Total of Other Comprehensive Income	**-**	**-**	**-**	**834**	**(8,961)**	**(8,127)**	**736**	**(7,391)**
Comprehensive income	-	-	-	**108,354**	**(8,961)**	**99,393**	**1,769**	**101,163**
Position at 31 December 2018	**11,109**	**516,038**	**(22,723)**	**633,697**	**(121,475)**	**1,016,646**	**18,314**	**1,034,960**

Notes to the consolidated financial statements

For the year ended 31 December 2018

1 – Information about the Company and principal accounting policies

1.1 – Information about the Company

Ipsos is a global company specialising in survey-based research for brands, companies and institutions. It is currently the world's third-largest player in its market, with consolidated subsidiaries located in 89 countries at 31 December 2018.

Ipsos SA is a "Société Anonyme" (limited liability corporation) listed on Euronext Paris. Its head office is at 35 rue du Val de Marne, 75013 Paris, France.

On 27 February 2019, Ipsos' Board of Directors approved and authorised publication of Ipsos' consolidated financial statements for the year ended 31 December 2018. The consolidated financial statements for the financial year ended 31 December 2018 will be submitted to Ipsos shareholders for approval at the General Meeting on 28 May 2019.

The financial statements are presented in euros, and all values are rounded off to the nearest thousand euros (€000), unless otherwise indicated.

1.2 – Principal accounting policies

1.2.1 – Basis of preparation of the financial statements

In accordance with regulation 1606/2002 adopted on 19 July 2002 by the European Parliament and Council of Europe, Ipsos' consolidated financial statements for 2018 have been prepared in accordance with IFRS (International Financial Reporting Standards) published by the IASB (International Accounting Standards Board) at 31 December 2018 and adopted by the European Union (EU) as evidenced by publication in the Official Journal of the European Union prior to the date of approval of the financial statements.

1.2.1.1 – Standards, amendments and interpretations adopted by the European Union and effective for reporting periods beginning on or after 1 January 2018

Apart from the impacts of IFRS 15 and IFRS 9 which are detailed below, the other new standards, interpretations and amendments to published standards that are mandatory for the Group as of the financial year beginning on 1 January 2018 did not have a significant impact on the consolidated financial statements:

• Amendment to IFRS 2: Classification and Measurement of Share-based Payment Transactions;

• Amendments to IFRS 4: Insurance Contracts – implementation of IFRS 9;

• Amendment to IAS 40: Investment Property – transfers of a property to, or from, investment property;

• Annual improvements to IFRSs (2014-2016): Various standards; and

• IFRIC 22: Foreign Currency Transactions and Advance Consideration.

- IFRS 15:

In late May 2014, the IASB issued IFRS 15 "Revenue from contracts with customers". This standard was developed as part of a joint project between the IFRS and US benchmarks. Since 1 January 2018, IFRS 15 replaces IAS 18 "Revenue" and IAS 11 "Construction contracts".

Ipsos began its project to implement IFRS 15 in 2017 with a diagnostic phase during which the various categories of contracts concluded with clients, representative of Ipsos' business, were analysed by duration and type of contract in the main countries. In parallel, as part of a market research industry working group led by ESOMAR (the global trade union of market research practitioners), the Group participated in meetings with two market research companies, also members of ESOMAR, to determine recommendations and "best practices" for the market. These have been published on the Esomar website. Six themes emerge from this reflection: recognition of revenue upon advancement or completion; interpretation of contractual termination clauses; measurement of progress; separation of a contract into several components; capitalization of costs; presentation of financial statements: trade receivables or research in progress. Ipsos is following all the recommendations of this working group.

The Group was able to draw its first internal conclusions in the second half of 2018 and presented them to the special meeting of the Audit Committee on 8 January 2019.

The contracts that Ipsos signs with its clients are concluded either individually or as part of framework agreements known as MSAs ("Master Service Agreements"). In both cases, the contractual clauses of the general terms and conditions of sale were amended to meet the requirements of IFRS 15, particularly about the possibility for the customer to terminate the contract early for convenience. These clauses have been applied within the Group since the beginning of 2018.

The Group also wishes to implement new standard rules for the invoicing of clients, which will involve invoicing client contracts monthly and in advance. This is in line with the practice in other service and business advisory sectors.

Since this is a service which is transferred on a continual basis, with control of the service likewise shown to be transferred on that basis, revenue from contracts with clients is recognised according to the percentage of completion method under IFRS 15.

Methods that do not reflect the percentage of completion of studies have been discontinued under IFRS 15 in favor of the straight-line method, insofar as it reliably reflects the percentage of completion.

The Group has applied IFRS 15 since January 1, 2018 and has chosen to apply the simplified retrospective transition method, which consists of restating only the income from contracts impacted by the change in standard and still in force on January 1, 2018, given the immaterial nature of the impact of this change in method on revenue and in accordance with the options proposed by IFRS 15.

The impact of this change is recognized in opening consolidated shareholders' equity at January 1, 2018. The year 2017 presented for comparison is therefore not restated.

On an equity basis published at 31 December 2017 of €966.5 million, the amount of the equity adjustments in the opening balance sheet amounts to -6.9 million €.

In addition, for the purposes of calculating organic revenue growth, the old standard (IAS 18) continues to be applied and monitored for 2018 in the Group's internal reporting. The impact on annual revenue of the application of IFRS 15 is €3.8 million for 2018.

The impacts of IFRS 15 on the opening balance sheet are as follows:

in thousands of euros	Notes	31/12/2017	IFRS 15 adjustments	01/01/2018 restated
ASSETS				
Deferred tax assets		21,252	2,399	23,651
Non-current assets		**1,295,136**	**2,399**	**1,297,535**
Trade receivables and related accounts	5.6	617,660	(21,383)	596,277
Current assets		**845,708**	**(21,383)**	**824,325**
TOTAL ASSETS		**2,140,844**	**(18,984)**	**2,121,860**

in thousands of euros	Notes	31/12/2017	IFRS 15 adjustments	01/01/2018 restated
LIABILITIES				
Other reserves		569,717	(6,998)	562,719
Shareholders' equity attributable to the company's shareholders		**949,208**	**(6,998)**	**942,210**
Trade payables		259,432	(11,986)	247,446
Current liabilities		**476,398**	**(11,986)**	**464,412**
TOTAL LIABILITIES		**2,140,844**	**(18,984)**	**2,121,860**

- IFRS 9

IFRS 9 has been structured around three main themes: classification and measurement of financial assets and liabilities, impairment and hedge accounting.
This standard, approved by the European Union, is mandatory for annual periods beginning on or after January 1, 2018.

The Group has applied IFRS 9 as from 1 January 2018 and due to the nature of its activities, the impacts are not material.

Classification and measurement of financial assets and liabilities: the standard allows the irrevocable choice, upon initial recognition of each financial asset having the nature of an equity instrument within the meaning of IAS 32, to be recognized at fair value against other non-recyclable comprehensive income (FVOCI) or at fair value through profit or loss. Other financial assets include non-consolidated investments of €2,179k at 31 December 2017 and €15,133k at 31 December 2018. The Group has classified some of these investments as:

- fair value through other comprehensive income (FVOCI) for €1,256k, adjusted for acquisitions for €2,982k and not revalued at 31 December 2018, i.e. a balance of €4,238k;

- €923k revalued at €10,895k at fair value through profit or loss at 31 December 2018.

Impairment of financial assets: IFRS 9 requires the recognition of impairment losses up to the amount of expected losses with no significant impact on the Group.

Hedge accounting: IFRS 9 has no impact on Ipsos' consolidated financial statements. The Group has two financial instruments that meet fair value hedge accounting criteria as defined in IAS 39: an interest rate swap set up to hedge one-third of the US$300 million bond issue and a currency swap to hedge an intercompany loan denominated in euros and granted to a Canadian subsidiary. The transition to IFRS 9 has no significant impact in relation to this hedging.

- Amendment to IFRS 2

The amendment has three parts and has no impact on the Group financial statements.

1.2.1.2. - Standards, amendments and interpretations published by the IASB, whose application is not mandatory for annual periods beginning on or after January 1, 2018

> Main IFRS standards published and not yet applicable

- IFRS 16

In January 2016, the IASB issued IFRS 16 "Leases", which aligns the accounting for operating leases with the accounting for finance leases (recognition on the balance sheet of a liability for future lease payments and an asset under the right of use). The application of this standard will also entail a change in the presentation of the rental expense in the income statement (i.e. depreciation, amortisation and interest expense) and in the cash flow statement (the amount used to repay the debt will be presented in cash flow from financing activities and the amount allocated to the asset will be presented in cash flow relating to investing activities).

The standard is applicable for financial years beginning on or after 1 January 2019 and its adoption by the European Union is underway. Analysis of the impacts of this standard is underway At this stage, we are unable to provide an estimate of the impacts of the application of this standard or of the link with lease commitments.

1.2.2 – Use of estimates

When drawing up the consolidated financial statements, the measurement of certain balance sheet or income statement items requires the use of assumptions, estimates and assessments. These assumptions, estimates and assessments are based on information or situations existing on the date on which the financial statements were drawn up and which may in future prove to be different from the actual situation.

The main sources of estimates concern:

- the value of goodwill in respect of which the Group verifies, at least once per year, that there is no impairment to recognise, by using various methods that rely on estimates. More detailed information on this point is provided in Notes 1.2.8 and 5.1.1;

- the purchase price allocation of the 4 susbsidairies of GfK as described in Note 2.1.1;

- deferred tax assets related to tax loss carryforwards as described in Note 1.2.24;

- unlisted financial assets as described in Note 1.2.16;

- the valuation of debts relating to put options on non-controlling interests as described in Note 1.2.7;

- the fair value measurement of borrowings and hedging instruments as described in Note 1.2.20;

- the valuation of the progress of surveys as described in Note 1.2.25;

- the different elements involved in calculating the operating profit as described in Notes 1.2.25 Revenue recognition, 1.2.26 Definition of gross profit and 1.2.27 Definition of operating profit.

1.2.3 – Consolidation methods

In accordance with IFRS 10 "Consolidated Financial Statements", Ipsos's consolidated financial statements include the financial statements of the entities directly or indirectly controlled by the Company, irrespective of its level of equity interest in those entities. An entity is controlled whenever Ipsos holds the power over that entity, is exposed to, or is entitled to variable returns as a result of its involvement in that entity, and when it has the ability to use its power over the entity to influence the amount of such returns.

The determination of control takes into account the existence of potential voting rights if they are substantive, i.e. whether they can be exercised in a timely manner when decisions on the relevant activities of the entity must be taken.

The financial statements include the financial statements of Group and of all its subsidiaries for the period to 31 December of each year. The financial statements of subsidiaries are prepared using the same accounting period as the parent company financial statements, and on the basis of common accounting principles.

Subsidiaries are consolidated from the date on which they are acquired i.e. from the date on which control passed to the Group.

Companies Controlled by the Group (an investor controls an investee when it is exposed or is entitled to variable returns because of its links with the entity that is the subject of the an investment and has the capacity to influence these returns because of the power it holds over it), whether by right (direct or indirect holding of the majority of the voting rights), or contractually are fully consolidated. Their assets and liabilities are included in full, with adjustment for non-controlling interests.

In accordance with IFRS 11 "Partnerships", Ipsos classifies partnerships (entities over which Ipsos exercises joint control with one or more other parties) as joint operations, in which Ipsos recognises its assets and liabilities in proportion to its rights and obligations, or joint ventures, which are accounted for using the equity method.

The Group exercises joint control over a partnership when decisions regarding the relevant activities of the partnership require the unanimous consent of Ipsos and the other controlling parties.

Ipsos exercises significant influence over an associate when it has the power to participate in financial and operational policy decisions but cannot control or exercise joint control over those policies.

Joint ventures, companies over which Ipsos exercises joint control, and associates, companies over which Ipsos exercises significant influence, are accounted for under the equity method in accordance with IAS 28 "Investments in associates and joint ventures".

The equity method involves initially recognising the cost contribution and adjusting it subsequently to reflect changes in the net assets of an associate or joint venture.

Transactions between consolidated companies and internal profits are eliminated.

The list of the main companies included in the scope of consolidation in 2018 is presented in Note 7.1.

1.2.4 – Segment reporting

IFRS 8 requires area reporting in the consolidated financial statements based on the internal reporting presentation that is regularly reviewed by the Group’s executive management in order to assess performance and allocate resources to the areas. The executive management represents the chief operating decision-maker pursuant to IFRS 8.

Three reportable areas have been defined, consisting of geographical regions based on internal reports used by the Group’s management. The Group’s three areas are:

- Europe, Middle East and Africa;
- the Americas;
- Asia-Pacific.

Furthermore, Ipsos has a single business activity, i.e. survey-based research.

The accounting policies put in place by the Group for area reporting in accordance with IFRS 8 are the same as those used for preparing the financial statements.

In addition to the three operational areas, the Company reports for Corporate entities and eliminations between the three operating areas classified in "Other". Corporate assets which are not directly attributable to the activities of the operating areas are not allocated to an area.

Inter-area commercial transactions are carried out in line with market conditions, i.e. on terms similar to those that would be proposed to third parties. Area assets include property, plant and equipment and intangible assets (including goodwill), trade receivable and other current assets.

1.2.5 – Translation of foreign currency items

The financial statements of foreign subsidiaries whose functional currency is not the euro or the currency of a country experiencing hyperinflation are translated into euros (the currency in which Ipsos presents its financial statements) as follows:

- foreign currency assets and liabilities are translated at the closing rate;

- the income statement is translated at the average rate for the period;

- translation differences arising from the application of these different exchange rates are reported as a separate component of other comprehensive income under "Translation differences".

Recognising and valuing foreign currency transactions are defined by IAS 21 "Effects of changes in foreign exchange rates". In accordance with IAS 21, transactions denominated in foreign currencies are translated by the subsidiary into its operational currency on the day of the transaction.
Monetary items on the balance sheet are revalued at the period-end exchange rate at each balance sheet date. The corresponding revaluation adjustments are recorded in the income statement:

- in operating profit for commercial transactions related to client surveys;
- in other non-operating income and expenses for commitments to buy out non-controlling interests;
- in financial result for financial transactions and corporate costs.

By exception to the rule described above, translation differences arising on long-term intra-group financing transactions that can be considered as forming part of the net investment in a foreign subsidiary, and translation differences arising on foreign currency borrowings representing, in whole or in part, a hedge of the net investment in a foreign entity (in accordance with IAS 39), are recognised directly under translation differences as a separate component of "Hedges of net investments in a foreign subsidiary" until the disposal of the net investment.

1.2.6 – Intra-group transactions

The closing balances of the following items have been eliminated, based on their impact on net profit and deferred taxation: accounts receivable and accounts payable between Group companies, income and expenses generated by transactions between consolidated companies, and other intra-group transactions such as dividend payments, gains and losses on disposals, changes in or reversals of provisions for impairment losses on investments in consolidated companies, loans to Group companies and internal profits.

1.2.7 – Buy-out commitments for non-controlling interests

The Group has given commitments to minority shareholders in some fully consolidated subsidiaries to acquire their interests in these companies. For Ipsos, these commitments are option-like, equivalent to those arising from the sale of put options.

On initial recognition, the Group records a liability with respect to put options sold to non-controlling interests of fully consolidated subsidiaries. The liability is initially recognised at the present value of the put option's strike price, which on subsequent balance sheet dates is adjusted according to changes in the value of the commitment.

For acquisitions where control was gained prior to 1 January 2010, the counterparty to this liability consists partly of a deduction from minority interests, with the remainder being recorded under goodwill. Subsequently, the effect of accretion and change in value of the commitment are recognised through an adjustment to goodwill.

When the commitment expires, if the buy-out has not taken place, accounting entries previously made are reversed. If the buy-out has taken place, the amount recorded under current or non-current liabilities is reversed, with the balancing entry being the cash outflow arising from the minority investment, and ongoing goodwill is reclassified as goodwill.

In accordance with IFRS 3 revised and IAS 27 amended, for acquisitions where control was gained since 1 January 2010, the counterpart of this liability is deducted from the related minority interests for the carrying amount of the minority interests/non-controlling interests in question, with any remainder being deducted from shareholders' equity attributable to the Group. The value of the debt is remeasured at each closing date at the current repayment value, i.e. the current value of the put exercise price.

Until 31 December 2012, any change in the value was recorded in equity. From financial year 2013, the Group decided to record all changes in the value of commitments to buy out non-controlling interests and the effect of accretion under "other non-operating income and expense" in the income statement, as permitted by IAS 39.

In accordance with IAS 27, the share of income or changes in equity attributable to the parent company and to non-controlling interests is determined on the basis of current ownership percentages and does not reflect potential additional interests that may arise as a result of such commitments.

1.2.8 – Goodwill and business combinations

In accordance with IFRS 3 revised, business combinations are recognised under "Business combinations" using the purchase method from 1 January 2010. When a company is acquired, the buyer must recognise identifiable acquired assets, liabilities and contingent liabilities at their fair value on the acquisition date, if they comply with the IFRS 3 revised accounting criteria.

Goodwill is the sum of the consideration transferred and non-controlling interests, less the net amount recognized for identifiable assets and liabilities assumed by the acquiree at the acquisition date, is recognized as an asset. of the balance sheet under the heading "Goodwills" Goodwill from the acquisition of joint ventures is included in the value of securities accounted by the equity method. It chiefly comprises non-identifiable items such as the know-how and business expertise of staff. Negative goodwill is immediately recorded in profit or loss.

Goodwill is allocated to Cash-Generating Units (CGUs) for the requirements of impairment tests. Goodwill is allocated to the CGUs liable to benefit from the synergies created by business combinations and representing for the Group the lowest level at which goodwill is measured for internal management purposes.

A CGU is defined as the smallest identifiable group of assets that generates cash and cash equivalents largely independent of cash and cash equivalents generated by other assets or groups of assets. The CGUs correspond to the geographical areas in which the Group conducts its business.

Goodwill is recorded in the operational currency of the acquired entity.

Acquisition costs are immediately charged against income when they are incurred.

On an individual transaction basis, the Group can choose to use the "full goodwill method", i.e. where the fair value of the totality of the minority interests/non-controlling interests at the acquisition date is taken into account in the goodwill calculation and not only the Group's share in the fair value of the assets and liabilities of the acquired company.

Goodwill is not amortised and is tested for impairment at least once a year by means of a comparison of the book value and the recoverable amount at the balance sheet date, on the basis of projected cash flows based on business plans covering a period of four years. Testing may be carried out more frequently if events or circumstances indicate that the book value is not recoverable. Such events or circumstances include but are not restricted to:

- a significant difference in the economic performance of the asset compared with the budget;
- a significant deterioration in the asset's economic environment;
- the loss of a major client;
- the significant rise in interest rates.

Details of impairment tests are described in Note 1.2.15 dealing with impairment. In the event of impairment, the impairment loss taken to income is irreversible.

Any potential earn-out is calculated at its fair value at the acquisition date. This initial value cannot be adjusted later against goodwill unless some new information linked to facts or circumstances already existing at the acquisition date are taken into account and insofar as the initial valuation has been presented on a temporary basis (12-month period limitation); any post-acquisition adjustment which does not meet these conditions is recorded in group profit or loss (with debt or receivables as a counterpart, as appropriate).

Concerning acquisitions carried out before 1 January 2010 and in respect of which the old version of IFRS 3 continues to apply, all changes on debt relating to earn-out clauses remain recorded with a balancing entry under goodwill with no impact on Group profit or loss.

IFRS 10 changed the accounting for transactions involving non-controlling interests, the changes of which, in the absence of a change of control, are now recognised in equity. In particular, in the case of a complementary acquisition of securities of an entity already controlled by the Group, the difference between the purchase price of the shares and the additional share of the consolidated shareholders 'equity acquired is recorded in shareholders' equity - Group. The consolidated value of the entity's identifiable assets and liabilities (including goodwill) remains unchanged.

1.2.9 – Other intangible assets

Separately acquired intangible assets are stated on the balance sheet at acquisition cost less accumulated amortisation and any impairment losses.

Intangible assets acquired as part of a business combination are booked at fair value at the date of the acquisition, separately from goodwill, where they meet one of the following two conditions:

- they are identifiable, i.e. they arise from contractual or other legal rights;
- they are separable from the acquired entity.

Intangible assets comprise chiefly brands, contractual relationships with clients, software, development costs and panels.

1.2.10 – Brands and contractual relationships with clients

No value is assigned to brands acquired as part of business combinations, which are regarded as names with no intrinsic value, unless the brand has a sufficient reputation to enable the Group to maintain a leadership position in a market and to generate profits for a lengthy period.

Brands recognised as such in connection with business combinations are regarded as having an indefinite life and are not amortised. They are tested for impairment on an annual basis, which consists of comparing their recoverable value with their book value. Impairment losses are recognised in the income statement.

In accordance with IFRS 3 revised, contractual relationships with clients are accounted for separately from goodwill arising from a business combination where the business acquired has a regular flow of business with identified clients. Contractual relationships with clients are measured using the excess earnings method, which takes into account the present value of future cash flows generated by the clients. The parameters used are consistent with those used to measure the value of goodwill.

Contractual relationships with clients with a determinable life are amortised over their useful life, which has usually been assessed at between 13 and 17 years. They are tested for impairment whenever evidence of impairment exists.

1.2.11 – Software and development costs

Research costs are recognised as expenses when they are incurred. Development costs incurred on an individual project are capitalised when the project's feasibility and its profitability can reasonably be regarded as assured.

In accordance with IAS 38, development costs are capitalised as intangible assets if the Group can demonstrate:

- its intention to complete the asset and its ability to use it or to sell it;

- its financial and technical ability to complete the development project;

- the availability of resources with which to complete the project;

- that it is probable that the future economic benefits associated with the development expenditure will flow to the Group;

- that the cost of the asset can be reliably measured.

Capitalised software includes software for internal use, as well as software for commercial use, measured at acquisition cost (external purchase) or at production cost (internal development).

These intangible assets are amortised on a straight-line basis over periods corresponding to their expected useful lives, i.e.:

- for software: three years;
- for development costs: varies according to the economic life of each specific development project.

1.2.12 – Panels

Special rules are applied by the Group in the case of panels: they designate the samples that are representative of private individuals or business people who are regularly surveyed on identical variables. They are treated by the Group for accounting purposes according to their nature:

-online panel: panel surveyed mainly online;

-offline panel: panel surveyed mainly by mail or by telephone.

The costs arising from the creation and improvement of offline panels are capitalised and amortised over the estimated time spent by panellists on the panels, i.e. three years.

Costs arising from the creation and increase in online panel capacity (purchases of databases, scanning and panellist recruitment) were capitalised in some countries. In other countries, recruitment costs were capitalised and then impaired using the FIFO method.

In 2018, the Group undertook to harmonise the capitalisation and impairment method applied in all its subsidiaries for online panels. This resulted in a refinement of the capitalisation and impairment methodology. Since 1 January 2018, the Group has capitalised the recruitment costs for all its online panels and then impairs them according to the expected rate of generation of survey responses. This rate was defined by geographical area (Europe, North America, Asia-Pacific, Latin America and MENA) according to the history and so that costs were fully amortised over five years.

This methodology was applied prospectively in 2018 and had a non-material positive impact of €78k on the impairment expense recognised in the consolidated financial statements.

Subsequent maintenance expenditure required on the other panels is recognised as an expense, owing to the specific nature of these intangible assets and the difficulty of distinguishing expenses incurred to maintain or develop the Company's intrinsic business activities.

1.2.13 – Property, plant and equipment

In accordance with IAS 16 "Property, plant and equipment", these assets are stated on the balance sheet at purchase or cost price, less depreciation and any identified impairment loss.

Property, plant and equipment comprise fixtures and fittings, office and computer equipment, office furniture and vehicles.

Certain assets are leased by Ipsos. These items are therefore covered by IAS 17 "Leases".

Under IAS 17, leases are classified as finance leases whenever the terms of the lease substantially transfer the risks and rewards of ownership to the lessee.

The value of fixed assets which are the subject of a contract referred to as a finance lease is charged to assets. These fixed assets are amortised using the method indicated below. The corresponding debt is recognised as a balance-sheet liability.

All other leases are classified as operating leases.

Lease payments under an operating lease are expensed on a straight-line basis over the lease term.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets:

- fixtures and fittings: the shorter of the lease term and useful life (ten years);

- office and computer equipment: the shorter of the lease term and useful life (from three to five years);

- office furniture: the shorter of the lease term and useful life (nine or ten years);

- vehicles: the shorter of the lease term and useful life (five years).

The useful lives and residual values of property, plant and equipment are reviewed annually. Where applicable, the impact of changes in useful life or residual value are recognised prospectively as a change in accounting estimate.

Depreciation of property, plant and equipment is recognised in the various functional lines of the income statement.

1.2.14 – Borrowing costs

Borrowing costs are expensed in the period in which they are incurred and are stated on the income statement under "financing expenses".

1.2.15 – Impairment of fixed assets

In accordance with IAS 36 "Impairment of assets", impairment tests are carried out on property, plant and equipment and intangible assets as soon as there is evidence that an asset may be impaired and at least once per year. At Ipsos, this applies to intangible assets with an indefinite life (online panels) and goodwill.

When the net book value of these assets becomes higher than their recoverable amounts, the difference is recorded as impairment. Impairment is charged in priority to goodwill, but is recognised on a separate line of the income statement when the amounts are significant. Impairment of goodwill cannot be reversed subsequently.

Impairment tests are applied to the smallest group of cash-generating units to which goodwill can be reasonably allocated. For the requirements of impairment tests, the goodwill is allocated to the following cash generating units or groups of cash generating units: Continental Europe, the United Kingdom, Central and Eastern Europe, North America, Latin America, Asia-Pacific, the Middle East and Sub-Saharan Africa.

The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use:

- fair value is the amount that may be obtained by selling an asset through an arm's length transaction and is determined with reference to a price resulting from an irrevocable agreement to sell, or if this is not possible, with reference to prices observed in recent market transactions;

- value in use is based on the discounted value of future cash flows generated by the assets concerned. Estimates are derived from the forecasting database used for budgets and business plans drawn up by the Group's management. The discount rate applied reflects the rate of return required by investors and the risk premium specific to the Group's business and the relevant country or region. The perpetual growth rate applied depends on the geographical area.

Cash-generating units used for impairment tests are not higher than those used according to IFRS 8 "Operating areas".

1.2.16 – Other non-current financial assets

Financial assets are initially recognised at cost which corresponds to the fair value of the price paid and which includes the related acquisition costs. After initial recognition, financial assets classified as "available for sale" are stated at fair value. Unrealised gains and losses relative to the price of acquisition are recorded as in other comprehensive income until the asset is sold. However, if permanent impairment is deemed to have occurred, the amount of the impairment is transferred from equity to profit or loss, and the net book value of the financial asset after impairment replaces its cost.

For financial assets listed on a regulated market, fair value corresponds to the market closing price. For unlisted financial assets, fair value is subject to estimates. Finally, the Group values financial assets at their historic cost less any potential impairment loss in the event that the fair value cannot be estimated reliably using another valuation technique.

1.2.17 – Own shares

The purchase price of Ipsos shares owned by the Group, at a spot rate and forward basis, are deducted from consolidated equity, at their acquisition cost. In the event of sale, the income from the sale is charged directly to equity for its amount net of tax, such that any capital gains or losses resulting from the sale do not affect the for profit the period. Sales of treasury shares are accounted for using the weighted average cost method.

1.2.18 – Distinction between current and non-current items

In accordance with IAS 1 "Presentation of financial statements", a distinction must be drawn between current and non-current items of an IFRS-compliant balance sheet. Assets expected to be realised and liabilities due to be settled within 12 months from the balance sheet date are classified as current, including the short-term portion of long-term debts. Other assets and liabilities are classified as non-current.

All deferred tax assets and liabilities are presented on a separate line in the balance sheet assets and liabilities, among the non-current items.

1.2.19 – Trade receivables

Receivables are carried at their fair value. A provision for impairment is made when there is an objective indication of the Group's inability to recover all of the amounts owed, after analysis within the framework of the receivables recovery process. Major financial difficulties encountered by the debtor, the known likelihood of insolvency or financial restructuring and a failure or payment default represent evidence of impairment of a receivable. Impairment is recognised in the income statement under "Other operating income and expenses". The "Receivables and related accounts" item also comprises the studies in progress valued at their recoverable value based on the percentage-of-completion method.

1.2.20 – Financial instruments

Financial liabilities are classified as measured at amortised cost or at fair value through profit or loss. A financial liability is classified as a financial liability at fair value through profit or loss if it is classified as held for trading purposes, whether a derivative or designated as such at the time of its initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and the resulting net gains and losses, taking into account interest expense, are recognised in the income statement. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the income statement. Any gain or loss on derecognition is recorded in income.

Assets and liabilities are recognised in the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the instrument.

- Borrowings

On the arrangement date, borrowings are recognised at the fair value of the consideration given, which is normally the cash received less related issuance costs. Subsequently, if a hedging relationship does not exist, borrowings are measured at amortised cost using the effective interest method. Redemption premiums and issuance costs are taken to income over time according to the effective interest method.

- Derivative instruments

Derivative instruments are recognised on the balance sheet at their market value on the balance sheet date. Where quoted prices on an active market are available, as for example with futures and options traded on organised markets, the market value used is the quoted price. Over-the-counter derivatives traded on active markets are measured with reference to commonly used models and to the market prices of similar instruments or underlying assets. Instruments traded on inactive markets are measured using commonly used models with reference to directly observable parameters. In the case of hybrid instruments, the resulting value is confirmed with reference to quoted prices of third-party financial instruments. Derivative instruments with a maturity of more than 12 months are recognised as non-current assets and liabilities. Fair value variations of non-hedging instruments are directly accounted in the income statement.

- Cash and cash equivalents

“Cash and cash equivalents” include cash in hand and at bank, along with short-term investments in money-market instruments. These investments can be realised at any time at their face value, and the risk of a change in value is negligible and representative of developments in the money market. Cash equivalents are stated at their market value at the balance sheet date. Changes in value are recorded under "financial income and expenses".

1.2.21 – Provisions

In accordance with IAS 37 "Provisions, contingent liabilities and contingent assets", provisions are booked when, at the end of an accounting period, the Group has a present obligation as a result of a past event, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate can be made of the amount of the obligation.

This obligation may be legal, regulatory or contractual.

These provisions are measured according to their type, taking into account the most likely assumptions. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects the market’s current assessment of the time value of money. Where the provision is discounted, the increase in the provision linked to the passage of time is recognised under financial expenses.

The long-term portions of provisions are booked under non-current liabilities, with their short-term portion recognised under current liabilities.

If no reliable estimate of the amount of the obligation can be made, no provision is booked, and a disclosure is made in the notes.

1.2.22 – Employee benefits

The Group provides employees with pension plans according to regulations and customs in force in the countries in which it operates.

The benefits gained by these plans fall into two categories: defined contributions and defined benefits.

For defined contribution plans, the Group's sole obligation is to pay the premiums due to external organisations: the expenses corresponding to the payment of these premiums is taken into account in the profit (loss) for the year under "payroll costs", with no liabilities being stated in the balance sheet as the Group has no commitment beyond the contributions paid.

For defined-benefit plans, the Group estimates its obligations using the projected unit credit method, in accordance with IAS 19 "Employee benefits". This method uses actuarial techniques that take into account the employee's expected length of service assuming the employee remains with the Group until retirement, along with future salary, life expectancy and staff turnover. The present value of this liability is determined using the appropriate discount rate for each of the relevant countries.

Changes in actuarial gains and losses are systematically recorded under other comprehensive income, net of tax, and past service cost are recognised entirely as net income for the period. A rate of return on financial assets corresponding to the discount rate is used to calculate the net commitment.

1.2.23 – Share-based payments

Ipsos has a policy of giving all managers and staff an interest in the Company's success and in the creation of shareholder value through stock option and bonus free share plans.

In accordance with IFRS 2 "Share-based payment", services received from employees that are remunerated through stock option plans are recognised under staff costs, with a balancing entry consisting of an increase in equity, over the vesting period. The expense recognised in each period corresponds to the fair value of goods and services received, measured using the Black & Scholes formula on the grant date.

All stock options granted after 7 November 2002 and non-vested at the start of the period are taken into account.

For bonus share plans, the fair value of the benefit granted is measured on the basis of the share price on the grant date, adjusted for all specific conditions that may affect fair value (e.g. dividends).

1.2.24 – Deferred taxes

Deferred taxes are recognised using the liability method, for all temporary differences existing on the balance sheet date between the tax base of assets and liabilities and their carrying amount.

Deferred tax liabilities are generally recognised for all taxable temporary differences, except where the deferred tax liability results from the initial recognition of an asset or liability as part of a transaction that is not a business combination and which, on the transaction date, does not affect accounting profits or taxable profits or losses.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that a taxable profit will become available against which the deductible temporary difference could be charged.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and increased or reduced as appropriate, to take account of changes in the likelihood that a taxable profit will become available against which the deferred tax asset can be charged. To assess the likelihood that a taxable profit will become available, the following factors are taken into account: results in previous years, forecasts of future results, non-recurring items that are unlikely to arise again in the future and tax planning strategy. As a result, a substantial amount of judgement is involved in assessing the Group's ability to utilise its tax loss carryforwards. If future results were substantially different from those expected, the Group would have to increase or decrease the carrying amount of its deferred tax assets, which could have a material impact on its balance sheet and net income of the Group.

Deferred tax assets and liabilities are set off against each other where the Group has a legally enforceable right to offset tax assets and liabilities, and these deferred taxes relate to the same taxable entity and the same tax authority. Deferred tax assets and liabilities are not discounted.

Tax savings resulting from the tax-deductible status of goodwill in certain countries (notably in the United States) generate temporary differences which give rise to the recognition of deferred tax liabilities.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is debited from or credited to the income statement except where it relates to items taken directly to equity, in which case it is also taken to equity.

1.2.25 – Revenue recognition

Revenues are recognised using the percentage-of-completion method. Generally speaking, the percentage of completion is determined on a straight-line basis over the period between the date on which client agrees to a project and the date on which the survey findings are presented.

Before the application of IFRS 15, if the straight-line method did not reflect the percentage of completion of research at the balance sheet date, other methods could be used to estimate progress taking into account the specific features of the relevant research.

Revenues are measured at the fair value of the consideration received or receivable taking into account the amount of any discounts and rebates granted by the Company.

We use the generic term "research" when referring to the services we provide for our clients. Research involves a contract within the meaning of IFRS 15. The average duration is indicated below. In general we tend to have long-term relationships with our main clients which last for several years and are governed by framework agreements.

The contracts (which can cover several pieces of research) can be short-term (less than one month), or last for one or more years (and often up to three to four years, or even five to seven years in some cases).

There is no difference in the revenue recognition rule for short-term and long-term research, or for different Service Lines.

The rate of recognition of gross profit and revenue is identical.

1.2.26 – Definition of gross profit

Gross profit is defined as revenues less direct costs, i.e. external variable costs incurred during the data collection phase, including goods and services delivered by third-party providers, remuneration of temporary staff paid on an hourly or per task basis, and subcontractors for field work.

For studies in progress, gross profit is recognised using the percentage-of-completion method, on the basis of the estimated income and costs upon completion.

1.2.27 – Definition of operating profit

Operating margin reflects profit generated from ordinary operations. It consists of gross profit less administrative and commercial expenses, pension costs and share-based payment costs.

Amortisation of intangible assets is included in operating expenses and features under "general operating expenses" on the income statement, except for amortisation of intangible assets identified on acquisitions (notably client relationships).

1.2.28 – Definition of other non-recurring income and expenses

Other non-recurring income and expenses include the components of earnings that because of their nature, their amount or frequency cannot be considered as being part of the Group's operating profit, such as non-recurring restructuring costs and other non-recurring income and expenses, representing major events, which are very few in number and unusual.

1.2.29 – Definition of financing expenses

Financing expenses include interest on debt, changes in the fair value of interest-rate financial instruments and income from ordinary cash management. Interest expenses are recognised according to the effective interest method, under which interest and transaction costs are spread over the borrowing term.

1.2.30 – Definition of other financial income and expenses

Other financial income and expenses include financial income and expenses, except for financing expenses.

1.2.31 – Earnings per share

The Group reports basic earnings per share, diluted earnings per share and adjusted earnings per share.

Earnings per share is calculated by dividing the net profit attributable to equity holders of the Group by the weighted average number of shares outstanding during the period, minus the Ipsos treasury shares stated as a reduction in consolidated equity.

The number of shares used to calculate diluted earnings per share is the number used to calculate basic earnings per share plus the number of shares that would result from the exercise of all existing options to subscribe new shares during the period.

Diluted earnings per share is calculated using the treasury stock method, taking into account the share price at each balance sheet date. Owing to the price applied, earnings-enhancing instruments are excluded from this calculation. The total issue price of potential shares includes the fair value of the services to be provided to the Group in the future within the framework of stock option plans, stock purchase plans or free share allocation plans. When basic earnings per share are negative, diluted earnings per share are equal to basic earnings per share.

Adjusted net earnings is calculated before non-cash items linked to IFRS 2 (share-based payments), before the amortisation of intangible assets identified on acquisition (client relationships), before deferred tax liabilities related to goodwill on which the amortisation is deductible for tax purposes in certain countries and before the impact net of tax of other non-recurring income and expenses and other non-operating income and expenses and the non-monetary impact of changes in puts in other financial income and expenses.

2 – Changes in the scope of consolidation

2.1 – Transactions during 2018

The main changes in the scope of consolidation in FY 2018 are shown in the following table:

Name of the entity concerned	Type of transaction	Change in % of voting rights	Change in % stake	Date of inclusion or exclusion from scope of consolidation	Country
Ipsos LLC	Buy-out of minority interests	49%	49%	1st quarter 2018	Vietnam
Zhejiang Oneworld BigData Investment Co Ltd	Acquisition	40%	40%	1st quarter 2018	China
Ipsos MMA Inc	Buy-out of minority interests	2.45%	2.45%	2nd quarter 2018	USA
Ipsos Digital S.R.L	Acquisition	100%	100%	3nd quarter 2018	Romania
Synthesio SAS	Acquisition	99.94%	99.94%	4th quarter 2018	France
Social Karma	Acquisition	100%	99.94%	4th quarter 2018	Belgium
Synthesio Ltd	Acquisition	100%	99.94%	4th quarter 2018	United Kingdom
Synthesio Inc.	Acquisition	100%	99.94%	4th quarter 2018	USA
Synthesio Pte Ltd	Acquisition	100%	99.94%	4th quarter 2018	Singapore
Ipsos Mystery Shopping UK Ltd	Acquisition	100%	100%	4th quarter 2018	United Kingdom
Ipsos Mystery Shopping Services UK Ltd	Acquisition	100%	100%	4th quarter 2018	United Kingdom
Ipsos Norm AB	Acquisition	100%	100%	4th quarter 2018	Sweden
1-2-3 MysteryWorldNet GmbH	Acquisition	100%	100%	4th quarter 2018	Germany
Ipsos Norm B.V.	Acquisition	100%	100%	4th quarter 2018	Netherlands

2.1.1 – GfK

On 10 October 2018, Ipsos acquired four global divisions of GfK Custom Research: Customer Experience; Experience Innovation; Health and Public Affairs, covering 26 countries (Argentina, Australia, Austria, Belgium, Brazil, Chile, China, Czech Republic, Germany, Hungary, India, Italy, Japan, Mexico, Netherlands, Peru, Poland, Romania, Russia, Singapore, Sweden, Switzerland, Turkey, Ukraine, United Kingdom and United States) with an enterprise value of €105 million.

The signing of the agreement with GfK was announced on 30 July 2018. It was subject to various conditions that have since been met, including obtaining authorisation from the competition authorities, announced on 17 September 2018.

The effective transfer of staff (around 1,000 people) and assets took place on 1 October 2018 (except for two minor countries, Turkey and Brazil, for which the transfer took place on 1 November 2018). The official acquisition date (date of entry into the Ipsos Group scope of consolidation) was 1 October 2018.

The acquisition involved:

1) the purchase of shares of five subsidiaries of GfK (share deals): GfK NORM AB, GfK NORM BV, 1-2-3 MysteryWorldNet GmbH, Gfk Mystery Shopping Services UK Limited and GfK Mystery Shopping UK Limited;

2) the purchase of assets and liabilities previously owned by GfK entities and the transfer of staff attached to those divisions (asset deals) in 26 countries;

3) the purchase of intellectual property (IP) consisting of patents, trademarks, domains and know-how.

The business activities transferred include the €29.9 million working capital requirement defined in the SPA "Share Purchase Agreement". This amount corresponds to the parties' best estimate of the working capital requirement of the businesses transferred when the purchase agreement was concluded. When finalising the transaction, it was decided that this estimated amount would be transferred to GfK to enable it to complete the research and operations in progress at the acquisition date.

Other adjustments are contractually defined when the purchase price is set to take into account the cash flow, debt and working capital requirement of the companies purchased and the liabilities relating to employees transferred to Ipsos.

The provisional purchase price considered for the 2018 consolidated financial statements is €99 million, which includes the estimated working capital requirement of €29.9 million. The definitive price is expected to be agreed in March 2019.

Acquisition costs totalling €2.6 million were recognised in the income statement, as required by IFRS 3.

The purchase price allocation (PPA) was determined on the basis of the provisional fair value of the assets and liabilities acquired at the acquisition date. Goodwill totals €65.8 million. Ipsos recognised provisions of €6 million in respect of the PPA (€4.5 million, net of tax effect) in respect of goodwill, to take into account the contractual commitments made by Ipsos which generated costs without an offsetting entry. These provisions gave rise to a reversal for €5.4 million (€4.1 million net of tax) reported on the line "other operating expenses and income" in the group's consolidated income statement.

This provisional allocation will be adjusted in the event of a change in these values compared with the situation at the acquisition date, no later than 12 months after that date.

The impact of this acquisition on the Group's financial position is summarised in the following table:

In millions of euros	**01/10/2018**		
Assets	**Asset Deals**	**Share Deals**	**Total**
Property, plant and equipment	1.6	0.1	1.6
Intangible fixed assets	9.3	0.5	9.8
Non-current assets	-	0.2	0.2
Current assets	-	1.8	1.8
Deferred tax assets	3.6	-	3.6
Cash and cash equivalents	-	2.4	2.4
Total Assets	**14.5**	**5.0**	**19.5**
Liabilities	**Asset Deals**	**Share Deals**	**Total**
Provisions for retirement benefit obligations and other long-term liabilities	1.9	-	1.9
Provisions	6.0	-	6.0
Current liabilities	6.7	2.8	9.5
Total Liabilities	**14.7**	**2.8**	**17.5**
Fair value of net assets acquired	(0.2)	2.2	2.0
Goodwill	**64.6**	**1.2**	**65.8**
Consideration exchanged	64.4	3.4	67.8
- of which payment in 2018			*67.5*
- of which earn-outs provisioned			*0.3*

This acquisition contributed €30.1 million to revenue and €2.9 million to operating profit of the Group for the 2018 financial year. In the consolidated cash flow statement, this acquisition was recorded for the amount of €96.6 million under the item "acquisitions of companies and consolidated activities, net of acquired cash", based on a total enterprise value of €99 million, net of acquired cash of €2.4 million.

2.1.2 – Synthesio

On 30 October 2018, Ipsos acquired the Synthesio group for an enterprise value of more than $50 million in cash. Established in 2006, Synthesio is a recognised leader in social media monitoring and owns five subsidiaries based in New York, London, Singapore and Brussels and employing 130 employees worldwide.

The goodwill was recognised in the amount of €51.6 million. The purchase price is provisional and the PPA will be reviewed in 2019.

Synthesio has been consolidated since 30 October 2018. For the 2018 financial year, it contributed €2.8 million to Group revenue and €(0.4) million to operating profit.

Acquisition costs of €0.9 million were recognised in the income statement, as required by IFRS 3 revised.

2.1.3 – Clintelica

Ipsos acquired Clintelica on 1 August 2018 for an enterprise value of €5 million. An earn-out provision of €4.2 million was recognised and goodwill of €9.2 million was recorded in the Group's consolidated financial statements.

The purchase price allocation is provisional and will be reviewed in 2019.

Clintelica has been renamed Ipsos Digital.

2.1.4 – Market Pulse International

Ipsos acquired the teams and customers of Market Pulse International on 14 September 2018. This company has been operating for over 20 years in the "mystery shopper" sector in the Asia-Pacific region, where it has become the market leader. About 30 people from Market Pulse International joined Ipsos in Australia, New Zealand and Thailand. Goodwill of €0.3 million was recognised at the end of 2018.

2.2 – Transactions in 2017

The main changes in the scope of consolidation in FY 2017 are shown in the following table:

Name of the entity concerned	Type of transaction	Change in % of voting rights	Change in % stake	Date of inclusion or exclusion from scope of consolidation	Country
Ipsos MMA Inc	Buy-out of minority interests	2.60%	2.60%	2nd quarter 2017	USA
Shanghai Ipsos Information Technology Company Limited	Creation	40%	40%	2nd quarter 2017	China
Ipsos China Limited	Buy-out of minority interests	2%	2%	3rd quarter 2017	China
Ipsos Stat SA	Subscription to a capital increase by a minority interest	-0.68%	-0.68%	3rd quarter 2017	France
Ipsos Stat Jordan (Ltd)	Buy-out of minority interests and impact from the subscription to a capital increase of the holding company by a minority interest	12.67%	12.67%	2nd quarter 2017	Jordan
Ipsos SAL	Impact from the subscription to a capital increase of the holding company by a minority interest	-0.68%	-0.84%	3rd quarter 2017	Lebanon
AGB Stat Ipsos SAL	Impact from the subscription to a capital increase of the holding company by a minority interest	-0.68%	-0.24%	3rd quarter 2017	Lebanon
Ipsos Mena Offshore s.a.l.	Impact from the subscription to a capital increase of the holding company by a minority interest	-0.18%	-0.73%	3rd quarter 2017	Lebanon
The European Co. for Marketing Research	Impact from the subscription to a capital increase of the holding company by a minority interest	-0.63%	-0.68%	3rd quarter 2017	Kuwait

Name of the entity concerned	Type of transaction	Change in % of voting rights	Change in % stake	Date of inclusion or exclusion from scope of consolidation	Country
Ipsos Stat (Emirates) LLC	Impact from the subscription to a capital increase of the holding company by a minority interest	-0.73%	-0.56%	3rd quarter 2017	United Arab Emirates
Ipsos Saudi Arabia LLC	Impact from the subscription to a capital increase of the holding company by a minority interest	-0.56%	-0.68%	3rd quarter 2017	Saudi Arabia
Ipsos WLL	Impact from the subscription to a capital increase of the holding company by a minority interest	-0.13%	-0.66%	3rd quarter 2017	Bahrain
Ipsos Egypt For Consultancy Services	Impact from the subscription to a capital increase of the holding company by a minority interest	-0.68%	-0.68%	3rd quarter 2017	Egypt
Iraq Directory for Research and Studies Co.Ltd	Impact from the subscription to a capital increase of the holding company by a minority interest	-0.43%	-0.43%	3rd quarter 2017	Iraq
Synovate The Egyptian Market Research Co	Impact from the subscription to a capital increase of the holding company by a minority interest	-0.37%	-0.68%	3rd quarter 2017	Egypt
Marocstat	Impact from the subscription to a capital increase of the holding company by a minority interest	-0.13%	-0.66%	3rd quarter 2017	Morocco
MDCS	Impact from the subscription to a capital increase of the holding company by a minority interest	-0.13%	-0.66%	3rd quarter 2017	Morocco
Synovate Market Research Sarl	Impact from the subscription to a capital increase of the holding company by a minority interest	-0.13%	-0.68%	3rd quarter 2017	Morocco
Ipsos SARL	Impact from the subscription to a capital increase of the holding company by a minority interest	-0.63%	-0.69%	3rd quarter 2017	Creation Tunisia
Ipsos Qatar WLL	Impact from the subscription to a capital increase of the holding company by a minority interest	-0.66%	-0.70%	3rd quarter 2017	Qatar
Ipsos Pakistan	Impact from the subscription to a capital increase of the holding company by a minority interest	-0.43%	-0.40%	3rd quarter 2017	Pakistan
Ipsos Nigeria Limited	Buy-out of minority interests	40.00%	40.00%	4th quarter 2017	Nigeria
Ipsos	Creation	100.00%	100.00%	4th quarter 2017	Senegal

3 – Segment reporting

3.1 – Segment reporting at 31 December 2018

In thousand euros	EMEA	Americas	Asia-Pacific	Other [(2)]	Total
Revenue	789,271	677,972	356,170	(73,919)	1,749,494
Sales to external clients	*761,425*	*653,360*	*334,632*	*75*	*1,749,492*
Inter-area sales	*27,846*	*24,612*	*21,538*	*(73,994)*	*2*
Operating margin	69,337	77,450	30,967	(5,495)	172,258
Depreciation and amortisation	(16,492)	(12,380)	(3,826)	-	(32,698)
Segment assets [(1)]	867,024	917,382	337,892	2,352	2,124,740
Segment Liabilities	251,985	161,065	99,221	7,025	519,295
Capital expenditure for the period	17,192	22,355	6,322	3,137	49,006

(1) *Segment assets are made of tangibles and intangibles assets (including goodwill), trade receivables and other receivables.*
(2) *Intercompany elimination and others*

3.2 – Segment reporting at 31 December 2017

In thousand euros	EMEA	Americas	Asia-Pacific	Rest of the World	Total
Revenue	792,985	712,939	348,138	(73,609)	1,780,453
Sales to external clients	*767,543*	*688,490*	*325,146*	*(795)*	*1,780,383*
Inter-area sales	*25,442*	*24,449*	*22,992*	*(72,814)*	*70*
Operating margin	71,861	84,331	30,353	(4,269)	182,275
Depreciation and amortisation	(15,087)	(6,385)	(3,434)	(4)	(24,910)
Segment assets (1)	863,780	855,978	331,742	(106,496)	1,945,006
Segment Liabilities	354,891	148,220	92,573	(174,952)	420,739
Capital expenditure for the period	11,686	2,732	3,097	3	17,518

(1) *Segment assets are made of tangibles and intangibles assets (including goodwill), trade receivables and other receivables.*

3.3 – Reconciliation of segment assets with total Group assets

In thousand euros	31/12/2018	31/12/2017
Segment assets	2,124,740	1,945,006
Financial assets	37,913	22,341
Tax assets	43,892	34,769
Financial instruments assets	500	1,462
Cash and cash equivalents	167,834	137,267
Total Group assets	**2,374,878**	**2,140,844**

4 – Notes to the income statement

4.1 – Direct costs

In thousand euros	31/12/2018	31/12/2017
Interviewer payroll costs	(83,012)	(89,105)
Other direct costs	(528,107)	(534,682)
Total	**(611,119)**	**(623,787)**

4.2 – Other operating income and expenses

In thousand euros	31/12/2018	31/12/2017
Change in provisions for operating liabilities and charges (*)	5,085	(208)
Operating foreign exchange gains and losses	974	(3,289)
Total other operating income	**6,059**	**(3,497)**
Provision for impairment of receivables and losses on receivables	(1,162)	2,133
Rest of the World	(975)	(301)
Total other operating expenses	**(2,137)**	**(2,434)**
Total other operating income and expenses	**3,922**	**(5,931)**

(*) This item mainly includes the reversal of provisions made in connection with the purchase price allocation for GfK's four global divisions, amounting to €5.4 million (see Note 2.1.1).

4.3 – Amortisation of intangible assets identified on acquisitions

Amortisation of intangible assets identified on acquisitions amounting to €4.4 million and €4.6 million at 31 December 2018 and 31 December 2017 respectively mainly corresponds to amortisation of contractual relationships with clients.

4.4 – Other non-recurring income and expenses

In thousand euros	31/12/2018	31/12/2017
Acquisition costs	(3,930)	(151)
Costs of restructuring and rationalization	(14,038)	(12,278)
Provision for social dispute in Brazil	(3,026)	(4,582)
Reversal of provisions on tax risk	1,989	-
Change in commitments to buy out minority interests/ Non-controlling interests (see Note 1.2.7)	(1,076)	2,648
Capitalization of internal development costs	14,809	-
Total non-recurring expenses	**(7,261)**	**(14,364)**
Reversal of provisions on tax risks	1,989	-
Total non-current income	**1,989**	**-**
Total non-recurring income and expenses	**(5,273)**	**(14,364)**

4.5 – Financial income and expenses

In thousand euros	31/12/2018	31/12/2017
Interest expenses on borrowings and bank overdrafts	(22,641)	(22,819)
Change in the fair value of derivatives	262	390
Interest income from cash and cash equivalents	1,097	2,049
Finance costs	(21,281)	(20,380)

Foreign exchange gains and losses	(1,456)	526
Other financial expenses	(1,422)	(1,013)
Other financial income (*)	7,858	1,120
Total financial result	**(16,301)**	**(19,747)**

(*) mainly includes the revaluation of non-consolidated investments classified at fair value through profit or loss for an impact of €7.6 million, as explained in Note 1.2.1.1 IFRS 9.

4.6 – Current and deferred taxes

In France, Ipsos SA elected for tax consolidation through membership of a group for a period of five years from 30 October 1997, which has since been renewed. This scope of tax consolidation comprises the following companies: Ipsos SA (head of tax consolidation), Ipsos (France), Ipsos Observer, Popcorn Media and Espaces TV Communication. The profits of all the companies included in this tax consolidation group are taxed together in terms of corporate income tax.

In addition, the Group has elected to use the optional national tax consolidation regimes in Spain, the United Kingdom, the United States, Italy and Australia.

4.6.1 – Current and deferred tax expenses

In thousand euros	31/12/2018	31/12/2017
Current taxes	(34,348)	(44,201)
Deferred tax[1]	(4,149)	29,565
Income tax	**(38,498)**	**(14,636)**

[1]For 2017, the Group had recognised calculated income of €24.8 million due to the decrease in its deferred tax liabilities on goodwill amortisation in the United States.
This decrease was the result of a reduction in the US federal tax rate from 35% to 21% in 2017. Tax savings from the tax-deductible status of goodwill in the United States has generated temporary differences resulting in the recognition of deferred tax liabilities in the consolidated financial statements.

4.6.2 – Changes in balance sheet items

In thousand euros	01/01/2018	Opening restatements IFRS 15	01/01/2018 restated	Income statement	Payments	Conversion, changes in scope of consolidation and other reclassifications	31/12/2018
Current taxes							
Assets	13,517	-	13,517	1,289	-	2,098	16,905
Liabilities	(14,658)	-	(14,658)	(35,638)	39,697	(1,554)	(12,153)
Total	**(1,141)**		**(1,141)**	**(34,348)**	**39,697**	**544**	**4,752**
Deferred taxes							
Assets	21,252	2,399	23,651	743	-	2,593	26,987
Liabilities	(66,450)	-	(66,450)	(4,892)	-	408	(70,934)
Total	**(45,198)**	**2,399**	**(42,799)**	**(4,149)**	**-**	**3,001**	**(43,947)**

4.6.3 – Reconciliation between the statutory tax rate in France and the Group's effective tax rate

The basic rate of income tax for companies in France is 33.33%. The Social Security Financing Act No. 99-1140 of 29 December 1999 introduced a social solidarity contribution corresponding to 3.3% of the basic tax owed. This surtax had the effect of raising the French corporate income tax rate by 1.1% and consequently amounts to 34.43%.

The Amending Finance Act of 1st December 2017 instituted an exceptional contribution of corporation tax at a rate set at 15% of the corporate tax due for fiscal years closing from 31 December 2017 and until 31 December 2018. It applies to companies whose revenue is above €1 billion in France. Ipsos' revenue in France is less than this threshold. The Group is therefore not subject to this exceptional contribution.

The reconciliation between the statutory tax rate in France and Ipsos' effective tax rate is as follows:

In thousand euros	31/12/2018	31/12/2017
Profit before tax	**147,051**	**143,713**
Less the share of profit of associates	(587)	(26)
Profit before tax of consolidated companies	**146,464**	**143,687**
Statutory tax rate applicable to French companies	34.43%	34.43%
Theoretical tax charge	**(50,428)**	**(49,471)**
Impact of different tax rates and specific contributions	14,814	10,304
Permanent differences	(2,749)	(289)
Utilisation of tax losses not previously recognised as assets	2,706	719
Impact of tax losses of the year not recognised as assets	(2,377)	(2,370)
Other(1)	(463)	26,471
Total tax recognised	**(38,498)**	**(14,636)**
Effective tax rate	**26.2%**	**10.2%**

(1)For 2017, the Group had recognised calculated income of €24.8 million due to the decrease in its deferred tax liabilities on goodwill amortisation in the United States.

This decrease was the result of a reduction in the US federal tax rate from 35% to 21% in 2017. Tax savings from the tax-deductible status of goodwill in the United States has generated temporary differences resulting in the recognition of deferred tax liabilities in the consolidated financial statements.

4.6.4 – Change in net balance of deferred tax

In thousand euros	31/12/2018	31/12/2017
Deferred tax on:		
Capitalisation of IT R&D costs	(4,125)	-
Revenue and costs recognition method	(1,051)	(6,281)
Provisions	563	239
Fair value of derivative instruments	(2,288)	(2,641)
Deferred rent payments	1,316	1,302
Goodwill tax deductible	(49,403)	(46,075)
Non-current assets (including client relationships)	(13,520)	(17,472)
Pension provisions	5,044	4,875
Accrued staff costs	2,653	1,935
Tax loss carryforwards recognised (1)	14,944	15,213
Translation differences	198	207
Non-current financial assets	-	-
Acquisition costs	312	308
Other elements	1,411	3,191
Net balance of deferred tax assets and liabilities	**(43,947)**	**(45,198)**
Deferred tax assets	26,987	21,252
Deferred tax liabilities	(70,934)	(66,450)
Net balance of deferred tax	**(43,947)**	**(45,198)**

(1) The deferred tax assets recognised on tax loss carryforwards will be used within a period of one to five years.

At 31 December, deferred tax assets not recognised on tax loss carryforwards are as follows:

In thousand euros	31/12/2018	31/12/2017
Losses carried forward in between one and five years	119	1,870
Losses carried forward more than five years	283	336
Losses carried forward indefinitely	5,093	6,372
Tax assets not recognised on tax loss carryforwards	**5,494**	**8,579**

4.7 – Adjusted net profit

In thousand euros	31/12/2018	31/12/2017
Revenue	1,749,494	1,780,453
Direct costs	(611,119)	(623,787)
Gross profit	**1,138,374**	**1,156,666**
Staff expenses - excluding stock-based compensation	(753,464)	(747,500)
Payroll - share-based payments*	(8,937)	(10,094)
General operating expenses	(207,477)	(210,865)
Other operating income and expense	3,922	(5,931)
Operating profit	**172,418**	**182,275**
Amortisation of intangibles identified on acquisitions*	(4,380)	(4,668)
Other non-operating income and expenses*	(5,273)	(14,364)
Income from associates	587	217
Operating profit	**163,352**	**163,460**
Finance costs	(21,281)	(20,380)
Other financial income and expense*	4,980	633
Profit before tax	**147,051**	**143,713**
Taxes - excluding deferred taxes on goodwill amortization	(37,078)	(39,118)
Income tax - deferred tax on goodwill*	(1,420)	24,482
Current income tax	**(38,498)**	**(14,636)**
Net income	**108,554**	**129,076**
Of which attributable to equity holders of the Parent Company	**107,520**	**128,507**
Attributable to minority interests / non-controlling interests	**1,033**	**569**
Earnings per share (in euros) - Basic	2.48	2.99
Earnings per share (in euros) - Diluted	2.40	2.94
Adjusted net profit	**126,810**	**128,400**
Attributable to the Group	**125,237**	**127,384**
Attributable to minority interests / non-controlling interests	**1,572**	**1,015**
Adjusted earnings per share (in euros) - Basic	2.88	2.96
Adjusted earnings per share (in euros) - Diluted	2.80	2.91

**Adjusted net earnings is calculated before non-cash items related to IFRS 2 (share-based compensation), before amortisation of acquisition-related intangible assets (client relationships), before deferred tax liabilities related to goodwill for which amortisation is deductible in some countries, before the impact net of tax of other non-current income and expense and the non-monetary impact of changes in puts in other financial income and expenses.*

4.8 – Net earnings per share

4.8.1 – Net earnings per share

The income statement shows two earnings per share figures: basic and diluted. The number of shares used in the calculations is determined as follows:

Weighted average number shares	31/12/2018	31/12/2017
Figure at previous year end	**44,436,235**	**44,625,512**
Capital increase/decrease	(69,788)	(271,304)
Exercise of options	69,788	271,304
Own shares	(994,469)	(1,644,770)
Number of shares used to calculate basic earnings per share	**43,441,766**	**42,980,742**
Number of additional shares potentially resulting from dilutive instruments	1,329,871	738,148
Number of shares used to calculate diluted earnings per share	**44,771,637**	**43,718,890**
Net Profit attributable to equity holders of the Parent (in thousand euros)	107,520	128,507
Basic earnings per share (in euros)	**2.48**	**2.99**
Diluted earnings per share (in euros)	**2.40**	**2.94**

4.8.2 – Adjusted net earnings per share

Weighted average number of shares	31/12/2018	31/12/2017
Adjusted net profit		
Adjusted net profit attributable to equity holders of the Parent	107,520	128,507
Items excluded:		
- Payroll - share-based payments	8,937	10,094
- Amortization of intangibles identified on acquisitions	4,380	4,668
- Other non-current income and expenses	5,273	14,364
- Non-monetary impact of changes in puts	(227)	(1,814)
- Deferred tax on goodwill	1,420	(24,482)
- Income tax on excluded items	(1,527)	(3,507)
- Minority interests on excluded items	(539)	(446)
Adjusted net profit	**125,237**	**127,384**
Average number of shares	43,441,766	42,980,742
Average diluted number of shares	44,771,637	43,718,890
Basic adjusted earnings per share (in euros)	**2.88**	**2.96**
Diluted adjusted earnings per share (in euros)	**2.80**	**2.91**

4.9 – Dividends paid and proposed

Ipsos' policy is to pay single dividend in respect of a given accounting period in the July following the end of the period. The amounts per share paid and proposed are as follows:

In respect of the financial year:	Net dividend per share (in euros)
2018(*)	0.88
2017	0.87
2016	0.85

(*) Total dividend payment of €38 million (after elimination of dividends on treasury shares as at 31 December 2018) to be proposed to the General Meeting on 28 May 2019. The dividend will be paid on 3 July 2019.

5 – Notes to the balance sheet

5.1 – Goodwill

5.1.1 – Goodwill impairment tests

Goodwill is allocated to groups of cash generating units (CGU), namely the following eight regions or sub-regions: Continental Europe, the United Kingdom, Central and Eastern Europe, North America, Latin America, Asia-Pacific, the Middle East and Sub-Saharan Africa.

Goodwill is allocated to CGU, themselves brought together in one of the operating areas presented in Note 3 Area reporting, as recommended by IFRS 8.

The value in use of the CGU is determined through a number of methods, among them the DCF (discounted cash flow) method using:

• the four-year post-tax cash flow projections, calculated on the basis of the business plans of these CGUs over the period 2019-2022 excluding external growth and restructuring transactions. These business plans are based for 2019 on the budgetary data approved by the Board of Directors;

• beyond these four years, the terminal value of the cash flows is obtained by applying a long-term growth rate to the end of period normative flow. This long-term growth rate is estimated for each geographical area. This growth rate does not exceed the regional sector's average rate of long-term growth;

• future cash flows are discounted using weighted average cost of capital (WACC) after tax determined individually for each CGU.

At 31 December 2018, on the basis of measurements carried out in-house using the DCF method, Ipsos' management concluded that the recoverable value of goodwill allocated to each group of cash-generating units exceeded its carrying amount.

The principal assumptions used for the goodwill impairment tests conducted on each group of cash-generating units were as follows:

	2018					2017				
Cash-generating units	Gross value of goodwill (1)	Growth rate for 2018	Growth rate for 2019-2022	Growth rate 2022 and beyond	Discount rate after tax	Gross value of goodwill	Growth rate for 2017	Growth rate for 2018-2020	Perpetual growth rate beyond 2020	Discount rate after tax
Continental Europe	217,201	1.61%	1.00%	2.00%	7.90%	143,005	1.5%	1.0%	2.0%	7.3%
United Kingdom	164,606	2.45%	1.00%	2.00%	7.88%	154,165	1.6%	1.0%	2.0%	7.2%
Central and Eastern Europe	76,683	9.47%	5.00%	2.00%	10.17%	67,835	4.1%	5.0%	2.0%	9.1%
Latin America	57,904	7.10%	3.00%	3.00%	9.94%	57,311	3.5%	3.0%	3.0%	9.1%
North America	551,048	2.54%	2.00%	2.00%	7.02%	516,382	2.2%	2.0%	2.0%	6.5%
Asia-Pacific	190,923	7.19%	4.50%	3.00%	8.13%	186,771	5.1%	4.5%	3.0%	7.5%
Middle East	15,522	12.88%	5.00%	2.50%	9.72%	14,918	0.0%	5.0%	2.5%	9.1%
Sub-Saharan Africa	17,190	9.88%	7.00%	3.00%	11.96%	18,965	28.5%	7.0%	3.0%	10.8%
Sub-total	**1,291,077**					**1,159,352**				

(1) The gross value of goodwill presented in this table includes 2018 acquisitions, although the tests are performed excluding acquisitions.

Sensitivity of DCF values in use of goodwill

The analysis of the sensitivity of CGU to a reasonable change in growth rates, regarded as key assumptions in the Group's impairment tests, have no material impact on the test result as presented below:

In thousand	Goodwill value tested	Test margin(*)	Discount rate (WACC) applied to cash flows +0.5%	Perpetual growth rate -0.5%	Terminal recurring operating profit -0.5%
Continental Europe	142,820	295,404	259,209	266,065	272,809
United Kingdom	152,989	162,415	135,437	140,138	147,555
Central and Eastern Europe	62,953	121,028	109,219	111,561	114,840
Latin America	53,493	27,251	19,640	21,347	21,979
North America	531,137	348,642	260,484	273,381	316,658
Asia-Pacific	188,263	256,565	211,008	218,640	232,102
Middle East	15,522	33,848	29,007	30,026	29,942
Sub-Saharan Africa	17,190	6,976	4,984	5,518	5,384

(*) *Test margin = DCF value in use - carrying amount (tests are performed excluding acquisitions)*

The declines in DCF values in use that would result from the above simulations would not affect the amount at which the goodwill is carried in the balance sheet. As regards the Latin America region, the figures presented take into account the continuation of the plan to improve the region's operating profit, which was 1.0% in 2018 and was negatively impacted in particular by the ongoing economic recession in Brazil. The margin is expected to gradually return to a more normal level of at least 8% (10% in 2022 – terminal year). The table above details all the elements required for valuation based on other assumptions.

5.1.2 – Changes during 2018

In thousand euros	01/01/2018	Increases	Decreases	Changes in commitments to buy out minority interests	Exchange rates	31/12/2018
Goodwill	1,159,352	126,837	-	(819)	5,706	1,291,077

In 2018, the increase (excluding changes in minority buy-out commitments) in goodwill mainly corresponds to GfK, Synthesio and Clintelica, whose purchase price allocation was provisional at the end of 2018.

5.2 – Other intangible assets

In thousand euros	01/01/2018	Increases	Decreases	Exchange rates	Entities combination and other movements	31/12/2018
Trademark	1,965	5	-	148	4,961	7,079
Panels on line (1)	26,869	9,947	-	(424)	1,865	38,258
Panels off line	6,578	139	(675)	221	141	6,406
Client relations	68,868	-	-	(213)	205	68,860
Other intangible assets (2)	89,963	25,124	(21,404)	352	4,214	98,250
Gross value	**194,243**	**35,216**	**(22,079)**	**85**	**11,386**	**218,853**
Trademark	(670)	(3)	-	(26)	-	(698)
Panels on line (1)	(18,788)	(9,195)	-	316	(1)	(27,668)
Panels off line	(5,059)	(25)	675	(192)	-	(4,601)
Client relations	(33,417)	(4,400)	-	221	(202)	(37,799)
Other intangible assets	(76,345)	(9,350)	21,396	(294)	(1,493)	(66,086)
Amortisation and impairment	**(134,279)**	**(22,973)**	**22,071**	**25**	**(1,696)**	**(136,852)**
Net value	**59,964**	**12,242**	**(8)**	**111**	**9,690**	**82,001**

In thousand euros	01/01/2017	Increases	Decreases	Exchange rates	Entities combination and other movements	31/12/2017
Trademark	2,105	1	-	(141)	-	1,965
Panels on line	26,646	3,156	(1,678)	(1,253)	-	26,869
Panels off line	7,349	-	-	(771)	-	6,578
Client relationships	74,480	-	-	(5,612)	-	68,868
Other intangible assets	89,924	5,140	(1,584)	(4,754)	1,235	89,963
Gross value	**200,504**	**8,298**	**(3,263)**	**(12,531)**	**1,235**	**194,243**
Trademark	(730)	-	-	60	-	(670)
Panels on line	(18,274)	(2,944)	1,678	751	-	(18,788)
Panels off line	(5,653)	-	-	594	-	(5,059)
Client relationships	(31,309)	(4,668)	-	2,560	-	(33,417)
Other intangible assets	(73,050)	(7,498)	1,510	3,924	(1,231)	(76,345)
Amortisation and impairment	**(129,015)**	**(15,110)**	**3,188**	**7,890**	**(1,231)**	**(134,279)**
Net value	**71,489**	**(6,812)**	**(75)**	**(4,641)**	**4**	**59,964**

(1) Change in estimate of the capitalisation and impairment of online panels

As mentioned in Note 1.2.12, the Group applied a new method of capitalisation and impairment of online panels at 31 December 2018. As a result, the capitalisation of online panels increased by €6.4 million and impairment by €6.3 million.

(2) Capitalization of internal development expenses

Until now, the Group only activated its external development costs when the conditions defined in note 1.2.11 to the consolidated financial statements of 31.12.2017 of its accounting principles and methods were met.

Following the improvement of its internal monitoring system, Ipsos can capitalize its internal development costs, which consist of the payroll of its teams working on its platforms and projects, under the same conditions.

This decision has resulted in a change in the accounting estimate of the amounts that will now be capitalized.

In accordance with IAS 8, this change was applied prospectively from 2018 to account for these impacts.

For 2018, capitalised payroll amounted to €18,663k and depreciation relating to this capitalisation totalled €2,022k.

The impacts of this change in the financial statements at 31 December 2018 are as follows:

In the balance sheet, other intangible assets increased by €16,768k and deferred tax assets decreased by €4,154k.

The impact on net income amounts to +€12,516k in the income statement at 31 December 2018.

At June 31, 2018, in order not to create any distortion in the reading of the operating profit by the recognition of a capitalization product not offset by amortizations during an initial period, the positive effects on income of this first year of asset recognition were reclassified from operating profit to other non-operating income. The same classification will be applied over the coming years, until the implementation of the capitalisation levels off.

The impact on net income before taxes at 31 December 2018 was +€16,641k, broken down as follows:

- Net impact on 2018 payroll if the method had been applied continuously +€1,832k ;
- The exceptional impact of the application of the prospective method was recorded net in other non-operating income and expenses for a positive amount of €14,809k.

The Group has assessed the impact of this change in accounting estimate on subsequent years.

Insofar as the Group estimates that the capitalized amount would remain constant over the next few years, the impacts on the income statement for subsequent years would be as follows:

in thousands of euros	31/12/2018	31/12/2019	31/12/2020	31/12/2021	31/12/2022
Payroll - excluding stock-based compensation	1,832	930	348	24	-
Other non-current income and expenses	14,809	11,964	8,803	5,385	1,666
Operating profit (*)	**16,641**	**12,893**	**9,151**	**5,409**	**1,666**
Income tax	(4,125)	(3,196)	(2,268)	(1,341)	(413)
Net income	12,516	9,697	6,883	4,068	1,253

(*) including amortisation of intangible assets

And the impacts in subsequent years' balance sheets would be as follows:

in thousands of euros	31/12/2018	31/12/2019	31/12/2020	31/12/2021	31/12/2022
Net value of other intangible assets	16,768	29,661	38,812	44,221	45,887
Deferred tax assets	(4,154)	(7,350)	(9,618)	(10,959)	(11,372)

5.3 – Property, plant and equipment

In thousand euros	01/01/2018	Increases	Decreases	Exchange rates	Entities combination and other movements	31/12/2018
Land and buildings	7,189	68	-	313	-	7,570
Other property, plant and equipment	142,679	13,729	(30,972)	(151)	2,329	127,614
Gross value	**149,868**	**13,797**	**(30,972)**	**162**	**2,329**	**135,184**
Land and buildings	(3,479)	(199)	-	(147)	(3)	(3,828)
Other property, plant and equipment (1)	(114,160)	(9,295)	30,736	(205)	(548)	(93,466)
Amortisation and depreciation	(117,639)	(9,494)	30,736	(353)	(551)	(97,294)
Net value	**32,228**	**4,303**	**(236)**	**(191)**	**1,778**	**37,890**

In thousand euros	01/01/2017	Increases	Decreases	Exchange rates	Entities combination and other movements	31/12/2017
Land and buildings	7,746	(8)	(71)	(478)	-	7,189
Other property, plant and equipment (1)	151,233	8,926	(5,353)	(12,106)	(20)	142,679
Gross value	**158,979**	**8,918**	**(5,424)**	**(12,582)**	**(20)**	**149,868**
Land and buildings	(3,520)	(202)	-	225	17	(3,479)
Other property, plant and equipment (1)	(119,941)	(9,598)	5,292	10,077	3	(114,160)
Depreciation and impairment	**(123,462)**	**(9,800)**	**5,292**	**10,302**	**20**	**(117,639)**
Net value	**35,517**	**(882)**	**(132)**	**(2,282)**	**-**	**32,228**

(1) See Note 1.2.13 on the type of other property, plant and equipment.

The net value of non-current assets held under finance leases came to €5.6 million at 31 December 2018 and €4.9 million at 31 December 2017.

5.4 – Investments in associates

This item saw the following changes during 2018:

In thousand euros	31/12/2018	31/12/2017
Gross value at start of period	**916**	**208**
Share of profit	587	217
Dividends paid	-	-
Change in scope of consolidation	1,389	490
Rest of the World	-	1
Gross value at end of period	**2,892**	**916**
Contribution to equity (including profit)	1,282	1,019

In thousand euros	31/12/2018				31/12/2017		
	Ipsos Opinion SA	Apeme	Shanghai Ipsos Info Technology	Zhejiang Oneworld BigData Investment Co Ltd	Ipsos Opinion SA	Apeme	Shanghai Ipsos Info Technology
Current assets	803	1,174	7,757	2,004	1,060	1,483	4,363
Non-current assets	13	(20)	908	5,778	8	(19)	588
Total Assets	816	1,154	8,665	7,782	**1,068**	**1,464**	**4,951**
Current liabilities	1,227	889	4,302	-	1,332	1,230	3,224
Non-current liabilities	665	-	-	5,401	653	-	25
Total liabilities	1,892	889	4,302	**5,401**	**1,985**	**1,230**	**3,249**
Net assets	**(1,076)**	**265**	**4,363**	**2,381**	**(917)**	**234**	**1,702**

The principal balance sheet and income statement items from Apeme (Portugal) 25%-owned, Ipsos Opinion SA (Greece), 30%-owned, Shanghai Ipsos Info Technology (China), 40%-owned, and Zhejiang Oneworld BigData Investment Co Ltd (China), 40-% owned, are as follows at 31 December:

In thousand euros	31/12/2018				31/12/2017		
	Ipsos Opinion SA	Apeme	Shanghai Ipsos Info Technology	Zhejiang Oneworld BigData Investment Co Ltd	Ipsos Opinion SA	Apeme	Shanghai Ipsos Info Technology
Revenue	1,177	1,793	10,249	-	1,547	2,000	5,824
Operating profit	(147)	73	1,794	(25)	(52)	226	629
Net income	(159)	31	1,727	(160)	(64)	180	478
Percentage ownership	30%	25%	40%	40%	**30%**	**25%**	**40%**
Share of profit of associates	(48)	8	691	(64)	(20)	45	192

5.5 – Other non-current financial assets

In thousand euros	01/01/2018	Increases	Decreases	Business combinations, reclassifications and translation differences	31/12/2018
Loans	1,050	5,499	(482)	(47)	6,019
Other financial assets (1)	19,025	15,174	(6,130)	467	28,537
Gross value	20,075	20,673	(6,612)	420	34,556
Loan provision	-	(667)	-	(21)	(689)
Impairment of other financial assets	1,350	(85)	-	(112)	1,154
Impairment	1,350	(752)	-	(133)	466
Net value	**21,425**	**19,921**	**(6,612)**	**287**	**35,021**

(1) This mainly related to guarantees and deposits and non-consolidated investments.

5.6 – Trade receivables

In thousand euros	31/12/2018	31/12/2017
Gross value	641,828	624,801
Impairment	(6,887)	(7,141)
Net value	**634,941**	**617,660**

The item comprises €168 million of research in progress as at 31 December 2018 (€176 million at 31 December 2017).

In 2018, provisions for impairments of trade receivables amounted to €0.2 million and reversals of impairment provisions on trade receivables came to €0.1 million.

5.7 – Other current assets

In thousand euros	31/12/2018	31/12/2017
Advances and payments on account	4,603	3,666
Social security receivables	3,972	3,598
Tax receivables	34,193	35,535
Prepaid expenses	17,509	17,334
Other receivables and other current assets	18,555	15,669
Total	**78,831**	**75,802**

All other current assets have a maturity of less than one year.

5.8 – Shareholders' equity

5.8.1 – Share capital

At 31 December 2018, the share capital of Ipsos SA was €11,109,058.75 made up of 44,436,235 shares with a nominal value of €0.25 each. The number of shares making up the share capital and holdings of treasury shares changed as follows during 2018:

Number of shares (par value € 0.25)	Shares issued	Own shares	Shares in issue
At 31 December 2017	**44,436,235**	**(1,350,841)**	**43,085,394**
Increase of capital (exercise of option)	69,788	-	69,788
Capital decrease (exercise of option)	(69,788)	69,788	-
Transfer (delivery of free share allocation plan)	-	416,251	416,251
Transfer (delivery of plan IPF 2020)	-	-	-
Purchase (except liquidity contract)	-	-	-
Changes under the liquidity contract	-	(18,122)	(18,122)
At 31 December 2018	**44,436,235**	**(882,924)**	**43,553,311**

The Ipsos SA capital is made up of a single class of ordinary shares with a nominal value of €0.25 each. Registered shares held for more than two years carry double voting rights.

Treasury shares held at the close of the financial year, including those held as part of the liquidity contract, are deducted from equity. These treasury shares held do not carry dividend rights.

The Company has implemented several share allocation plans, which are described below.

5.8.2 – Share allocation plan

5.8.2.1 – Share subscription option plans

Since 1998, the Ipsos SA Board of Directors has set up several share subscription option plans at a specified price, for certain employees and all directors and officers of the Company. The current terms of plans outstanding at year opening are as follows:

Grant date	Vesting Date	Expiry date	Exercise price	Number of grantees	Number of options granted by the Board of Directors	Number of options outstanding 01/01/2018	Number of options granted during the year	Number of options cancelled during the year	Number of options exercised during the year	Number of options expired during the year	Number of options outstanding 31/12/2018
04/09/2012	04/09/2015	04/09/2020	24.63	129	1,545,380	714,936	-	(17,954)	(68,188)	-	628,794
04/09/2012	04/09/2016			27	423,990	238,270	-	-	(1,600)	-	236,670
Sub-Total Plan IPF 2012-2020				**156**	**1,969,370**	**1,263,722**	-	-	**(69,788)**	-	**(69,788)**
Total					**1,969,370**	**953,206**	**-**	**(17,954)**	**(69,788)**	**-**	**865,464**

5.8.2.2 – Free share attribution plans

Each year since 2006, the Board of Directors of Ipsos SA has set up free share attribution plans for the benefit of French and international residents, who are executive officers and employees of the Group. Prior to the 2018 plan, these shares only vested after a period of two years, provided that the beneficiary was still an employee or corporate officer of the Group at the end of that period. From 2018, the vesting period was extended to three years.

The free share attribution plans which remain outstanding at 30 June 2018 were set up with the following characteristics:

Grant date	Type of shares	Number of grantees	Number of free shares initially attributed	Expiry date of the vesting period	Number of free shares outstanding 01/01/2018	Number of free shares granted during the year	Number of free shares cancelled during the year	Number of free shares reclassified during the year	Number of free shares vested during the year	Number of free shares outstanding 31/12/2018
28/04/2016	Ordinary shares	795	451,115	28/04/2018	423,729	-	(8,332)	-	(415,397)	-
Sub-Total 2016 Plan		**795**	**451,115**		**423,729**	**-**	**(8,332)**	**-**	**(415,397)**	**-**
28/04/2017	Ordinary shares	851	397,878	28/04/2019	390,290	-	(21,802)	-	(1,724)	366,764
Sub-Total 2017 Plan		**851**	**397,878**		**390,290**	**-**	**(21,802)**	**-**	**(1,724)**	**366,764**
04/05/2018	Ordinary shares	1,006	394,398	04/05/2021	-	394,398	(12,307)	-	(800)	381,291
15/11/2018	Ordinary shares	30	54,205	15/11/2021	-	54,205	-	-	-	54,205
Sub-Total 2018 Plan		**1,036**	**448,603**		**-**	**448,603**	**(12,307)**	**-**	**(800)**	**435,496**
Total free shares attribution plans					**814,019**	**448,603**	**(42,441)**	**-**	**(417,921)**	**802,260**

5.8.3 – Analysis of share-based payment costs

In accordance with IFRS 2, to assess the staff cost deriving from the attribution of free shares, the following assumptions are used:

<table>
<tr><th colspan="2">Date on which the Board of Directors granted the stock options to the beneficiaries</th><th>28/04/2016</th><th>28/04/2017</th><th>04/05/2018</th><th>15/11/2018</th></tr>
<tr><td colspan="2">Share price on grant date</td><td>24.10</td><td>28.99</td><td>31.24</td><td>23.50</td></tr>
<tr><td rowspan="2">Option fair value</td><td>France</td><td>22.32</td><td rowspan="2">27.07</td><td rowspan="2">28.34</td><td rowspan="2">20.63</td></tr>
<tr><td>Non-France</td><td>22.32</td></tr>
<tr><td colspan="2">Risk-free interest rate</td><td>-0.29%</td><td>-0.23%</td><td>-0.05%</td><td>-0.04%</td></tr>
<tr><td colspan="2">Dividends</td><td>0.80</td><td>0.85</td><td>0.85</td><td>0.87</td></tr>
</table>

Ipsos uses the Black & Scholes model to measure the staff costs relating to stock options, which has the following main assumptions:

<table>
<tr><th colspan="2">Date on which the Board of Directors granted the stock options to the beneficiaries</th><th>04/09/2012</th></tr>
<tr><td rowspan="2">Fair value of option</td><td>France</td><td>4.67-4.71</td></tr>
<tr><td>Non-France</td><td>4.57-4.66</td></tr>
<tr><td colspan="2">Implied market volatility</td><td>25%</td></tr>
</table>

During 2018 and 2017, the expense recognised, in respect of stock option and free share allocation plans, was calculated as follows:

In thousand euros	31/12/2018	31/12/2017
Free shares attribution plan of 28 April 2016	1,540	4,711
Free shares attribution plan of 28 April 2017	4,877	3,245
Free shares attribution plan of 4 May 2018	2,003	-
Free share plan of 15 November 2018	38	-
Sub-Total	**8,458**	**9,549**
Employer contribution 20% France and United Kingdom	479	545
Total	**8,937**	**10,094**

5.9 – Financial debt

5.9.1 – Net financial debt

Borrowings, net of cash and cash equivalents, are comprised as follows:

	31/12/2018				31/12/2017			
	Total				Total			
	Total	less than 1 year	between 1 and 5 years	more than 5 years		less than 1 year	between 1 and 5 years	more than 5 years
Bond issue [1]	476,780	-	183,246	293,534	173,106	-	173,106	-
Bank borrowings [2] [3] [4] [5] [6]	257,256	5,267	251,989	-	423,808	20,813	330,037	72,958
Derivative financial assets	-	-	-	-	216	216	-	-
Debt linked to finance leases	632	326	306	-	598	220	378	-
Other financial liabilities	114	8	106	-	136	14	123	-
Accrued interests on financial liabilities	5,284	5,284	-	-	2,938	2,938	-	-
Bank overdrafts	2,828	2,828		-	2,158	1,327	831	-
Borrowings and other financial liabilities (a)	**742,894**	**13,713**	**435,647**	**293,534**	**602,959**	**25,526**	**504,474**	**72,958**
Derivatives financial assets (b)	**500**	**500**			**1,462**	**1,462**	-	-
Marketable securities	4,475	4,475	-	-	6,495	6,495	-	-
Cash	163,358	163,358	-	-	130,771	130,771	-	-
Cash and cash equivalents (c)	**167,834**	**167,834**	**-**	**-**	**137,267**	**137,267**	-	-
Net debt (a - b - c)	**574,560**	**(154,621)**	**435,647**	**293,534**	**464,231**	**(113,202)**	**504,474**	**72,958**

(1) *In September 2018, a new €300 million bond was issued, repayable in seven years with a fixed coupon of 2.875%.*
In September 2010, a new bond amounting to $300 million was issued through a private placement with US insurance companies. It is split according to three tranches: a 7-year bond amounting to $85 million (fixed rate of 4.46%), a 10-year bond amounting to $185 million (fixed rate of 5.18%), a 12-year bond amounting to $30 million (fixed rate of 5.48%). The $ 85 million has been repaid in fiscal 2017 Interest-rate swaps amounting to $100 million with a 10-year maturity were arranged.

(2) *In November 2013, the Company issued a “Schuldschein” bond on the German private market, divided into four fixed and variable-rate tranches in euros for a total of €52.5 million, with maturities of three, five and seven years, and two variable-rate tranches in US dollars for a total of $76.5 million with maturities of three and five years.*

(3) *In December 2016, the Company issued a “Schuldschein” bond on the German private market, divided into five fixed and variable-rate tranches in euros for a total of €138 million, with maturities of three, five and seven years, and four fixed and variable-rate tranches in US dollars for a total of $90 million with maturities of five and seven years.*

(4) *In December 2017, a new variable rate loan was contracted with Société Générale for an amount of €30 million and for a period of four years.*

(5) *A bank loan via a syndicated credit facility, initially for a term of five years, totalling a gross amount of €215 million, of which €140 million had been drawn at 31 December 2017 and €0 at 31 December 2018.*

(6) *Bank loans via bilateral loans for three or five-year terms, for a gross amount of €275 million, of which €10 million had been drawn at 31 December 2017 and €0 at 31 December 2018.*

5.9.2 – Breakdown of financial liabilities (excluding derivative instruments)

The breakdown of financial liabilities excluding derivative instruments at 31 December 2018 is as follows:

in thousands of euros	2019	2020	2021	2022	2023	> 2023	Total
Bond issues	-	158,571	-	24,675	-	293,534	**476,780**
Bank borrowings	5,267	11,391	136,530	30,000	74,068	-	**257,256**
Debt linked to finance leases	326	299	7	-	-	-	**632**
Other financial liabilities	8	6	98	1	-	-	**114**
Accrued interests on financial liabilities	5,284	-	-	-	-	-	**5,284**
Bank overdrafts	2,828	-	-	-	-	-	**2,828**
Borrowings and other financial liabilities	**13,713**	**170,268**	**136,636**	**54,676**	**74,068**	**293,534**	**742,894**

The breakdown of financial liabilities excluding derivative financial instruments at 31 December 2017 is as follow:

In thousand euros	2018	2019	2020	2021	2022	> 2022	Total
Bond issues	-	-	148,957	-	24,149	-	**173,106**
Bank borrowings	20,469	4,754	11,955	181,707	131,965	72,958	**423,808**
Debt linked to finance leases	220	367	8	3	-	-	**598**
Other financial liabilities	14	25	2	94	1	-	**136**
Accrued interests on financial liabilities	2,938	-	-	-	-	-	**2,938**
Bank overdrafts	1,326	832	-	-	-	-	**2,158**
Borrowings and other financial liabilities	**24,966**	**5,978**	**160,922**	**181,804**	**156,115**	**72,958**	**602,743**

5.9.3 – Financial debt by currency (excluding derivative instruments)

in thousands of euros	31/12/2018	31/12/2017
US dollar (USD)	261,423	296,518
Euro (EUR)	480,355	209,613
Pound sterling (GBP)	2	63,680
Japanese yens (JPY)	-	32,812
Other currencies	1,114	120
TOTAL	**742,894**	**602,743**

5.10 – Current and non-current provisions

In thousand euros	1st January 2018	Allowances	Reversals of provisions used	Reversals of provisions non used	Change in scope of consolidation	Other reclassifications	Exchange rates	30 June 2018
Provisions for litigation and other risks	5,434	501	(1,258)	-	-	395	(327)	4,745
Provisions for other charges	10,719	1,015	(5,757)	(1,902)	6,014	(5,049)	(111)	4,929
Total	**16,153**	**1,516**	**(7,015)**	**(1,902)**	**6,014**	**(4,654)**	**(438)**	**9,674**
o/w current provisions	**7,189**	**-**	**-**	**-**	**-**	**-**	**-**	**4,996**
o/w non-current provisions	**8,964**	**-**	**-**	**-**	**-**	**-**	**-**	**4,678**

Provisions for litigation concern primarily commitments relating to legal disputes with employees. The Group decided to reverse the provision set aside in 2016 to cover the tax risks resulting from the acquisition of Synovate, in the amount of €1.9 million. The balance of the provision was €1 million at 31 December 2018.

The Group reclassified the rent discounts recorded by its UK subsidiary for €4.8 million to payables.

Provisions for other liabilities and charges mainly include provisions for tax and social security risks. These commitments were recognised on the occasion of the acquisition of Synovate on the fair value measurement of their respective assets and liabilities.

5.11 – Pensions and similar liabilities

Group commitments for pension and similar liabilities mostly concern the following defined benefit plans that follow:

- retirement indemnities (France, Italy, Japan);

- end-of-service benefits (Australia, Turkey, Middle East);

- supplementary pensions (Germany, United Kingdom) which are added to state pensions;

- coverage of certain medical expenses for pensioners (South Africa).

Pension and similar liabilities are recognised in accordance with the method described in Note 1.2.22. "Employee benefits". For defined contribution plans, the Group's sole obligation is to pay the premiums due. The expense corresponding to the contributions paid is recognised through profit or loss for the financial year.

5.11.1 – Actuarial assumptions

Actuarial assumptions, used for the pension liabilities valuation, take in account demographic and financial conditions specific to each country or entity of the Group.

For the period ended 31 December 2018, the Group kept the same assumptions that were used in previous years to determine the discount rates. For the most important countries, the principal actuarial assumptions used were as follows:

	Euro zone	United Kingdom
Discount rate		
2018	1.57%	2.90%
2017	1.44%	2.50%
Future salary increases		
2018	1% - 4%	2.90%
2017	1% - 4%	2.90%
Expected return on plan assets		
2018	-	2.90%
2017	-	2.50%

At each period-end, the discount rate is determined based on the most representative returns on high quality corporate bonds with a life that approximates the duration of the benefit obligation. For the Euro zone, the Group used the IBOXX € Corporate AA. Mortality and staff turnover assumptions take into account the economic conditions specific to each country or Group company.

5.11.2 – Comparison between value of liabilities and provisions

	31/12/2018				31/12/2017			
In thousand euros	**France**	**United Kingdom**	**Other foreign companies**	**Total**	**France**	**United Kingdom**	**Other foreign companies**	**Total**
Present value of the liability	(7,868)	(12,619)	(21,560)	(42,046)	(8,030)	(13,729)	(18,376)	(40,135)
Fair value of financial assets	-	12,332	-	12,332	-	13,217	-	13,217
Surplus or (deficit)	**(7,868)**	**(287)**	**(21,560)**	**(29,715)**	**(8,030)**	**(512)**	**(18,376)**	**(26,918)**
Net assets/(provisions) recognised on the balance sheet	**(7,868)**	**(287)**	**(21,560)**	**(29,715)**	**(8,030)**	**(512)**	**(18,376)**	**(26,918)**

5.11.3 – Change in liabilities during the year

	31/12/2018				31/12/2017			
In thousand euros	**France**	**United Kingdom**	**Other foreign companies**	**Total**	**France**	**United Kingdom**	**Other foreign companies**	**Total**
Benefit obligation, beginning of year	**(8,030)**	**(13,729)**	**(18,376)**	**(40,135)**	**(7,504)**	**(14,235)**	**(19,528)**	**(41,267)**
Supplementary rights acquired	(466)	(95)	(260)	(821)	(229)	-	-	(229)
Interest on benefit obligation	(115)	(340)	(168)	(623)	(114)	(372)	(25)	(511)
Fund performance	-	-	-	-	-	346	-	346
Change in plan type	-	-	-	-	-	-	-	-
Actuarial gains and losses	820	1,127	(700)	1,247	284	428	(341)	371
Benefits paid out	(76)	378	(12)	290	(467)	446	1 521	1 500
Employer contributions	-	-	-	-	-	-	-	-
Translation differences	-	53	(125)	(72)	-	(342)	1,425	1,083
Change in scope of consolidation	-	-	(1,564)	(1,564)	-	-	-	-
Benefit obligation, end of year	**(7,868)**	**(12,607)**	**(21,205)**	**(41,679)**	**(8,030)**	**(13,729)**	**(18,376)**	**(40,135)**
Fair value of financial assets	-	12,332	-	12,332	-	13,217	-	13,217
Retirement benefit obligations	**(7,868)**	**(275)**	**(21,205)**	**(29,348)**	**(8,030)**	**(512)**	**(18,376)**	**(26,918)**
Other long-term obligations								
Change in scope of consolidation	-	(12)	(355)	(367)	-	-	-	-
Provisions for retirement benefit obligations and similar	**(7,868)**	**(287)**	**(21,560)**	**(29,715)**	**(8,030)**	**(512)**	**(18,376)**	**(26,918)**

The sensitivity of provisions for retirement benefit obligations to a change in the discount rate of plus or minus 0.25% in the two main countries is not significant, as presented below.

In thousand euros	**Discount rate -0.25%**	**Discount rate +0.25%**
Provisions for retirement benefit obligations at 31/12/2018		
France	(8,103)	(7,644)
United Kingdom	(883)	297

5.11.4 – Change in fair value of plan assets

In thousand euros	United Kingdom	Other foreign companies	Total
Invested assets as at 1 January 2017	**13,841**	**-**	**13,841**
Expected return on plan assets	346	-	346
Contributions to external funds	-	-	-
Benefits paid out	(242)	-	(242)
Actuarial gains and losses	342	-	342
Currency translation difference	(904)	-	(904)
Invested assets as at 31 December 2017	**13,382**	**-**	**13,382**
Expected return on plan assets	(729)	-	(729)
Contributions to external funds	-	-	-
Benefits paid out	(382)	-	(382)
Actuarial gains and losses	327	-	327
Currency translation difference	(130)	-	(130)
Invested assets as at 31 December 2018	**12,468**	**-**	**12,468**

5.11.5 – Allocation of plan assets

In thousand euros	United Kingdom	Other foreign companies	Total	%
Corporate bonds	13,319	-	13,319	99.5%
Cash	63	-	63	0.5%
Invested assets as at 31 December 2017	**13,382**	**-**	**13,382**	**100.0%**
Corporate bonds	12,413	-	12,413	99.6%
Cash	54	-	54	0.4%
Invested assets as at 31 December 2018	**12,468**	**-**	**12,468**	**100.0%**

5.11.6 – Pension expenses recognised during the year

Expenses linked to defined-benefit pension plans are an integral part of the Group's personnel expenses. They are broken down for each financial year as follows:

	2018				2017			
In thousand euros	France	United Kingdom	Other foreign companies	Total	France	United Kingdom	Other foreign companies	Total
Supplementary rights acquired	(466)	(95)	(260)	(821)	(229)	-	-	(229)
Interest on benefit obligation	(115)	(340)	(168)	(624)	(114)	(372)	(28)	(514)
Amortisation of past service cost	-	-	(75)	(75)	-	-	-	-
Amortisation of actuarial gains and losses	-	-	(63)	(63)	-	-	-	-
Fund performance	-	327	-	327	-	346	-	346
Benefits paid out	-	-	-	-	-	-	85	85
Total expense for the year	**(582)**	**(109)**	**(566)**	**(1,256)**	**(343)**	**(26)**	**57**	**(313)**

Expenses related to defined-benefit plans are recognised in payroll and amounted to €18.6 million in 2017 and €15.3 million in 2018. The Group does not anticipate any significant change in terms of expenses related to defined-benefit plans in 2019.

The information required by IAS 19 over four years was not repeated here for financial years 2015 and 2016. It appears in the 2016 Reference document, incorporated by reference.

5.12 – Other current and non-current liabilities

	31/12/2018			31/12/2017		
In thousand euros	**< 1 year**	**> 1 year**	**Total**	**< 1 year**	**> 1 year**	**Total**
Purchase price and earn-out payments (1)	450	11,514	11,964	154	3,241	3,395
Buy-out of minority interests (1)	11,161	2,911	14,072	9,575	13,500	23,075
Contract liabilities	15,656	-	15,656	16,134	-	16,134
Tax and social security liabilities	129,816	-	129,816	128,964	-	128,964
Deferred income (2)	14,543	-	14,543	8,686	-	8,686
Other debt and other liabilities	4,618	7,615	12,233	6,079	1,442	7,520
Total	**176,244**	**22,040**	**198,284**	**169,592**	**18,183**	**187,775**

(1) See comments in Note 6.4.3 – Acquisition-related commitments.
(2) It mainly concerns client research on which invoicing exceeds revenue recognised using the percentage of completion method.

5.13 Contract assets and liabilities

Contract assets relate to the Group's rights to receive payments for research not invoiced at the reporting date. Contract liabilities relate to advance payments received from clients for research where revenue is recognised on an accrual basis.

6 – Additional information

6.1 – Notes on the consolidated cash flow statement

6.1.1 – Changes in working capital requirement

In thousand euros	31/12/2018	31/12/2017
Decrease (Increase) in trade receivables	14,446	(47,933)
Increase (Decrease) in trade payables	(6,876)	17,573
Change in other receivables and payables	(4,088)	(7,411)
Change in the working capital requirement	**3,482**	**(37,771)**

6.1.2 – Cash used by investing activities

In thousand euros	31/12/2018	31/12/2017
Acquisitions of intangibles assets	(35,021)	(8,298)
Acquisitions of property, plant and equipment	(13,797)	(8,918)
Total acquisitions during the period	**(48,818)**	**(17,216)**
Deferred disbursement	(187)	(302)
Payments made on acquisitions of intangible assets and property, plant and equipment	**(49,006)**	**(17,518)**

6.1.3 – Cash flow relating to acquisitions and consolidated activities, net of acquired cash

Companies' acquisitions and consolidated activities, net of acquired cash which appear in the consolidated cash flow statement, can be summarised as follow:

In thousand euros	31/12/2018	31/12/2017
Cashed in/out for acquisitions during the year	(154,857)	-
Cash acquired/made over	2,839	-
Cashed in/out for buy-out of minority interests	(9,125)	(12,785)
Cashed in/out for previous years acquisitions	(461)	(2,212)
Acquisitions of companies and consolidated activities, net of acquired cash	**(161,604)**	**(14,997)**

6.2 – Financial risk management objectives and policies

6.2.1 – Exposure to interest rate risk

Ipsos' exposure to risk arising from changes in market interest rates relates to its long-term debt. The Group's policy is to manage interest expenses by using a combination of fixed- and floating-rate borrowings.

The Group's policy is not to deal in financial instruments for the purpose of speculation. The interest rate swap to cover one-third of the $300 million bond issue meets the criteria for fair value hedge accounting within the meaning of IAS 39. The swap is recognised on the balance sheet at its market value against the risk covered.

Other derivative instruments (interest rate swaps) and tunnels bought by Ipsos SA do not fulfil the conditions of IAS 39 and are not recognised as hedging instruments, even though they correspond on an economic level to hedging of interest rate risk relating to debt.

Interest rate hedges

In thousand euros	Financial assets [(1)] (a)		Financial liabilities [(2)] (b)		Net exposure before hedging (c) = (a) + (b)		Rate hedging instruments [(3)] (d)		Net exposure after hedging (e) = (c) + (d)	
	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate	Fixed rate	Floating rate
2019	-	(167,833)	3,161	5,259	3,161	(162,574)	-	-	3,161	(162,574)
2020	-	-	170,275	-	170,275	-	(74,236)	74,236	96,039	74,236
2021	-	-	22,511	114,124	22,511	114,125	-	-	22,511	114,124
2022	-	-	24,676	30,000	24,676	30,000	-	-	24,676	30,000
2023	-	-	39,557	34,511	39,557	34,511	-	-	39,557	34,511
> 2023	-	-	293,534	-	293,534	-	-	-	293,534	-
Total	**-**	**(167,833)**	**553,713**	**183,894**	**553,713**	**16,061**	**(74,236)**	**74,236**	**479,477**	**90,237**

(1) Financial assets correspond to cash and cash equivalents.

(2) Financial liabilities correspond to borrowings and other financial liabilities (excluding accrued interest and fair value of derivative financial instruments) described in Note 5.9.1 "Net financial debt".

(3) Interest rate swaps and tunnels covering the US private placement bond issued in 2010, and the syndicated floating-rate credit facilities of €150 and €215 million.

Around 35% of the €737 million in gross debt at 31 December 2018 (excluding accrued interest and the fair value of derivative instruments) was floating rate (after taking into account swap contracts and tunnels). A 1% increase in short-term interest rates would have a negative impact of around €2.6 million on the Group's financing expenses, equivalent to a 12% rise in finance costs for 2018. Interest rate risk management is centralised at the headquarters under the responsibility of the Group cash manager.

6.2.2 – Exposure to exchange rate risk

The Group is active, via consolidated subsidiaries, in 89 countries and carries out projects in more than 100 countries. Ipsos records its financial position and its income in the relevant local currency, and then converts these figures into euros at the applicable exchange rates for the purposes of consolidation in the Group's financial statements.

The share of the main currencies in consolidated revenue is as follows:

	31/12/2018	31/12/2017
Euro (EUR)	16.6%	16.4%
US dollar (USD)	27.6%	27.5%
Pound sterling (GBP)	12.2%	11.6%
Canadian dollars (CAD)	3.9%	4.2%
Brazilian real (BRL)	1.7%	2.1%
Yuan (CNY)	6.5%	5.7%
Other currencies	31.6%	32.5%
TOTAL	**100%**	**100%**

The Group has little exposure to transaction-related exchange rate risk, since its subsidiaries almost always invoice in their local currency, and since operating costs are also denominated in the local currency. As a result, the Group does not usually hedge its exchange rate exposure.

The transactional exchange rate risk for the Group is limited primarily to trademark licence royalties and payments for services or technical assistance charged by Ipsos SA or Ipsos Group GIE to subsidiaries in local currencies.

Where possible, the Group covers the financing requirements of subsidiaries in the operating company of the subsidiary concerned. Around 35% of debt is denominated in currencies other than the euro.

Hedging exchange rate risk

Borrowings by Ipsos SA in currencies other than the euro are generally covered by assets in the same currency. Exchange rate losses on net investments in a foreign subsidiary, recognised in other comprehensive income in accordance with IAS 21 and IAS 39, came to €9.2 million at 31 December 2018.

The table below shows the details of the net asset position as at 31 December 2018 (trade receivables net of trade payables in currencies and bank accounts) of the entities bearing the main exchange rate risks: Ipsos SA, Ipsos Group GIE and Ipsos Holding Belgium. It presents transactional foreign exchange gains or losses recognised in financial result:

In thousand euros	USD	CAD	GBP	JPY	BRL	Rest of the World
Financial assets	1,081	-	520	1	462	2,894
Financial liabilities	(26,236)	3	3,748	-	-	(2,061)
Net position before management	**(25,155)**	**3**	**4,267**	**1**	**462**	**833**
Derivative instruments	-	-	-	-	-	-
Net position after management	**(25,155)**	**3**	**4,267**	**1**	**462**	**833**

A 5% decrease in the value of the euro against the US dollar, Canadian dollar, British pound, Brazilian real and Japanese yen would result in a loss on translation of around €1.0 million, recognised in financial income.

Sensitivity to changes in exchange rates for the main exposure

As of 31 December 2018, the sensitivity of the Group's operating profit, net income and equity to a change in the exchange rates of each country against the euro was as follows for the Group's main exposures:

In thousand euros	2018		
	USD	CAD	GBP
	5% rise in the currency against the euro.	5% rise in the currency against the euro.	5% rise in the currency against the euro.
Impact on operating margin	2,417	606	584
Impact on profit before tax	1,709	477	289
Impact on equity Group share	11,499	2,564	(5,573)

6.2.3 – Exposure to client counterparty risk

The Group analyses its trade receivables, paying particular attention to improving recovery times, as part of the overall management of its working capital requirements, backed by the "Max Cash" programme.

Any impairment is assessed on an individual basis and takes account of various criteria such as the client's situation and payment delays. No charge to impairment is recorded on a statistical basis.

The table below shows the age of trade receivables at 31 December 2018 and 31 December 2017:

In thousand euros		31 December 2018					
		Receivables due					
Net trade receivables	Receivables not due	Total	Less than 1 month	1 to 3 months	3 to 6 months	More than 6 months	Impairment
466,119	375,567	90,552	40,576	32,952	7,734	16,177	(6,887)

In thousand euros		31 December 2017					
		Receivables due					
Net trade receivables	Receivables not due	Total	Less than 1 month	1 to 3 months	3 to 6 months	More than 6 months	Impairment
441,399	331,911	109,488	62,040	31,009	8,632	14,947	(7,141)

The Group services a large number of clients in a varied range of business areas. The largest clients are international groups. The largest client represents around 2.5% of Group revenue. No other client exceeds 2.3% of revenue (more than 5,000 clients in total). The solvency of international clients and the considerable dispersion of other clients limit credit risk.

6.2.4 – Exposure to banking counterparty risk

The Group has established a policy for selecting authorised banks to act as counterparties for all subsidiaries. This policy makes it mandatory to deposit cash with authorised banks. Moreover, only leading banks are authorised, thus limiting counterparty risk.

6.2.5 – Exposure to liquidity risk

As at 31 December 2018, the Group's financing via Ipsos SA took the form of:

- a 7-, 10- and 12-year $300 million USPP 2010 bond issue, with $215 million remaining outstanding (€187.7 million);

- a Schuldschein loan contracted on 7/11/2013. The €12 million tranche remains outstanding as at 31 December 2018;

- a Schuldschein loan contracted on 7/12/2016 with a tranche of €138 million and another tranche of $90 million, fully drawn to €216 million as at 31 December 2018;

- a loan arranged by Regional Financing Company SA on 15/12/2017 for €30 million;

- a €300 million bond completed on 21/09/2018;

- the balance of the loan issue expenses of the CS215 is €795k.

The Group's objective is to manage the financing in order have less than 20% of borrowings maturing within one year. The following table shows undiscounted contractual cash flows from financial liabilities (excluding derivative instruments):

In thousand euros	Carrying amount	Undiscounted contractual cash flows	Schedule					
		Total	2018	2019	2020	2021	2022	> 2022
Bond issue USPP 2010 (Ipsos SA)	180,394	187,773	-	161,572	-	26,201	-	-
Bond issue (2018)	296,386	300,000	-	-	-	-	-	300,000
2013 Schuldschein loan (Ipsos SA)	11,982	12,000	-	12,000	-	-	-	-
2016 Schuldschein loan (Ipsos SA)	216,070	216,603	5,000	-	136,858	-	74,745	-
Syndicated loan €215 million (Ipsos SA)	(795)	-	-	-	-	-	-	-
Other borrowings (subsidiaries)	30,000	30,000	-	-	30,000	-	-	-
Debt linked to finance leases	632	587	281	299	7		-	-
Other financial liabilities	114	114	8	6	98	1		-
Accrued interests on financial liabilities	5,284	5,284	5,284	-	-	-	-	-
Bank overdrafts	2,827	2,827	2,827	-	-	-	-	-
Borrowings and other financial liabilities	**742,893**	**755,187**	**13,401**	**173,877**	**166,963**	**26,202**	**74,745**	**300,000**

The Group is committed to attaining certain financial ratios (such as consolidated net debt/consolidated EBITDA (i.e. operating margin before amortisation and depreciation), consolidated EBIT (i.e. operating margin)/net consolidated interest expenses and consolidated net debt/consolidated equity). The levels of the financial ratios to which the Group is committed are as follows:

Financial ratios	Level to be achieved
1. Consolidated net debt/consolidated shareholders' equity	<1
2. Consolidated net debt/consolidated EBITDA	<3.5
3. Operating profit/consolidated net interest expenses	> 3.75

6.3 – Financial instruments

The only financial instruments recognised at the balance sheet date are interest-rate instruments. They do not qualify as a hedge accounting relationship and are stated on the balance sheet at fair value, except for interest rate swaps covering a third of the USPP qualifying as a fair value hedge, and the currency swap hedging EUR/CAD exchange rate risk on an intercompany loan in euros for a Canadian subsidiary.

6.3.1 – Financial instruments recorded in the balance sheet

			31/12/2018						
In thousand euros	**Balance sheet value**	**Fair value**	**Fair value through profit & loss**	**Fair value through goodwill**	**Assets available for sale**	**Loans and receivables**	**Miscellaneous liabilities**	**Debt at amortised cost**	**Derivative instruments**
Other non-current financial assets	35,021	35,021	-	-	15,046	19,975	-	-	-
Trade receivables and related accounts	634,941	634,941	-	-	-	634,941	-	-	-
Other receivables and current assets [(1)]	18,555	18,555	-	-	-	18,555	-	-	-
Financial instruments assets	500	500	-	-	-	-	-	-	500
Cash and cash equivalents	167,834	167,834	167,834	-	-	-	-	-	-
Assets	**856,851**	**856,851**	**167,834**	**-**	**15,046**	**673,471**	**-**	**-**	**500**
Long term financial debts (> 1 year)	729,180	721,983	-	-	-	-	-	729,180	-
Trade payables	276,266	276,266	-	-	-	-	276,266	-	-
Short term financial debts (< 1 year)	13,713	13,713	-	-	-	-	-	13,713	-
Other debts and current and non-current liabilities [(2)] [(3)]	27,227	27,227	16,229	9,807	-	-	1,191	-	-
Liabilities	**1,046,386**	**1,039,189**	**16,229**	**9,807**	**-**	**-**	**277,457**	**742,893**	**-**

[(1)] *Excluding advances and payments on account, other tax and social security receivables and prepaid expenses.*

[(2)] *Excluding advances and payments on account from clients, tax and social security liabilities, prepaid income and other liabilities except current accounts of minority interests.*

[(3)] *The provisions for earn-out payments recognised on the acquisition of Synthesio and Clintelica at 31 December 2018 for a total of €7 million were classified under "fair value through goodwill". Since the purchase price allocation was provisional at the end of 2018, the amount may be revised in 2019 as an offsetting entry to goodwill, as allowed under IFRS 3.*

			31/12/2017						
In thousand euros	**Balance sheet value**	**Fair value**	**Fair value through profit & loss**	**Fair value through goodwill**	**Assets available for sale**	**Loans and receivables**	**Assets held to maturity**	**Debt at amortised cost**	**Derivative instruments**
Other non-current financial assets	21,425	21,425	-	-	2,179	19,246	-	-	-
Trade receivables and related accounts	617,660	617,660	-	-	-	617,660	-	-	-
Other receivables and current assets (1)	15,316	15,316	-	-	-	15,316	-	-	-
Financial instruments assets	1,462	1,462	-	-	-	-	-	-	1,462
Cash and cash equivalents	137,267	137,267	137,267	-	-	-	-	-	-
Assets	**793,130**	**793,130**	**137,267**	**-**	**2,179**	**652,222**	**-**	**-**	**1,462**
Long term financial debts (> 1 year)	577,432	571,540	-	-	-	-	-	577,432	-
Trade payables	259,432	259,432	-	-	-	259,432	-	-	-
Short term financial debts (< 1 year)	25,527	25,527	-	-	-	-	-	25,311	216
Other debts and current and non-current liabilities (2)	28,030	28,030	23,121	3,349	-	1,560	-	-	-
Liabilities	**890,421**	**884,529**	**23,121**	**3,349**	**-**	**260,992**	**-**	**602,743**	**216**

(1) Excluding advances and payments on account, other tax and social security receivables and prepaid expenses.
(2) Excluding advances and payments on account from clients, tax and social security liabilities, prepaid income and other liabilities except current accounts of minority interests.

The main valuation methods applied are as follows:

Investments in non-consolidated companies, included in "Other financial assets" are stated at fair value in the balance sheet, in accordance with IAS 39. The fair value of investments in non-consolidated companies not traded in an active market corresponds to their cost.
Financing loans are stated at amortised cost measured using the effective interest method.

Derivative financial instruments that are not deemed to be hedging instruments are, in accordance with IAS 39 recognised at their fair value in profit or loss. The valuation of their fair value is based on observable market data (Level 2 fair value).

The fair value of trade receivables and payables is considered as being equivalent to carrying amount, after deducting accumulated impairment if any due to their very short maturities.

The same applies to cash and cash equivalents. Other debts and current and non-current liabilities mainly correspond to the purchase of minority interests. The valuation of their fair value is obtained using valuation techniques but at least one of the important items of entry data is based on non-observable market data (Level 3 fair value).

6.3.2 – Financial instruments reported in the income statement

In thousand euros	31/12/2018					
	Interest on assets revalued at fair value	Debt at amortised cost		Loans and receivables		Change in value of derivatives
		Currency effects	Interest	Currency effects	Impairment and other reversals	
Operating profit	-	-	-	-	(1,162)	-
Cost of net financial debt	1,097	-	(22,641)	-	-	262
Other financial income and expense	6,437	-	-	(1,456)	-	-

In thousand euros	31/12/2017					
	Interest on assets revalued at fair value	Debt at amortised cost		Loans and receivables		Change in value of derivatives
		Currency effects	Interest	Currency effects	Impairment and other reversals	
Operating profit	-	-	-	-	(2,133)	-
Cost of net financial debt	2,050	-	(22,819)	-	-	390
Other financial income and expense	107	-	-	526	-	-

6.3.3 – Information on interest rate and currency derivative instruments

In thousand euros	31/12/2018					
	Balance sheet value		Notional	Maturities		
	Assets	Liabilities		> 1 year	1 to 5 years	+5 year
Exchange rate risk						
Interest rate swaps	144	-	87,336	-	87,336	-
Tunnels	60	-	13,100	-	13,100	-
Currency swaps	296	-	30,000	-	30,000	
Sub-total	**500**	**-**	**130,437**	**-**	**130,437**	**-**

In thousand euros	31/12/2017					
	Balance sheet value		Notional	Maturities		
	Assets	Liabilities		> 1 year	1 to 5 years	+5 year
Interest rate risk						
Interest rate swaps	1,456	(215)	113,382	30,000	83,382	-
Tunnels	5	-	12,507	-	12,507	-
Sub-total	**1,462**	**215**	**125,889**	**30,000**	**95,889**	**-**

6.4 – Off-balance sheet commitments

6.4.1 – Lease commitments

Minimum future lease payments on non-cancellable operating leases are as follows:

In thousand euros	31/12/2018	31/12/2017
Less than 1 year	34,480	34,262
Between 1 and 5 years	130,573	94,878
5 years or more	29,024	30,508
Total	**194,077**	**159,648**

Operating leases mainly relate to administrative premises. All these premises are used by the Group and could be sub-let if necessary.

6.4.2 – Finance lease commitments

The value of future payments on the debt portion of finance leases, and on leased assets recognised as acquisitions, are as follows:

In thousand euros	31/12/2018	31/12/2017
Less than 1 year	631	645
Between 1 and 5 years	995	988
5 years or more	-	-
Total minimum payments	**1,626**	**1,633**
Less financial expenses included	-	-
Present value of future minimum payments	**1,626**	**1,633**

Finance leases mainly concern IT hardware.

6.4.3 – Other commitments and litigation

The Group is not involved in any material litigations as at 31 December 2018.

6.4.4 – Contingent liabilities

In the normal course of business, there are risks in certain countries that the government may call into question the Company's tax or labour practices, which may result in a reassessment. The Group is involved in a number of tax inspections and labour claims in a number of countries. Provisions have been set aside for the probable risks identified (see Note 5.10 "Current and non-current provisions").

The financial implications of these tax reassessments are accounted for by setting aside provisions for the amounts notified by the authorities and accepted by Ipsos' management. The reassessments are taken into account on a case- by-case basis based on estimates factoring in the risk that the validity of the measures and proceedings initiated by the Company may not be recognised.

Ipsos' management believes that such reassessments in progress are unlikely to have a material impact on the Company's operating profit, financial condition or liquidity position.

6.4.5 – Commitments received: credit lines received and not drawn

In thousand euros	31/12/2018	31/12/2017
Less than 1 year	40,000	175,000
Between 1 and 5 years (*)	610,000	280,148
5 years or more	-	-
Total	**650,000**	**455,148**

(*) of which more than €400 million at more than three years at the end of December 2018

6.5 – Acquisition-related commitments

Commitments to purchase minority interests, deferred payments and earn-out payments that are discounted and recognised as non-current liabilities at 31 December 2018, or current liabilities if due in less than one year, break down as follows:

In thousand euros	≤ 1 year	1 to 5 years	> 5 years	Total
Deferred payments and earn-out payments	-	-	-	-
Central Europe	344	4,140	-	4,483
Europe	(54)	2,841	-	2,787
North America	-	-	-	-
Latin America	48	-	-	48
Asia-Pacific	-	-	4,534	4,534
Middle East	112	-	-	112
Sub-total	**450**	**6,980**	**4,534**	**11,964**
Commitments to buy out minority interests	-	-	-	-
Europe	714	1,993	-	2,707
North America	10,329	-	-	10,329
Latin America	118	922	-	1,040
Asia-Pacific	-	-	-	-
Middle East	-	-	-	-
Sub-Saharan Africa	-	-	-	-
Sub-total	**11,161**	**2,915**	**-**	**14,076**
Total	**11,611**	**9,895**	**4,534**	**26,039**

6.6 – Year-end headcount

Fully-consolidated companies	Headcount as at 31/12/2018	Headcount as at 31/12/2017
Europe, Middle East, Africa	9,447	8,339
Americas	4,559	3,558
Asia-Pacific	4,121	4,767
TOTAL	**18,127**	**16,664**

6.7 – Related-party transactions

6.7.1 – Related parties

None

6.7.2 – Associates

Associates are companies in which Ipsos owns a stake of between 20% and 50% and over which it exerts notable influence. Associates are accounted for under the equity method.

Transactions with associates take place on the basis of market prices.

Transactions with these related parties were not material at 31 December 2018.

6.7.3 – Related parties with notable influence over the Group

There are no transactions with any member of the management bodies or with any shareholder owning more than 5% of Ipsos SA's capital that is other-than-ordinary.

6.7.4 – Executive compensation

Executives include persons who at the close or during the year were members of the Executive Committee and/or members of the Board of Directors. The Executive Committee is comprised of 22 members, and the Board of Directors has 10 members, including six external directors at 31 December 2018.

In thousand euros	31/12/2018			31/12/2017		
	Executive Committee		External directors*	Executive Committee		External directors*
	Directors	Non-directors		Directors	Non-directors	
Total gross compensation and benefits[1]	1,489	9,354	120	1,372	8,738	139
Termination benefits[2]	-	-	-	-	-	-
Share-based payments[3]	345	1,695		294	1,884	-

**Directors who are not members of the Executive Committee receive only attendance fees.*

[1] Compensation and benefits, bonuses, indemnities, attendance fees and benefits in kind paid during the year excluding employer's social security charges.
[2] Expense recognised in the income statement for provisions for severance or termination benefits.
[3] Expense recognised in the income statement for stock option or free share plans.

6.8 – Subsequent events

There are no significant subsequent events.

6.9 – Information on Ipsos SA parent company financial statements

In the year ended 31 December 2018, operating income of the Ipsos SA parent company amounted to €35,486,887 and net profit was €23,425,986.

7 – Scope of consolidation at 31 December 2018

7.1 – Scope of consolidation

The following companies are included in the scope of consolidation:

Fully consolidated companies

Consolidated companies	Legal form	% voting rights	% interest 2018	Country	Address
Ipsos	SA	Parent	100.00	France	35, rue du Val de Marne 75013 Paris
Europe					
Ipsos Group Gie	GIE	100.00	100.00	France	35, rue du Val de Marne 75013 Paris
Ipsos France	Simplified joint-stock company (SAS)	100.00	100.00	France	35, rue du Val de Marne 75013 Paris
Ipsos Observer	SA	100.00	99.99	France	35, rue du Val de Marne 75013 Paris
Popcorn Media	SA	99.99	99.98	France	35, rue du Val de Marne 75013 Paris
GIE IPSOS	GIE	100.00	100.00	France	35, rue du Val de Marne 75013 Paris
Ipsos Ocean Indien	Limited liability company (SARL)	100.00	100.00	France	158, rue Juliette Dodu 97400 Saint Denis - La Réunion
Ipsos Antilles	Simplified joint-stock company (SAS)	100.00	100.00	France	Les Hauts de Californie, Morne Pavillon, 97232 Le Lamentin
Synthesio SAS	Simplified joint-stock company (SAS)	99.94	99.94	France	8-10 Rue Villedo - 75001 Paris
Espaces TV	SA	100.00	100.00	France	30, rue d'Orléans, 92200 Neuilly sur Seine
Ipsos MORI UK Ltd	Ltd.	100.00	100.00	United Kingdom	3 Thomas More Square, London E1W 1YW
Price Search	Ltd.	100.00	100.00	United Kingdom	3 Thomas More Square, London E1W 1YW
Ipsos Interactive Services Ltd	Ltd.	100.00	100.00	United Kingdom	3 Thomas More Square, London E1W 1YW
M&ORI Limited	Ltd.	100.00	100.00	United Kingdom	3 Thomas More Square, London E1W 1YW
MORI Ltd	Ltd.	100.00	100.00	United Kingdom	3 Thomas More Square, London E1W 1YW
Ipsos EMEA Holding Limited	Ltd.	100.00	100.00	United Kingdom	3 Thomas More Square, London E1W 1YW
Ipsos Pan Africa Holdings Limited	Ltd.	100.00	100.00	United Kingdom	3 Thomas More Square, London E1W 1YW
Synovate Healthcare Limited	Ltd.	100.00	100.00	United Kingdom	3 Thomas More Square, London E1W 1YW
Ipsos Retail Performance Ltd	Ltd.	100.00	100.00	United Kingdom	Beech House, Woodlands Business Park, Milton Keynes - MK14 6ES
Ipsos Mystery Shopping UK Ltd	Ltd.	100.00	100.00	United Kingdom	3 Thomas More Square, London E1W 1YW
Ipsos Mystery Shopping S UK Lt	Ltd.	100.00	100.00	United Kingdom	3 Thomas More Square, London E1W 1YW
Synthesio Ltd	Ltd.	100.00	99.94	United Kingdom	28 Brunswick Place N1 6DZ - London
Ipsos Limited	Ltd.	100.00	100.00	Ireland	Block 3, Blackrock Business Park, Blackrock, Co Dublin
Ipsos GmbH	Gmbh	100.00	100.00	Germany	Sachsenstrasse 6, 20097 Hamburg
IPSOS Operations GmbH	Gmbh	100.00	100.00	Germany	Sachsenstrasse 6, 20097 Hamburg

Consolidated companies	Legal form	% voting rights	% interest 2018	Country	Address
Ipsos Loyalty	Gmbh	100.00	100.00	Germany	Sachsenstrasse 6, 20097 Hamburg
Trend.test GmbH	Gmbh	100.00	100.00	Germany	Kolonnenstrasse 26, 2,Hof,1,OG 10829 Berlin
Ipsos Bahnreisenforschung GmbH	Gmbh	100.00	100.00	Germany	Elektrastraße 6, 81925 München
1-2-3 MysteryWorldNet GmbH	Gmbh	100.00	100.00	Germany	Herrengraben 204593 Hamburg
Ipsos Srl	SRL	100.00	100.00	Italy	Via Tolmezzo 15, 20132 Milano
Ipsos Iberia, SA	SA	100.00	100.00	Spain	Avenida de llano Castellano, 13, 3a Planta, 28034 Madrid
IPSOS UNDERSTANDING UNLTD.,SAU	SAU	100.00	100.00	Spain	Avenida de llano Castellano, 13, 3a Planta, 28034 Madrid
Ipsos Holding Belgium	SA	100.00	100.00	Belgium	Paepsemlaan 11, 1070 Anderlecht
Ipsos NV (Belgium)	SA	100.00	100.00	Belgium	Grote Steenweg 110-2600, Berchem
Social Karma	SA	100.00	99.94	Belgium	Rue du Belvédère 29 Brussels
IPSOS HUNGARY ZRT	Zrt.	100.00	100.00	Hungary	Pap Károly u. 4-6, Budapest, H-1139
Synovate - Investigação de Mercado, Lda	Lda	100.00	100.00	Portugal	Rua Ramalho Ortigão No. 8-2˚ Dto., 1070-230 Lisboa
Ipsos Sp. z o. o.	sp z.o.o.	100.00	100.00	Poland	ul. Domaniewska 34A, 02-672, Warsaw
Ipsos AB	AB	100.00	100.00	Sweden	S:t Göransgatan 63, Box 12236, 102 26 Stockholm
Ipsos NORM AB	AB	100.00	100.00	Sweden	Hälsingegatan 49, 5tr 113 31 Stockholm
Ipsos AS	AS	100.00	100.00	Norway	Karenslyst Allé 20, 0278 Oslo , Postal: Postboks 64 Skøyen, 0212 Oslo
Ipsos A/S	AS	100.00	100.00	Denmark	Store Kongensgade 1, 1. 1264 Copenhagen K
Ipsos interactive Services SRL	SRL	100.00	100.00	Romania	319G Splaiul Independentei, Atrium House, Ground floor, 060044 Bucharest, 6th district
Ipsos Research S.R.L.	SRL	100.00	100.00	Romania	Str. Siriului Nr.20, Zona A. Copr A, ET.1.014354, Bucharest, 1st district
Ipsos Digital S.R.L.	SRL	100.00	100.00	Romania	Bucuresti Sectorul 6, Splaiul INDEPENDENTEIL, Nr. 319G, CLADIRAE C1 (ATRIUM HOUSE), PARTER, ZONA A, CORP A
Ipsos Eood	EOOD	100.00	100.00	Bulgaria	119 Europa Boulevard, 5th Floor, Sofia 1324
Ipsos Comcon LLC	LLC	100.00	100.00	Russia	3, Bld.2, Verhn. Krasnoselskaya St., 107140, Moscow, Russia
IPSOS s.r.o.	s.r.o	78.70	78.70	Czech Republic	Slovansky dum, entrance E, Na Prikope 22, Praha 1, 110 00
IPSOS s. r. o.	s.r.o	100.00	78.70	Slovak	Heydukova 12, 811 08 Bratislava
Ipsos GmbH	SRL	100.00	78.70	Austria	Rotenturmstraße 16-18 / 7th floor, Vienna, 1010
Ipsos LLC	LLC	100.00	100.00	Ukraine	6A Volodimirskaya street, office 1, 01025 Kiev, Ukraine
Ipsos SA	S.A.	100.00	100.00	Switzerland	11 Chemin du Château-Bloch, 1219 Le Lignon, Geneva
Ipsos	A.S.	100.00	100.00	Turkey	Centrum Is Merkezi Aydinevler No 3-34854 Kucukyali, Istanbul
Synovate (Holdings) South Africa Pty Ltd	Pty Ltd.	100.00	100.00	South Africa	Building 3 & 4, Prism 2055 Fourways Johannesburg
Ipsos (PTY) LTD	Pty Ltd.	100.00	100.00	South Africa	Building 3 & 4, Prism 2055 Fourways Johannesburg
Ipsos Strategic Puls SAS	Simplified joint-stock company (SAS)	90.80	90.80	France	35, rue du Val de Marne 75013 Paris
IPSOS STRATEGIC MARKETING DOO.	d.o.o	100.00	90.80	Serbia	Gavrila Principa 8, 11000 Belgrade
Ipsos d.o.o	d.o.o	100.00	90.80	Croatia	Šime Ljubića 37, 21000 Split
IPSOS Strategic Puls doel	d.o.o.e.l.	100.00	90.80	Macedonia	Kairska 31, Skopje

Consolidated companies	Legal form	% voting rights	% interest 2018	Country	Address
IPSOS STRATEGIC PULS D.O.O.	d.o.o.	100.00	90.80	Montenegro	Bulevar Svetog Petra Cetinjskog 149, Podgorica
Ipsos d.o.o.	d.o.o.	100.00	90.80	Slovenia	Leskoškova 9E, 1000 Ljubljana
Ipsos d.o.o.	d.o.o.	100.00	90.80	Bosnia	Hamdije Kreševljakovića 7c, Sarajevo, BIH
STRATEGIC PULS RESEARCH	Sh.P.K.	100.00	90.80	Albania	Rr. Frosina Plaku. Godina 8 kate, apt.7, kati 2, 1020 Tirana
Ipsos DOOEL - Dega Ne Kosove	Branch	90.80	90.80	Kosovo	Emin Duraku No.: 16 10000 Prishtina
Ipsos Nigeria Limited	Ltd.	100.00	100.00	Nigeria	No.70 Adeniyi Jones Avenue, Ikeja, Lagos
Ipsos (East Africa) Limited	Ltd.	60.00	60.00	Kenya	Acorn House, 97 James Gichuru Road, Lavington P.O. Box 68230 – 00200 City Square, Niarobu
Ipsos Limited	Ltd.	100.00	100.00	Kenya	Acorn House, 97 James Gichuru Road, Lavington P.O. Box 68230 – 00200 City Square, Niarobu
Ipsos Limited	Ltd.	100.00	100.00	Ghana	Farrar Avenue 4, Asylum Down, PMB7, Kanda, Accra
Ipsos SARL	S.A.R.L	100.00	100.00	Ivory Coast	2 Plateaux Boulevard Lattrille Carrefour Macaci Rue J54 Villa duplex No 69 BP 2280 Abidjan 11
Ipsos Moçambique, LDA	Ltd.	100.00	100.00	Mozambique	AV Francisco Orlando Magumbwe No 528, Maputo
IPSOS LTD	Ltd.	100.00	100.00	Uganda	Padre Pio House, Plot 32 Lumumba Road, PO Box 21571, Kampala
IPSOS TANZANIA LIMITED	Ltd.	100.00	100.00	Tanzania	Plot 172 Regent Estate, PO Box 106253 Mikocheni,Dar Es Salaam
Ipsos Limited	Ltd.	100.00	100.00	Zambia	Plot 9632 Central Street, Chudleigh, PO Box 36605, Lusaka
Ipsos Senegal	SASU	100.00	100.00	Senegal	Agora VDN Villa N°7, Fann Mermoz Dakar Fann BP 25582
Synovate Holdings BV	BV	100.00	100.00	Netherlands	Amstelveenseweg 760, 1081JK, Amsterdam
Ipsos B.V.	BV	100.00	100.00	Netherlands	Amstelveenseweg 760, 1081JK, Amsterdam
Ipsos NORM B.V.	BV	100.00	100.00	Netherlands	Amstelveenseweg 760, 1081JK, Amsterdam
Ipsos A.E.	A.E.	100.00	100.00	Greece	8 Kolokotroni Street 10561 Athens
Ipsos Market Research LTD	Ltd.	100.00	100.00	Cyprus	2-4 Arch. Makarios III Avenue, Capital Center, 9th Floor, 1065 Nicosia
Portdeal Ltd	Ltd.	100.00	100.00	Cyprus	Themistokli, Dervi 3 Julia House, P.C. 1066, Nicosia
Regional Financing Company S.A.	SA	100.00	100.00	Luxembourg	15, avenue Emile Reuter L-2420 Luxembourg
North America					
Ipsos America	Inc.	100.00	100.00	USA	301 Merritt 7, Norwalk, CT 06851
Ipsos Insight	LLC	100.00	100.00	USA	301 Merritt 7, Norwalk, CT 06851
Ipsos Insight Corporation	Corp.	100.00	100.00	USA	301 Merritt 7, Norwalk, CT 06851
Ipsos Interactive Services US	Inc.	100.00	100.00	USA	301 Merritt 7, Norwalk, CT 06851
Ipsos Public Affairs, LLC.	Inc.	100.00	100.00	USA	301 Merritt 7, Norwalk, CT 06851
Ipsos MMA, Inc.	Inc.	97.40	97.40	USA	301 Merritt 7, Norwalk, CT 06851
Research Data Analysis, Inc.	Inc.	100.00	100.00	USA	450 Enterprise Court Bloomfield Hills, MI 48302
Synthesio INC	Inc.	100.00	99.94	USA	35 West 31 Street - 5th floor New York
Ipsos NPD Inc.	Inc.	100.00	100.00	Canada	240 Duncan mill Road, suite 2240, Toronto, Ontario
Ipsos Corp.	Inc.	100.00	100.00	Canada	1285 West Pender Street, Suite 200, Vancouver, BC V6E 4B1
Ipsos Interactive Services LP	LP	100.00	100.00	Canada	1075 W Georgia St, 17th Floor Vancouver BC V6E 3C9
Ipsos Limited Partnership	LP	100.00	100.00	Canada	1075 W Georgia St, 17th Floor Vancouver BC V6E 3C9

Consolidated companies	Legal form	% voting rights	% interest 2018	Country	Address
Latin America					
Ipsos Argentina	SA	100.00	100.00	Argentina	Olazábal 1371 – C1428DGE , Buenos Aires, Argentina
Ipsos Observer SA	SA	51.00	51.00	Argentina	Olazábal 1371 – C1428DGE , Buenos Aires, Argentina
Ipsos Brasil Pesquisas de Mer.	Ltda	100.00	100.00	Brazil	Av. 9 de Julho, 4865, 7. Andar – Jardim Paulista - CEP 01407-200 Sao Paulo, Estado de São Paulo.
Ipsos Brazil 2011 Pesquisas de Mercado	Ltda	100.00	100.00	Brazil	Calçada Antares 264 - Alphaville - Centro de Apoio 2 - CEP 06541-065 - Santana do Parnaiba, Sao Paulo.
Ipsos CA	C.A.	100.00	100.00	Venezuela	Av. Francisco de Miranda entre primera avenida y avenida Andrés Bello, Edf. Mene Grande I Piso 1 oficina 1-3 Urb. Los Palos Grandes – Caracas (Chacao) Zona Postal 1060
Ipsos SA de CV	SA de CV	100.00	100.00	Mexico	Paseo de las Palmas 500 piso 1. Col Lomas de Chapultepec. Miguel Hidalgo CP 11000 Mexico DF
Field Research de Mexico SA de CV	SA de CV	100.00	100.00	Mexico	Av Ingenieros Militares #85 interior 101 col. Nueva Argentina Delg. Miguel Hidalgo, CP 11230 (DF)
Ipsos CCA Inc	Inc.	100.00	100.00	Panama	816 Edificio Century Tower Avenida Ricardo J Alfaro Panama City Panama
Ipsos SRL	S.R.L.	90.00	90.00	Dominican Republic	Calle Frank Felix Miranda 47, Ensanche Naco, Santo Domingo, D.N., Dominican Republic
Ipsos, S.A.	S.A.	100.00	100.00	Guatemala	13 Calle 2-60, Zona 10 - Edificio Topacio Azul Nivel 8, Of. 803 01010 Guatemala
Ipsos, Inc. (Puerto Rico)	Inc.	100.00	100.00	Puerto Rico	463 Fernando Calder St. 00918 San Juan, Puerto Rico
Ipsos TMG Panama SA	S.A.	100.00	100.00	Panama	816 Edificio Century Tower Avenida Ricardo J Alfaro Panama City Panama
Ipsos TMG SA	Panama Stock Corporation	100.00	100.00	Panama	816 Edificio Century Tower Avenida Ricardo J Alfaro Panama City Panama
Ipsos Opinión y Mercado S.A.	S.A.	100.00	100.00	Peru	Av. Reducto 1363, Miraflores, Lima 18
Premium Data SAC	S.A.C.	100.00	100.00	Peru	Av. Republica de Panama 6352, Miraflores, Lima 18
Ipsos Opinion y Mercado SA	S.A.	100.00	96.80	Bolivia	is Calle Waldo Ballivian # 540 Sopocachi La Paz - Bolivia
Ipsos Ecuador SA	S.A.	100.00	100.00	Ecuador	Javier Aráuz N 36-15 y German Alemán
Servicios Ecuatorianos Atika Sa	S.A.	65.40	65.40	Ecuador	Servicios Ecuatorianos Atica SA, Arauz N36-15 y Alemán, Quito
Ipsos Herrarte, S.A. DE C.V.	Trading	99.00	50.49	El Salvador	79 Avenida Norte y 7 Calle PTE, No. 4109 Cote Escalon, San Salvador.
Ipsos Herrarte SA de CV (Nicaragua)	Trading	99.00	50.49	Nicaragua	Plaza Julio Martinez 1c. abajo, 3c. al sur, 1c. abajo. Managua, Nicaragua RUC.: J0310000176078
Herrarte, S.A. DE C.V.	Trading	99.00	50.49	Honduras	Col. Loma Linda Sur, Segunda Calle, Trece Avenida, Casa No. 32, Bloque H, Atrás de la Iglesia Cristo Viene Tegucigalpa, M.D.C. Honduras, C.A. R.T.N.: 08019008184302
Ipsos SA	S.A.	100.00	100.00	Costa Rica	Barrio Escalante, de la iglesia Santa Teresita 300 metros este, 100 norte y 25 este, San José
Synovate (Costa Rica) SA	S.A.	100.00	100.00	Costa Rica	Barrio Escalante, de la iglesia Santa Teresita 300 metros este, 100 norte y 25 este, San José
Ipsos (Chile) S.A.	S.A.	100.00	100.00	Chile	Pedro de Valdivia 555, piso 10, Providencia, Santiago
Ipsos Observer Chile	SA	100.00	100.00	Chile	Avenida Pedro de Valdivia 555, 7th floor, Providencia, Santiago.
Ipsos ASI Andina SAS	S.A.S.	100.00	100.00	Colombia	Calle 74 No 11 – 81 Piso 5. Bogotá, Colombia
Ipsos Napoleon Franco&Cia SAS	S.A.	100.00	100.00	Colombia	Calle 74 No 11 – 81 Piso 5. Bogotá, Colombia
Synovate Colombia SA	S.A.	100.00	100.00	Colombia	Calle 74 No 11 – 81 Piso 5. Bogotá, Colombia
Livra Europe Ltd	Ltd.	100.00	100.00	United Kingdom	3 Thomas More Square, London E1W 1YW, UK

Consolidated companies	Legal form	% voting rights	% interest 2018	Country	Address
Livra.com S.A.	SA	100.00	100.00	Argentina	Olazábal 1371 – C1428DGE , Buenos Aires, Argentina
Asia-Pacific					
Ipsos Limited	Ltd.	100.00	100.00	Hong Kong	22F Leighton Centre - 77 Leighton Road, Causeway Bay, Hong Kong
Ipsos (China) Consulting Co., Ltd	Ltd.	100.00	100.00	China	Suite 1201-1204, 12F, Union Plaza, No.20, Chaowai Avenue, Beijing
Ipsos Asia Limited	Ltd.	100.00	100.00	Hong Kong	22F Leighton Centre - 77 Leighton Road, Causeway Bay, Hong Kong
Ipsos China Limited	Ltd.	100.00	100.00	Hong Kong	22F Leighton Centre, 77 Leighton Road, Causeway Bay, Hong Kong
Synovate Ltd	Ltd.	100.00	100.00	Hong Kong	22F Leighton Centre, 77 Leighton Road, Causeway Bay, Hong Kong
Ipsos Observer Limited	Ltd.	100.00	100.00	Hong Kong	22F Leighton Centre, 77 Leighton Road, Causeway Bay, Hong Kong
Ipsos Pte Ltd	Pte. Ltd.	100.00	99.99	Singapore	3 Killiney Road, #05-01, Winsland House 1, Singapore 239519
Synthesio Pte Ltd	Ltd.	100.00	99.94	Singapore	1 George Street #10-01 Mid Valley City, Lingkaran Syed Putra 049145
Ipsos Limited	Ltd.	100.00	100.00	Taiwan	25F, No.105, Sec.2, Tun Hwa S. Rd., Da-an District, Taipei 106
Ipsos Co., Ltd	Co. Ltd.	100.00	100.00	Korea	12F Korea Daily Economic BD 463 Cheongpa-Ro, Chung-Ku, Seoul, Korea 04505
IPSOS (PHILIPPINES), INC.	Inc.	100.00	100.00	Philippines	Unit 1401B, One Corporate Centre, Julia Vargas Avenue corner Meralco Avenue, Ortigas Center, Pasig City, Philippines.
Ipsos Inc.	Inc.	100.00	100.00	Philippines	Unit 1401B, One Corporate Centre, Julia Vargas Avenue corner Meralco Avenue, Ortigas Center, Pasig City, Philippines.
Ipsos Ltd	Ltd.	100.00	100.00	Thailand	19th Floor, Empire Tower, 1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120
PT Ipsos Market Research	PT	100.00	100.00	Indonesia	Gedung Graha Arda Lt. 3, Jl. H.R. Rasuna Said Kav. B-6, Setiabudi, Jakarta Selatan 12910
IPSOS SDN BHD	Sdn Bhd	100.00	100.00	Malaysia	23rd Floor, Centrepoint NorthMid Valley City, Lingkaran Syed Putra59200 Kuala Lumpur
IJD Limited	Ltd.	100.00	100.00	Thailand	Asia Centre Building, 21st, 22nd Floor, 173 South Sathorn Road, Thungmahamek, Sathorn, Bangkok 10120
PT. Field Force Indonesia	PT	100.00	100.00	Indonesia	Gedung Graha Arda Lt. 3, Jl. H.R. Rasuna Said Kav. B-6, Setiabudi, Jakarta Selatan 12910
Ipsos Radar Market Consulting	Ltd.	100.00	100.00	China	Room 3409 - International Trade Center Ren Min Nan Road , Shenzhen, China
Ipsos LLC	LLC	100.00	100.00	Vietnam	Level 9A, Nam A Bank Building, 201-203 Cach Mang Thang 8 street, District 3, Ho Chi Minh City
Synovate Ltd Korea Branch	Branch	100.00	100.00	Korea	12F Korea Daily Economic BD 463 Cheongpa-Ro, Chung-Ku, Seoul, Korea 04505
Ipsos Pty Ltd	Pty Ltd.	100.00	100.00	Australia	Level 13, 168 Walker Street, North Sydney NSW 2060, Australia
I-View Pty Ltd	Pty Ltd.	100.00	100.00	Australia	Level 14, 168 Walker Street, North Sydney NSW 2060, Australia
Ipsos Public Affairs Pty Ltd	Pty Ltd.	100.00	100.00	Australia	Level 13, 168 Walker Street, North Sydney NSW 2060, Australia
IPSOS LTD.	Ltd.	100.00	100.00	New Zealand	Level 3 , 8 Rockridge Avenue, Penrose 1061. Auckland, New Zealand
Ipsos KK	KK	100.00	100.00	Japan	1-12-12 Higashitenma、Kita-Ku, Osaka, 530-0044 Japan
Japan Marketing Operations Co.	KK	100.00	100.00	Japan	1-12-12 Higashitenma、Kita-Ku, Osaka, 530-0044 Japan
Ipsos Japan Holding co ltd	KK	100.00	100.00	Japan	1-12-12 Higashitenma、Kita-Ku, Osaka, 530-0044 Japan
Ipsos Healthcare Japan Ltd	Private company limited by shares	100.00	100.00	Japan	Hulic Kamiyacho Building, 4-3-13, Toranomon, Minato-ku, Tokyo, 105-0001

Consolidated companies	Legal form	% voting rights	% interest 2018	Country	Address
Ipsos Research Pvt.Ltd	Pvt Ltd	100.00	100.00	India	1701, F Wing, Off Western Highway, Goregaon East Mumbai 400063
Ipsos LLP	Limited Liability Partnership	100.00	100.00	Kazakhstan	Tole Bi Str. 101, Dalych Business Center, Block "A", Office 5 "A", Almalinskiy Raion, Almaty, 050012 Republic of Kazakhstan
Middle East and North Africa					
Ipsos STAT SA	SA	52.67	52.67	France	35, rue du Val de Marne 75013 Paris
Ipsos SAL	S.A.L	93.33	49.16	Lebanon	Ipsos Building Freeway Street, Dekwaneh Beirut
AGB STAT Ipsos SAL	S.A.L	58.00	43.76	Lebanon	Ipsos Building Freeway Street, Dekwaneh Beirut
Ipsos Mena Offshore s.a.l.	S.A.L	98.66	51.96	Lebanon	Ipsos Building Freeway Street, Dekwaneh Beirut
Ipsos Stat Jordan (Ltd)	LLC	100.00	52.67	Jordan	Wasfi Al Tal Str, P.O. BOX 830871, Amman-11183
The European Co. for Marketing Research	LLC	100.00	52.67	Kuwait	Beirut Street, PO Box 22417, Safat 13085, Hawally
Ipsos Stat (Emirates) LLC	LLC	42.14	42.14	United Arab Emirates	Al Thuraya Tower 1, 8th Floor, Dubai Media City, PO BOX 71283, Dubai
Ipsos Stat FZ	LLC	100.00	52.60	United Arab Emirates	Al Thuraya Tower 1, 8th Floor, Dubai Media City, PO BOX 71283, Dubai
Ipsos Saudi Arabia LLC	Ltd.	100.00	52.60	Saudi Arabia	Tahlia Street,Yamamah Building– Office 31, P.O Box 122200 Jeddah 21332
Ipsos WLL	W.L.L.	99.00	52.14	Bahrain	Al Ain Building, Flat 11, Building 92, Road 36,Block 334, Manama/Al Mahooz
Ipsos Egypt For Consultancy Services	S.A.E	100.00	52.67	Egypt	35A Saray ElMaadi Tower, 4th floor, Cornish El-Nile, Maadi, Cairo
Iraq Directory for Research and Studies Co.Ltd	Co. Ltd.	70.00	36.87	Iraq	Al-Ahtamia, Najib Basha, Mahala 306, Street 13, Building 91
Synovate The Egyptian Market Research Co	LLC	100.00	52.67	Egypt	N35A Saray ElMaadi Tower, 4th floor, Cornish El-Nile, Maadi, Cairo, Egypt
Marocstat	S.A.R.L	99.00	52.14	Morocco	16, Rue des Asphodèlles - Maârif- Casablanca 20380, 5e étage
MDCS	S.A.R.L	100.00	52.14	Morocco	16, Rue des Asphodèlles - Maârif- Casablanca 20380, 5e étage
Synovate Market Research Sarl	S.A.R.L	100.00	52.67	Morocco	16, Rue des Asphodèlles - Maârif- Casablanca 20380, 5e étage
EURL Synovate	E.U.R.L.	100.00	100.00	Algeria	Lotissement AADL Villa n°13-Saïd HAMDINE. Bir MouradRais. Algiers
Ipsos SARL	S.A.R.L	100.00	52.66	Creation Tunisia	Immeube Luxor, 3ème Etage, Centre Urbain Nord, 1082 Tunis
Ipsos Market Research Ltd	Ltd.	100.00	100.00	Israel	Tuval 13, 525228 Ramat Gan
Ipsos Qatar WLL	Limited Liability Company	50.00	50.00	Qatar	IBA Building, 1st floor, C Ring Road, Doha Qatar
Ipsos Pakistan	Pvt. Ltd.	36.87	36.90	Pakistan	4th Floor, Tower 10, MPCHS, E-11/1 Islamabad-Pakistan

Equity associated companies

Consolidated companies	Legal form	% voting rights	% interest 2018	Country	Address
APEME	Lda	25.00	25.00	Portugal	Avenida Duque de Ávila, nº 26 – 3º andar 1000 – 141 Lisbon
Ipsos-Opinion S.A	A.E.	30.00	30.00	Greece	8 Kolokotroni Street 10561 Athens
Shanghai Ipsos Info Technology Co Ltd	Ltd.	40.00	40.00	China	Room 581, Gate 2, No. 148, Lane 999, Xin'er Road, Baoshan District. Shanghai. China
Zhejiang Oneworld BigData Investment Co Ltd	Ltd.	40.00	40.00	China	Room 657, No.5. Building, Meishan Avenue business center, Beilun District, Ningbo, Zhejiang.

8 – Auditors' fees

	Grant Thornton				Mazars				TOTAL			
	Amount (excluding taxes)		%		Amount (excluding taxes)		%		Amount (excluding taxes)		%	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Statutory Auditors, certifications, review of individual and consolidated accounts												
Ipsos S.A.	*336*	*330*	*21%*	*24%*	*415*	*408*	*18%*	*21%*	*751*	*738*	*19%*	*22%*
- Fully integrated subsidiaries	*1,050*	*1,039*	*67%*	*76%*	*1,497*	*1,539*	*65%*	*79%*	*2,547*	*2,578*	*66%*	*78%*
Subtotal Accounts Certification	**1,386**	**1,369**	**89%**	**100%**	**1,912**	**1,947**	**82%**	**100%**	**3,298**	**3,316**	**85%**	**100%**
Services other than certification of accounts												
Ipsos S.A.	*180*	-	*11%*	-	*398*	-	*17%*	-	*578*	-	*15%*	-
- Fully integrated subsidiaries	-	-	*-%*	-	*10*	-	-	-	*10*	-	-	-
Subtotal Services other than certification of accounts	**180**	**-**	**11%**	**-**	**408**	**-**	**18%**	**-**	**588**	**-**	**15%**	**-**
TOTAL	**1,566**	**1,369**	**100%**	**100%**	**2,320**	**1,947**	**100%**	**100%**	**3,886**	**3,316**	**100%**	**100%**

Services other than account certification cover the services required by laws and regulations and services provided at the entity's request. These include, in particular, the comfort letter issued in connection with the Group's bond issue, work on the different acquisition projects and work on various tax topics (tax compliance in particular).

20.3. Statutory Auditors' report on the financial statements

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended 31 December 2018

To the general meeting of shareholders of IPSOS SA,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of IPSOS SA for the year ended 31 December 2018.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 December 2018 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory auditors' responsibilities for the audit of the financial statements section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1st January 2018 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) N°537/2014 or in the French Code of ethics (Code de déontologie) for statutory auditors.

Justification of assessments - Key audit matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Valuation of equity investments

(Note 2.2 to the financial statements)

Risk identified

As at 31 December 2018, equity investments are included in the balance sheet at a carrying amount of €1,285 million. They are initially recognised at their acquisition cost excluding incidental acquisition costs.

Equity investments are subject to global valuation at each yearend, with recognition of an impairment allowance for any excess of the current carrying amount over their recoverable value.

As indicated in note 2.2 to the financial statements, the recoverable value is determined on the basis of the present value of future cash flows, of the Group's share of the subsidiary's equity or of the revenue and net income multiples applicable to recent transactions, and of the subsidiary's level of activity, past or forecast profitability and applicable economic, financial or sectorial factors.

Given the weight of equity securities in the balance sheet, and the sensitivity of the applicable business models to variations in the underlying data and assumptions, we have considered the assessment of the value in use of equity securities as a key audit matter.

Our audit response

Our audit procedures consisted in:

- Obtaining an understanding of the process of impairment testing implemented by management, with particular regard to the determination of the applicable revenue and net income multiples;
- Verifying, on the basis of the information communicated to us, that management's estimates of recoverable values were founded in appropriate valuation methods and data;

- Comparing the data used for the purposes of impairment testing with the applicable source data for each entity and with the audit results for each subsidiary;
- Testing on a sample basis the arithmetical accuracy of the values calculated by the company.

Verification of the Management report and of the other documents provided to the general meeting of shareholders of IPSOS SA

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

Information given in the management report and in other documents provided to the general meeting of shareholders with respect to the financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents provided to the general meeting of shareholders of IPSOS SA with respect to the financial position and the financial statements.

In accordance with French law, we report to you that the information relating to payment deadlines referred to in Article D. 441-4 of the French Commercial Code (Code de commerce) is fairly presented and consistent with the financial statements.

Report on corporate governance

We attest the existence in the report of the Supervisory Board on corporate governance of the information required by the Articles L.225-37-3 and L.225-37-4 of the French Commercial Code (Code de commerce).

Concerning the information given in accordance with the requirements of Article L.225-37-3 of the French Commercial Code (Code de commerce) relating to remunerations and benefits received by the members of the Board of Directors and of the Supervisory Board and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlling and controlled companies. Based on this work, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a public purchase offer or exchange, provided pursuant to Article L. 225-37-5 of the French Commercial Code (code de commerce), we have agreed these to the source documents communicated to us. Based on our work, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on other legal and regulatory requirements

Appointment of the statutory auditors

We were appointed, as statutory auditors of IPSOS SA, by the annual general meetings held on 31 May 2006 for Grant Thornton and on 24 April 2017 for Mazars.

As at 31 December 2018, Grant Thornton and Mazars were respectively in the 13th year and 2nd year of total uninterrupted engagement.

Responsibilities of Management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the board of directors.

Statutory auditors' responsibilities for the audit of the financial statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N°537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Courbevoie, 8 March 2019

The statutory auditors

French original signed by

Grant Thornton
French member of Grant Thornton International
Solange Aïache
Partner

Mazars
Isabelle Massa
Partner

20.4. Parent Company financial statements - Ipsos SA

For the year ended 31 December 2018

Parent Company financial statements - Ipsos SA

1 – Income statement

For the year ended 31 December 2018

In euros	Notes	31/12/2018	31/12/2017
Sales of services		628,093	403,602
NET REVENUE	**3.1**	**628,093**	**403,602**
Releases of amortisation provisions and expense transfers		4,688,575	4,527,071
Other income (Trademark fees)		29,897,367	32,119,278
Operating income		**35,214,035**	**37,049,952**
External operating expenses		4,434,974	3,134,096
Taxes other than income tax		591,372	832,127
Wages and salaries		1,015,142	979,207
Social security charges		405,017	356,866
Depreciation, amortisation and provisions		6,724,719	5,107,158
Other charges		698,585	426,944
Operating expenses		**13,869,813**	**10,836,398**
OPERATING PROFIT		**21,344,222**	**26,213,552**
Income from equity interests		25,835,395	85,716,640
Other interest and similar income		732,937	1,778,468
Releases of provisions and expense transfers		136,761	68,702,979
Foreign exchange gains		16,359,096	12,126,338
Net proceeds from disposals of marketable securities		2,227,248	12,836,073
Financial income		**45,291,439**	**181,160,500**
Depreciation, amortisation and provisions - financial items		13,549,773	24,611,776
Interest and similar expenses		21,926,357	22,416,612
Foreign exchange losses		4,181,765	60,153,383
Net proceeds from disposals of marketable securities		2,511,373	13,046,365
Financial expenses		**42,169,268**	**120,228,136**
FINANCIAL INCOME		**3,122,171**	**60,932,363**
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAX		**24,466,392**	**87,145,915**
Exceptional income - non-capital transactions			
Exceptional income - capital transactions		2,391,880	5,307,315
Reversals of provisions			
Exceptional income		**2,391,880**	**5,307,315**
Exceptional expenses - non-capital transactions		105,872	470
Exceptional expenses - capital transactions		2,529,209	5,177,242
Depreciation amortisation and provisions - exceptional items		13,417	5,150
Exceptional expenses		**2,648,498**	**5,182,862**
NET EXCEPTIONAL ITEMS	**3.2**	**(256,618)**	**124,453**
Corporate income tax	3.3	783,788	(19,283)
PROFIT FOR THE YEAR		**23,425,986**	**87,289,652**

2 – Balance sheet

For the year ended 31 December 2018

In euros	Notes	31/12/2018			31/12/2017
		Gross	Depreciation and provisions	Net	Net
INTANGIBLE ASSETS					
Concessions, patents, brands and similar rights		-	-	-	-
FINANCIAL ASSETS	**4.1**				
Equity interests		1,285,058,553	0	1,285,058,553	1,280,582,460
Long-term loan from equity interests		24,530,140		24,530,140	17,157,620
Other long-term investments		22,004,769		22,004,769	25,753,842
FIXED ASSETS		**1,331,593,462**	**0**	**1,331,593,462**	**1,323,493,922**
RECEIVABLES	**4.2**				
Trade receivables		6,455,817	4,708,406	1,747,410	2,410,384
Other receivables		121,160,208		121,160,208	32,639,167
OTHER ITEMS					
Marketable securities (including treasury shares: 9,482,093)	4.3	950,382		950,382	10,203,144
Available cash		44,123,242		44,123,242	3,596,384
ACCRUALS					
Prepaid expenses	4.4	6,445		6,445	20,373
CURRENT ASSETS		**172,696,094**	**4,708,406**	**167,987,688**	**48,869,452**
Expenses to be deferred over several years	4.5	2,351,229		2,351,229	
Translation differences assets	4.6	13,549,773		13,549,773	24,612,220
Total Assets		**1,520,190,558**	**4,708,406**	**1,515,482,152**	**1,396,975,594**
Authorised capital, of which paid-up: 11,109,059		11,109,059		11,109,059	11,109,059
Share, merger and contribution premiums		517,401,133		517,401,133	517,493,254
Legal reserve		1,133,406		1,133,406	1,133,406
Reserves required under the articles of association or contractually		49,654		49,654	49,654
Statutory reserves					
Other reserves		4,214		4,214	4,214
Prior-year earnings		133,923,369		133,923,369	84,371,110
PROFIT/(LOSS) FOR THE YEAR		23,425,986		23,425,986	87,289,652
Regulated reserves		24,150		24,150	10,733
EQUITY	**4.7**	**687,070,971**	**0**	**687,070,971**	**701,461,082**
Provisions for liabilities	4.8	13,760,827		13,760,827	25,025,866
Provisions for charges					
PROVISIONS FOR LIABILITIES AND CHARGES		13,760,827	0	13,760,827	**25,025,866**
FINANCIAL DEBTS	**4.9**				
Other bonds		492,770,693		492,770,693	181,715,573
Bank borrowings		228,821,731		228,821,731	395,879,301
Miscellaneous borrowings and debt		18,838		18,838	19,044
ACCOUNTS PAYABLE	**4.10**				
Trade payables		2,520,157		2,520,157	1,167,306
Tax and social security liabilities		173,632		173,632	1,413,885
OTHER LIABILITIES	**4.11**				
Amounts payable on fixed assets and related accounts					
Miscellaneous liabilities		74,694,176		74,694,176	74,951,757
ACCRUALS					
Pre-paid income					
LIABILITIES		**798,999,226**	**0**	**798,999,226**	**655,146,866**
Currency translation differences - liabilities	4.6	15,651,125		15,651,125	15,341,777
TOTAL LIABILITIES AND EQUITY		**1,515,482,152**		**1,515,482,152**	**1,396,975,594**

3 – Cash flow statement

For the year ended 31 December 2018

In thousands of euros	Financial year 2018	Financial year 2017
OPERATING ACTIVITIES		
Net profit	**23,426**	**87,290**
Non-monetary items with no impact on cash	-	-
Losses/(gains) on asset disposals	-	-
Expenses deferred over several years	13	5
Movement in other provisions	(11,382)	(43,515)
Change in merger premium	-	(0)
Other elements	6,642	(60,504)
CASH FLOW	**18,699**	**(16,725)**
Decrease/(increase) in trade receivables	69	2,202
Increase/(decrease) in trade payables	1,353	(1,739)
Increase/(decrease) in accrued interest on financial liabilities	2,289	(1,312)
Decrease/(increase) in other receivables and payables	(71,267)	**124,695**
CHANGES IN WORKING CAPITAL REQUIREMENT	**(67,556)**	**123,846**
CASH FLOW FROM OPERATING ACTIVITIES	**(48,857)**	**107,121**
INVESTMENT ACTIVITIES	-	-
Acquisition of property, plant and equipment and intangible assets	-	-
Acquisition/(decrease) of equity interests	(4,339)	(5,274)
Proceeds from disposals of property, plant and equipment and intangible assets	-	-
Proceeds from disposals of equity interests	-	-
Decrease/(increase) in other long-term investments	(3,705)	1,547
Increase/(decrease) in payables to suppliers of fixed assets	**-**	**-**
CASH FLOW FROM INVESTMENT ACTIVITIES	**(8,044)**	**(3,727)**
FINANCING ACTIVITIES	-	-
Capital increase	-	-
Decrease/(increase) in marketable securities and treasury shares	8,764	13,629
Repayment of long-term debt	(464,361)	(754,328)
Issuance of long-term debt	592,719	671,109
Fees related to debt issuances	(2,351)	-
Increase/(decrease) in bank overdrafts and short-term borrowings	-	-
Dividends paid to shareholders	**(37,831)**	**(36,292)**
CASH PROVIDED BY FINANCING ACTIVITIES	**96,939**	**(105,882)**
Available cash at beginning of year	**4,317**	**6,804**
Net change in cash	**40,038**	**(2,487)**
CASH AT END OF YEAR	**44,355**	**4,317**

APPENDIX

For the year ended 31 December 2018

1 – Highlights of the year

The main highlights of 2018 are described below:

- Acquisition of Clintelica
- An initial bond of €300 million with a 7-year maturity was issued (fixed rate of 2.875%)

2 – Accounting rules and policies

The financial statements for the year ended 31 December 2018 have been drawn up in accordance with current French legislation and regulations. These rules appear mainly in the following texts: French Commercial Code, Decree of 23 November 1983, ANC Regulation 2016-07 of 4 November 2016 relating to the French General Accounting Plan.

The annual financial statements incorporate the provisions of Regulation 2015-05 of the French Accounting Standards Authority (ANC) relating to forward financial instruments and hedging transactions, the application of which is mandatory from the 2018 financial year.

The purpose of the regulation, which is to specify the terms and conditions for the recognition of forward financial instruments and hedging transactions, has no significant impact on the annual accounts of IPSOS SA.

General accounting conventions have been applied in compliance with the principle of prudence, in accordance with the basic assumptions of: going concern, consistency of accounting methods from one financial year to another.

The basic method used to value items recorded in the accounts is the historical cost method.

The principal accounting methods used are as follows:

2.1 – Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are measured at cost.

Depreciation and amortisation is calculated using the straight-line method over the following estimated useful lives:

software	1 to 3 years
fixtures and fittings	10 years
office and computer equipment	1 to 3 years
office furniture	5 to 10 years

2.2 – Financial assets

Long-term investments are shown at cost less incidental costs.

Receivables from equity interests include medium and long-term loans, and advances available for consolidation and due to be capitalised in the future, granted to companies in which Ipsos owns an equity interest.

Equity interests are subject to an overall revaluation at each year-end to ensure that their carrying amount does not exceed their "recoverable value", i.e. the higher of fair value or value in use.

Fair value may be based on the subsidiary's share of equity or on revenue and earnings multiples applied to recent transactions, taking into account sales, past or projected profit margins, and economic, financial or sector factors.

Value in use is the discounted value of future cash flows. Estimates are derived from the forecasting database used for budgets and business plans drawn up by management. The discount rate applied reflects the rate of return required by investors and the risk premium specific to the Group's business. The perpetual growth rate applied depends on the geographical region.

Ipsos makes acquisitions solely in the field of survey-based research. Consequently, the Group acquires service sector companies, whose value is not estimated on the basis of their tangible assets, but on the basis of their current and future position in the research market, in terms of their ability to generate profits and take advantage of the experience gained in this business.

With effect from the year ended 31 December 2007, the Company has elected to include expenses relating to the acquisition of equity interests as part of the acquisition cost of the assets in accordance with the Recommendation No. 2007-C of 15 June 2007 of the Emergency Committee of the French National Accounting Council.

2.3 – Receivables

Receivables are shown at face value. Provisions for doubtful receivables are recorded on a case-by-case basis after analysing information from the Group's debt recovery operations.

2.4 – Pensions and similar liabilities

Based on a calculation using the retrospective method, Ipsos SA's pension liabilities are not material.

2.5 – Marketable securities and treasury shares

Marketable securities are booked at purchase cost. A provision is recorded if the average value of marketable securities during the last month of the period is below the purchase value.

Treasury shares are recorded at their purchase value. A provision is recorded if the year-end value is below the purchase value.

2.6 – Foreign currency transactions

Foreign currency transactions are translated using the effective exchange rate on the transaction date.

Foreign currency receivables, debts and cash are converted using the end-of-year exchange rate, except for advances available for consolidation, which are not re-estimated.

Unrealised gains and losses resulting from the translation of receivables and liabilities at the closing rate are recorded under "unrealised translation gains and losses" on the assets and liabilities side respectively of the balance sheet. Unrealised foreign exchange gains and losses on cash are recognised in the income statement.

A provision for liabilities is set aside for unrealised foreign exchange losses that have not been hedged, expect for transactions whose due dates are sufficiently close, in which case any unrealised gains and losses may be considered as part of an overall foreign exchange position.

In addition, and in accordance with Article 420-6 of the French General Chart of Accounts, no provision is made for foreign exchange losses on loans used for the acquisition of equity stakes in companies paid in the same currency as that of the loan.

The financial instrument interest rate SWAPs are measured at their market value. Unrealised gains and losses are recorded under profit for the year (mark-to-market rule).

3 – Notes to the income statement

3.1 – Breakdown of revenues

In euros	Revenue France	Revenue Export	Total 31/12/2018	Total 31/12/2017
Payroll invoiced	276,776		276,776	276,776
Fees invoiced	351,317		351,317	126,826
Total	**628,093**		**628,093**	**403,602**

3.2 – Net exceptional items

in euros	Expenses	Income
Income Nature of expenses and income		
Disposal of Partners Securities	(2,529,209)	
Disposal of Partners Securities		2,391,880
Tax audit	(105,872)	
Exceptional amortisation	(13,417)	
TOTAL	**(2,648,498)**	**2,391,880**

3.3 – Corporate income tax

3.3.1 – Scope of tax consolidation

On 30 October 1997, Ipsos opted for Group tax consolidation for a five-year period, automatically renewed. The tax consolidation group is organised as follows:

- Ipsos SA: head of the tax consolidation group;
- Consolidated subsidiaries: Ipsos (France), Popcorn Media, Ipsos Observer, Espaces TV Communication.

The Ipsos SA Group tax charge breaks down as follows:

- For the consolidated subsidiaries: they bear the tax charges for which they would have been liable if they had not been part of the tax consolidation group;
- For the head of the tax consolidation group: It bears the tax expense (or gain) arising from the difference between the Group tax expense and the aggregate tax expenses (including the 3.3% contribution) calculated by tax-consolidated subsidiaries.

The Ipsos SA Group tax breaks down as follows:

in euros	Amount
Tax payable in respect of Ipsos Observer	
Tax payable in respect of Ipsos France	802,253
Tax payable in respect of Popcorn	390,985
Tax payable in respect of Espaces TV	86,048
Tax payable / receivable in respect of Ipsos SA	(495,498)
Ipsos tax expense payable by the Group	**783,788**

3.3.2 – Breakdown of income tax amounts

in euros	Result before tax	Tax payable	Net profit after tax
Profit from ordinary activities	24,466,392	(783,788)	23,682,604
Net exceptional items	(256,618)		(256,618)
ACCOUNTING INCOME	**24,209,774**	**(783,788)**	**23,425,986**

3.3.3 – Deferred and unrealised tax position

in euros	Amount
TAX PAYABLE ON:	
Currency translation differences - assets	4,516,591
TOTAL INCREASES	**4,516,591**
INCOME TAX PAID IN ADVANCE ON:	
Temporarily non-deductible expenses (deductible in the following year):	
Organic	
Currency translation differences - liabilities	5,217,042
Provision for foreign exchange losses	4,516,591
TOTAL ALLOWANCES	**9,733,633**
NET DEFERRED TAX POSITION	**14,250,224**

4 – Notes to the balance sheet

4.1 – Financial assets

4.1.1 – Changes during 2018

in euros	31/12/2017	Increases	Decreases	Reclassifications	31/12/2018
Equity interests (1)	1,280,719,221	5,146,249	(806,917)	-	1,285,058,553
Long-term loan from equity interests	17,157,620	7,372,520	-	-	24,530,140
Other long-term investments	25,753,843		(3,749,074)	-	22,004,769
Gross value	**1,323,630,683**	**12,518,769**	**(4,555,991)**	**-**	**1,331,593,462**
Provisions for equity interests	(136,761)	136,761	-	-	-
Provisions for other financial assets			-	-	()
Amortisation and depreciation	**(136,761)**	**136,761**	**-**	**-**	**()**
Net value	**1,323,493,922**	**12,655,530**	**(4,555,991)**	**-**	**1,331,593,462**

4.1.2 – Maturity schedule of financial receivables

in euros	Gross amount	Less than 1 year	More than 1 year
Long-term loan from equity interests	24,530,140	24,530,140	
Loans			
Other long-term investments	22,004,769	22,004,769	
Total	**46,534,909**	**46,534,909**	**-**

4.1.3 – List of subsidiaries and equity interests

Companies (in thousands of euros)	Share capital	Shareholders' equity Total	Shareholders' equity before appropriation of prior-year earnings and excluding share capital	% share	Carrying amount of shares		Loans and advances		Amount of surety bonds and guarantees	2018 net revenue	2018 income	Dividends received in 2018
					Gross	Net	Gross	Net				
Ipsos France	43,710	49,928	3,575	100.00%	65,898	65,898				90,692	2,642	2,404
Ipsos STAT SA	1,722	3,520	2,111	52.67%	815	815				-	(313)	
Ipsos Ocean Indien	50	196	121	50.40%	528	528				1,974	25	
Ipsos Antilles	188	230	181	100.00%	917	917				1,350	(139)	
Ipsos Strategic Puls SAS	37	28	(8)	90.80%	9,352	9,352				-	(1)	
Ipsos MORI UK Ltd.	1,515	34,344	27,655	99.90%	5,765	5,765				161,218	5,174	
Price Search	172	1,305	1,145	100.00%	3,574	3,574				-	(12)	
Ipsos Interactive Services Ltd.	320	11,470	(1,992)	100.00%	10,792	10,792				-	13,142	12,000
Ipsos EMEA Holding Limited	120	88,404	91,913	100.00%	308,725	308,725				-	(3,630)	1,435
Ipsos Limited	1,000	1,737	543	100.00%	1,564	1,564				5,909	194	
Ipsos GmbH	562	19,532	21,789	100.00%	28,085	28,085				46,373	(2,819)	
Trend.test GmbH	100	741	277	100.00%	67	67				4,813	363	
Ipsos Srl	2,000	14,701	12,068	100.00%	27,334	27,334				44,869	633	1,339
Ipsos Iberia, SA	61,937	68,068	4,241	100.00%	65,221	65,221				20,488	1,890	1,022
Ipsos Holding Belgium	485,531	553,559	61,644	100.00%	485,531	485,531				-	6,384	
Ipsos Hungary ZrT	42	495	295	100.00%	8,264	8,264				4,882	158	
APEME	150	265	84	25.00%	586	586				1,793	31	
Ipsos America	15,059	(223,464)	(218,372)	100.00%	96,199	96,199	24,125	24,125		-	(20,152)	
Ipsos CCA, Inc.	2,285	6,732	4,676	100.00%	3,858	3,858				7	(229)	
Ipsos TMG Panama SA	28	(3,349)	(1,811)	21.73%	477	477				2,956	(1,566)	
Ipsos Limited	0	3,375	2,861	100.00%	0	0				23,245	515	324
Ipsos Asia Limited	530	61,595	58,609	100.00%	54,138	54,138				-	2,456	
Ipsos Pte Ltd.	7,017	7,054	354	100.00%	2,131	2,131				20,800	(317)	
Ipsos Co., Ltd.	2,601	4,777	353	100.00%	3,086	3,086				36,285	1,823	
PT Ipsos Market Research	191	3,207	2,419	85.83%	308	308				8,125	598	555
Ipsos SDN BHD	368	4,415	1,914	99.99%	379	379				22,136	2,132	597
Ipsos Pty Ltd.	8,163	5,516	(3,143)	100.00%	7,022	7,022			-	18,166	496	
Ipsos Public Affairs Pty Ltd	161	2,957	2,385	100.00%	3,513	3,513				11,525	411	
AGB STAT Ipsos SAL	118	(50)	(190)	30.00%	42	42				1,000	22	
Ipsos NPD Inc.	4,914	3,017	(1,798)	100.00%	4,971	4,971			-	-	(99)	
Ipsos Corp.	31,329	11,627	(14,707)	100.00%	33,415	33,415				-	(4,995)	
Ipsos Napoleon Franco&Cia SAS	4,986	4,853	(199)	10.86%	1,699	1,699				10,036	66	
Ipsos Sp. z.o.o	2,004	3,669	50	100.00%	2,386	2,386				15,086	1,615	789
Ipsos AB	19	438	274	100.00%	5,107	5,107				13,968	145	
Ipsos Digital S.R.L.	10	(213)	3	100.00%	4,990	4,990				22	(226)	
Ipsos Comcon LLC	514	16,862	8,798	100.00%	3,202	3,202				37,622	7,550	4,210
IPSOS s.r.o.	777	6,800	5,125	78.70%	3,961	3,961				20,946	898	
Ipsos SA	72	1,407	1,524	100.00%	65	65				28,404	(189)	680
Ipsos Research Pvt.Ltd.	337	12,236	9,866	51.70%	7,523	7,523				24,942	2,033	
Ipsos	624	10,862	7,982	100.00%	17,215	17,215				26,514	2,256	
Synovate Arastirma Ve Danismanlik S.A	22	0	(22)	100.00%						-	-	
Ipsos Nigeria Limited	158	2,366	1,289	60.00%	90	90				5,104	919	440
Ipsos (East Africa) Limited	90	6	(84)	80.00%	79	79				-	-	
Ipsos-Opinion S.A	24	(1,076)	(941)	30.00%	32	32				1,177	(159)	
Others	-	-	-	-	6,147	6,147	404	404				
TOTAL					**1,285,058**	**1,285,058**	**24,530**	**24,530**	**-**			**25,989**

4.2 – Receivables

4.2.1 – Maturity schedule of receivables

in euros	Gross amount	Less than 1 year	More than 1 year
Doubtful or disputed receivables			
Other trade receivables	6,455,816	6,455,816	
Personnel and related accounts	23,050	23,050	
State and other authorities: corporate income tax	4,682,641	4,682,641	
State and other authorities: value added tax	609,810	609,810	
Groups and associates	101,113,932	101,113,932	
Miscellaneous receivables (1)	14,730,776	14,730,776	
Prepaid expenses	6,445	6,445	
Total	**127,622,470**	**127,622,470**	**-**

(1) Re-invoicing of €14.4 million to the subsidiaries for delivery of free shares granted to their employees.

4.2.2 – Provision for impairment of account receivables

in euros	31/12/2017	Allowances	Releases	31/12/2018
Provision for impairment of account receivables	4,688,522	4,708,406	(4,688,522)	4,708,406
Total Provisions	**4,688,522**	**4,708,406**	**(4,688,522)**	**4,708,406**

4.3 – Marketable securities and treasury shares

At 31 December 2017 and 31 December 2018, the marketable securities in the balance sheet broke down as follows:

in euros	Total 31/12/2017	Total 31/12/2018
Treasury shares	9,482,094	718,445
Marketable securities	721,051	231,937
Total	**10,203,144**	**950,382**

- **Treasury shares held directly:**
  - At 31 December 2018, Ipsos SA held 882,924 treasury shares directly at a weighted average price of €25.95. At 31 December 2018, the Ipsos share was valued at €20.54.
  - In April 2018, Ipsos SA delivered 415,397 free shares to employees under the free share allocation plan of April 2016.
- **Treasury shares held under a market-making agreement:**
  - On 31 December 2018, Ipsos SA held 34,979 treasury shares valued at €20.54 per share under a market-making agreement.

4.4 – Prepaid expenses

in euros	31/12/2018	31/12/2017
OPERATING EXPENSES		
Other operating expenses	-	15,829
Insurance	6,445	4,544
Total	**6,445**	**20,373**

4.5 – Expenses to be deferred

in euros	31/12/2017	Increases	Amortisation and depreciation	31/12/2018
Fees related to debt issuances	-	2,448,000	96,771	2,351,229
Total	-	2,448,000	96,771	2,351,229

4.6 – Translation differences on foreign currency assets and liabilities

in euros	Assets (unrealised translation losses)	Provision for foreign exchange losses	Liabilities (unrealised translation gains)
Financial assets			
Net receivables			0
Financial debts	12,818,892	12,818,892	15,432,219
Accounts payable	730,880	730,880	218,906
Total	**13,549,773**	**13,549,772**	**15,651,125**

4.7 – Shareholders' equity

4.7.1 – Composition of share capital

	Number of instruments			Per value
	Par value at end of year	Issued during the year	Reimbursed during the year	
Ordinary shares	44,436,236	-		0.25
Stock options exercised	-	7,243,994		-
Capital decreases	-	-	(7,243,994)	0.25
Issue of shares as consideration for acquisitions	-	-	-	-

4.7.2 – Shareholders' equity

in euros	Share capital	Premiums	Other reserves	Prior-year earnings	Regulated reserves	Profit for the year	Total
Balance at 31 December 2017	**11,109,059**	**517,493,254**	**1,187,274**	**84,371,110**	**10,733**	**87,289,652**	**701,461,082**
Others				94,061			94,061
Regulated reserves					13,417		13,417
Capital decrease through cancellation of shares	-						-
Capital decrease through issue of initial shares							-
Capital decrease through the exercise of options		(92,120)					(92,120)
Capital increase through capitalisation of retained earnings							-
Merger premium							-
Dividends paid				(37,831,455)			(37,831,455)
Allocation of profits				87,289,652		(87,289,652)	-
Profit for the year						23,425,986	23,425,986
Balance at 31 December 2018	**11,109,059**	**517,401,133**	**1,187,274**	**133,923,368**	**24,150**	**23,425,986**	**687,070,971**

4.8 – Provisions for liabilities

in euros	31/12/2017	Allowances	Releases	31/12/2018
Provisions for foreign exchange losses	24,611,776	13,549,773	(24,611,776)	13,549,773
Other provisions for liabilities	414,090	211,054	(414,090)	211,054
Total provisions for liabilities and charges	**25,025,866**	**13,760,827**	**(25,025,866)**	**13,760,827**

*Reversal of €414,090 used for 2018

4.9 – Borrowings and financial debts

The loan repayment premium is amortised over the term of the loan.

4.9.1 – Change in borrowings and financial debts

in euros	31/12/2017	Increases	Decreases	Change	Reclassifications	31/12/2018
Other bonds	181,715,573	304,997,772	(2,444,336)	8,501,684	-	492,770,693
Borrowings and financial debts	395,879,301	292,938,481	(464,844,554)	4,848,503	-	228,821,731
Miscellaneous borrowings and debt	19,044	-	-	(205)		18,838
Total	**577,613,917**	**597,936,253**	**(467,288,890)**	**13,349,982**	**-**	**721,611,262**

4.9.2 – Maturities of borrowings and financial debts

in euros	Gross amount	Less than 1 year	More than 1 year, less than 5 years	More than 5 years
Other bonds	492,770,693	4,997,768	187,772,925	300,000,000
Borrowings and financial debts	228,821,731	5,219,112	223,602,619	
Miscellaneous borrowings and debt	18,838	18,838		
Total	**721,611,261**	**10,235,718**	**411,375,544**	**300,000,000**

4.10 – Accounts payable

in euros	Gross amount	Less than 1 year	More than 1 year, less than 5 years	More than 5 years
Trade payables	2,520,157	2,520,157		
Personnel and related accounts	57,824	57,824		
Social security and other welfare agencies	103,680	103,680		
State: corporate income tax payable		-		
State: VAT payable	3,837	3,837		
State: commitments guaranteed		-		
State: other taxes payable	8,291	8,291		
Total	**2,693,789**	**2,693,789**	**-**	**-**

4.11 – Other liabilities

in euros	Gross amount	Less than 1 year	More than 1 year, less than 5 years	More than 5 years
Group and associates	2,465	2,465		
Miscellaneous liabilities	74,691,711	74,691,711		
Total	**74,694,176**	**74,694,176**	-	-

[1] *Including €14.4 million related to Ipsos shares to be granted to Ipsos Group employees under free share allocation plans.*

5 – Financial commitments and other disclosures

5.1 – Financial commitments

Commitments given (in euros)	31/12/2018	31/12/2017
Comfort letters/Guarantees	80,005,138	47,116,156
Undertakings to purchase minority interests/Shareholders	25,752,388	26,469,292
Total	**105,757,526**	**73,585,448**

5.2 – Accrued income and accrued expenses

in euros	31/12/2018	31/12/2017
TRADE RECEIVABLES	-	-
Customers - Unbilled	-	-
OTHER RECEIVABLES	-	-
Suppliers – amounts due		
Dividend receivables		
Total accrued income	-	-
BANK BORROWINGS AND DEBTS	5,216,879	2,927,482
Accrued interest on debt	5,216,879	2,927,482
TRADE PAYABLES	1,268,017	522,972
Accrued costs	1,268,017	522,972
OTHER PAYABLES	-	-
Customers – Unissued credit notes	-	-
TAX AND SOCIAL SECURITY LIABILITIES	77,601	75,762
Accrued holiday pay	37,074	35,397
Holiday bonus accrual	5,775	5,588
Provision on apprenticeship tax	8,114	8,169
Continuing professional training accrual	6,861	6,933
Accrued social security charges on accrued holiday	16,683	16,637
Accrued social security charges on holiday bonus accrual	2,665	2,627
Accrued liabilities	370	354
State: other accrued taxes		
State: accrued tax on bonuses	58	56
OTHER PAYABLES	14,406,147	22,797,456
Accrued expenses (1)	14,406,147	22,797,456
Total accrued expenses	**20,968,644**	**26,323,672**

[1] *Including €14.4 million related to Ipsos shares to be granted to Ipsos Group employees under free share allocation plans.*

5.3 – Related party disclosures

in euros	Affiliated companies	Equity interests (1)	Debts, trade receivables
FIXED ASSETS			
Equity interests		1,285,058,553	
Long-term loan from equity interests	404,023	24,126,117	
Other long-term investments			22,004,769
CURRENT ASSETS			
Trade receivables	1,199,349	548,061	
Other receivables	101,070,491	43,441	20,046,275
LIABILITIES			
Miscellaneous borrowings and debt		18,838	
Trade payables	368,581	-	2,151,576
Miscellaneous liabilities	5,417,330	54,843,678	14,433,167
FINANCIAL EXPENSES			
Provision for impairment of long-term loan from equity interests			
Provision for impairment of equity interests			
Allowance and write-back of provision on other receivables			
Loan interests	7,457	-	
Waiver of receivables			
FINANCIAL INCOME			
Interest on current accounts during the period	(3,105)	(75,320)	

Subsidiaries directly held by Ipsos SA

Ipsos SA also recorded a receivable of €14.48 million on its subsidiaries related to the delivery of free shares (see Note 4.2.1) granted to their employees. Related-party transactions are not significant

5.4 – Financial instruments

in euros	31/12/2018	31/12/2017
The Company entered into interest-rate swaps to cover interest payments. At 31 December 2018, the notional amounts of the outstanding swaps stood at a market value of €203,627.	100,436,681	125,889,000

5.5 – Average headcount

Workforce	Headcount	Workforce available to the company
Managers	2	-
Total	**2**	**-**

5.6 – Executive compensation

In 2018, the total compensation and benefits in kind paid to senior executives amounted to €1,015,142.

5.7 – Post-balance sheet events

No significant events have occurred since the closing date.

5.8 – Pensions and similar liabilities

The pension liabilities of Ipsos SA amounted to €230,700 as at 31 December 2018.

For defined-benefit plans, the Group estimates its obligations using the projected unit credit method, in accordance with IAS 19 "Employee benefits". This method uses actuarial techniques that take into account the employee's expected length of service assuming the employee remains with the Group until retirement, along with future salary, life expectancy and staff turnover. The obligation is discounted using a discount rate of 1.57%.

31/12/2017	31/12/2018
Managers and non-Managers	Managers and non-Managers
Voluntary retirements: 100%	**Voluntary retirements**: 100%
Retirement age: 60-67 years old	**Retirement age: 60**-67 years old
Social security charges: 50%	**Social security charges**: 50%
End-of-career indemnity: according to Syntec retirement agreement	**End-of-career** indemnity: according to Syntec retirement agreement
Turnover rate: Ipsos specific per category (0 after 50 years old)	**Turnover rate: Ipsos specific** per category (0 after 50 years old)
Mortality rate: Insee 2017	**Mortality rate**: Insee 2015
Rate of salary increases: 2.3%/year	**Rate of salary increases**: 1.5%/year
Discount rate: 1.44% Corporate AA = 10 years	**Discount rate**: 1.57% Corporate AA = 10 years

6 – Off-balance sheet financial commitments

6.1 – Off-balance sheet financial commitments received: credit lines received and undrawn

in euros	31/12/2018	31/12/2017
Less than 1 year	40 000 000	175 000 000
Between 1 and 5 years	610 000 000 (1)	280 148 000
5 years or more	-	-
Total	**650 000 000**	**455 148 001**

[1]of which over €400 million at more than 3 years at end-December 2018

6.2 – Off-balance sheet financial commitments given and received: Swaps

Interest rate hedging at Ipsos SA	Currency	Par value	Maturity	Rate received by Ipsos	Rate paid by Ipsos
SWAP EUR CS €150m	EUR	5,000,000	16/07/2018	EURIBOR 3-month	0.67%
SWAP USPP $300m	USD	20,000,000	28/09/2020	LIBOR 3-month	2.75%
SWAP CS $250m (Tunnel)	USD	5,000,000	10/07/2020	Based on LIBOR 3-month, between 1.71% and 2.5%	LIBOR 3-month

20.5. Date of latest financial information

31 December 2018.

20.6. Dividend policy

It is the Company's policy to pay dividends in respect of a year, in full, in July of the following year.

The statutory provisions relating to the appropriation and allocation of income are described in Section 21.2.3 "Description of the rights, benefits and restrictions attached to each class of existing share" of this Reference document.

Details of the proposed appropriation of income are provided in Paragraph 2.2 of the Board of Directors' report to the General Meeting of Shareholders in Part 26 "General Meeting of Shareholders" of this Reference document.

20.7. Legal and arbitration proceedings

As of the date of this Reference document, the Group is not involved in any material litigations or disputes.

20.8. Significant change in the issuer's financial or commercial position

To Ipsos' knowledge and with the exception of the items described in this Reference document, there have been no other material changes to the Ipsos Group's financial and commercial position since 31 December 2018.

20.9. Unpaid invoices received and issued in arrears the end of the year (table provided for in I of Article D. 441-4)

In accordance with Article L. 441-6-1 I of the French Commercial Code, as specified in Article D. 441-4 of the French Commercial Code, the following are the unpaid invoices received and issued in arrears at the end of the year.

	Article D. 441 I.-1: Unpaid invoices received as of the end of year that are in arrears						Article D. 441 I.-1: Unpaid invoices issued as of the end of the year that are in arrears					
	0 days	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days and over**	**Total (1 day and more)**	**0 days**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days and over**	**Total (1 day and more)**
(A) Late payment tranche												
Number of invoices affected	38					74	2.00					720.00
Total amount of invoices affected (inclusive of all taxes)	687,048.93	39,577.48	232,465.96	0.00	291,247.93	563,291.37	3,105.49	0.00	963,063.17	0.00	5,740,648.20	6,703,711.37
% of the total amount of purchases for the financial year (inclusive of all taxes)	12.95%	0.75%	4.38%	0.00%	5.49%	10.62%						
% of revenue for the financial year (excluding taxes)							0.01%	0.00%	3.15%	0.00%	18.81%	21.96%
(B) Invoices excluded from (A) for litigious or unrecognised receivables and payables												
Number of invoices affected												
Total amount of invoices affected (inclusive of all taxes)												
(C) Reference terms of payment used (contractual or legal deadlines - Article L. 441-6 or Article L. 443-1 of the French Commercial Code)												
Terms of payment used in calculating late payments	Contractual payment deadlines						Contractual payment deadlines					

Additional information

21. Additional information

21.1. Share capital

21.1.1. Issued capital

At 31 December 2018, the share capital of Ipsos SA amounted to €11,109,058.75 and consisted of 44,436,235 shares with a par value of €0.25, fully paid up and all of the same category.

Between 1 January 2018 and 31 December 2018, several capital transactions were carried out as a result of stock options being exercised during the period.

As a reminder, on 22 November 2016, the Board of Directors, in accordance with its decision to use the majority of the Ipsos shares repurchased on 14 November 2016 from LT Participations to cover Ipsos's commitments to its employee share ownership plans, thereby limiting the dilution resulting from the exercise of the stock options, unanimously decided that each capital increase recorded following the exercise of stock options that took place under the IPF 2020 Plan would immediately be followed by a capital reduction through the cancellation of the same number of own shares that were issued.

The Board of Directors, duly authorised for this purpose by the General Meeting of Shareholders pursuant to the 23rd resolution of the General Meeting of 5 April 2012 and the 16th resolution of the General Meeting of 28 April 2016, unanimously decided to delegate the Chairman and Chief Executive Officer the authority to:

- at 31 December and 30 June of each year, for the preparation of the annual and half-yearly financial statements, recognise the capital increases resulting from the exercise of stock options under the IPF 2020 France and International Plans of 4 September 2012 that took place on those dates;
- and execute the corresponding decision to cancel as many treasury shares as shares issued when those options were exercised.

Since the second authorisation granted pursuant to the 16th resolution of the General Meeting of 28 April 2016 expired and was renewed for 24 months pursuant to the 10th resolution of the General Meeting of 4 May 2018, the Board of Directors, meeting on the same day, concurrently extended the above-mentioned authority delegated to the Chairman and CEO.

On the basis of this delegation, during 2018, the Chairman & CEO decided:

- on 30 June 2018, to recognise a capital increase following the exercise of stock options between 1 January and 30 June 2018, of €15,335.25 through the issuance of 61,341 shares. The Chairman and CEO then executed the decision of the Board of Directors to cancel correspondingly as many treasury shares as shares issued upon the exercise of options and consequently reduced the share capital by €15,335.25 through the cancellation of 61,341 shares;
- on 31 December 2018, to recognise a capital increase following the exercise of stock options between 1 July and 31 December 2018, of €2,211.75 through the issuance of 8,447 shares. The Chairman and CEO then executed the decision of the Board of Directors to cancel correspondingly as many treasury shares as shares issued upon the exercise of options and consequently reduced the share capital by €2,211.75 through the cancellation of 8,447 shares.

Consequently, following two capital increases resulting from the exercise of options through the issuance of 61,341 shares and 8,447 shares and capital reductions through the cancellation of the same number of own shares, at 31 December 2018, the share capital remained at €11,109,058.75.

It consists of 44,436,235 shares with a nominal value of €0.25, each of the same class and fully paid-up.

21.1.2. Securities not representing capital

In September 2010, Ipsos SA completed one private placement of senior notes with US institutional investors, for a total value of $300 million and a term of seven, ten and twelve years (final maturity on 28 September 2022). The first seven-year tranche for $85 million was repaid on 28 September 2017, leaving a gross balance of $215 million.

In November 2013, Ipsos SA carried out six financings in the form of Schuldscheindarlehen (SSD), as private placements with French and foreign institutional investors, structured as four loans totalling €52.5 million, with maturities of three, five, five, and seven years, and two loans totalling $76.5 million, with maturities of three and five years. It should be noted that, at 31 December 2018, the seven-year tranche remains, in the amount of €12 million.

In October 2016, Ipsos and three partner banks issued a new Schuldschein loan on the German market. The aim of this transaction was to refinance part of its debt (including the already existing Schuldschein arrangement from 2013) at longer maturities and with improved margin conditions. The initial offer was for €125 million, which could be increased at several maturities, at fixed and floating rates, in euros and in dollars. There was strong demand for this transaction from investors. The size of the order book (which was oversubscribed twice) enabled Ipsos to increase the final size of the transaction to €223 million eq. and set an issue price at the bottom of the range. On 30 November 2016, the multi-tranche, multi-currency (€138 million and $90 million) transaction closed and was divided between a floating rate (71% of the total) and a fixed rate (29%) with three-year (2% of the total), five-year (63%) and seven-year (35%) maturities.

Since the five-year syndicated loan issued on 2 August 2013 for €150 million had matured, this was renewed in September 2018 for €160 million for a further five years, with two one-year extension options.

In September 2018, Ipsos successfully placed its inaugural €300 million bond issue with a maturity of seven years, an annual coupon of 2.875% and an issue premium of 99.184%. This allowed Ipsos to extend the maturity of its debt profile and diversify its credit investor base.

21.1.3. Shares held by the issuer

At 31 December 2018, Ipsos SA directly held 882,924 of its own shares, with a par value of €0.25 each, representing 1.99% of the share capital including 34,979 shares held under the liquidity contract and 847,945 shares outside of the liquidity contract.

21.1.3.1. Information on transactions involving shares held by the issuer during the 2018 financial year

A. Summary of the key features of the "2018 Buyback Programme"

From 1 January 2018 to 31 December 2018, two share buyback programmes followed one another in the context of authorisations issued by the General Meeting to allow the Company to buy back its own shares within the limit of a percentage of own shares of 10% of the share capital:

- the programme already in force during the previous financial year, which was implemented on 28 April 2017 by the Board of Directors on the basis of the authorisation given to it by the General Meeting held on the same day (the "2017 Buyback Programme");
- a new share buyback programme, identical to the previous one, which was implemented on 4 May 2018 by the Board of Directors on the basis of the authorisation given to it by the General Meeting held on the same day (the "2018 Buyback Programme").

The principal characteristics of the "2018 Buyback Programme", which is identical to the previous programme, are as follows:

- the maximum number of shares purchased by the Company during the buyback programme shall not exceed 10% of the shares comprising the Company's capital as at the date of this General Meeting of 4 May 2018, with that ceiling being lowered to 5% for shares acquired by the Company for the purpose of their conservation and subsequent remittance in payment or exchange in the context of an external growth transaction;
- the aggregate amount of such purchases, after expenses, cannot exceed €250,000,000;
- the maximum purchase price under the share buy-back programme cannot exceed €65 per share, with a par value of €0.25, excluding transaction costs;
- in no case shall any acquisitions made by the Company cause the Company to retain more than 10% of the ordinary shares comprising its share capital at any time;
- the purchase, sale or transfer of shares may be performed at any time, except during a public tender offer for the Company's shares filed by a third party, and by any means, on the open market or over the counter, including through block trades, public tender offers or the use of options (except for the sale of put options) or forward financial instruments traded on a regulated market or over the counter or through the issue of securities convertible, exchangeable, redeemable or otherwise exercisable for shares of the Company, in accordance with the conditions provided by the market authorities and applicable regulations.

The General Meeting authorised the Company, in accordance with all applicable rules and market practices accepted by the AMF, to purchase, retain or transfer Company shares, in order to:

(i) manage the secondary market and share liquidity through an investment services provider within the scope of a liquidity agreement, in accordance with the AMAFI's ethics charter recognised by the AMF;

(ii) grant, sell, allocate or transfer shares to employees and/or executive officers of the Company and/or its affiliated companies in accordance with applicable regulations, in particular in connection with Company or Ipsos group savings plans, the shareholding plans for Company employees and/or its affiliated companies in France and/or abroad, or stock option plans of the Company and/or its affiliated companies in France and/or abroad, or the granting by the Company or its affiliated companies of free shares to employees or executive officers of the Company and/or its affiliated companies in France and/or abroad (whether or not pursuant to Articles L.225-197-1 et seq. of the French Commercial Code), as well as providing cover for such transactions in accordance with applicable regulations;

(iii) deliver the shares so purchased to the holders of securities giving access to the Company's share capital upon exercise of the rights attached thereto, in accordance with applicable regulations;

(iv) deliver in the future the shares so purchased in exchange or payment for potential external growth transactions;

(v) cancel the shares thus purchased, in accordance with the authorisation given by the General Meeting of 4 May 2018 in its tenth resolution;

(vi) execute any other action that is or will become permitted by French law or the AMF regulation, or more generally, any action that complies with applicable regulations.

B. Purchases, sales and cancellations of own shares carried out by Ipsos SA outside of the liquidity contract

On 1 January 2018, Ipsos SA held directly 1,333,984 of its own shares (outside of the liquidity agreement).

Share purchases

At 1 January 2018, following the buyback of shares from LT Participations on 14 November 2016, Ipsos held a significant number of shares allocated to its target of covering employee shareholding plans.

Accordingly, during the 2018 financial year, the Company had an inventory of own shares sufficient to honour its plans for acquisition and no additional share buybacks were therefore carried out for that same purpose during the year.

It should be noted that during the 2018 financial year, 415,397 own shares were delivered to the beneficiaries of the 2016 Free Share Plan.

As a result, no share buyback transactions were carried out in 2018 outside the liquidity contract.

Cancellation of shares

During 2018, 69,788 shares of the own shares mentioned below that were originally allocated to cover employee share ownership plans were reallocated to cancellation and then cancelled simultaneously with the creation of the same number of shares as a result of the exercise by the beneficiaries of the IPF 2020 Plan of their stock options, as stated below:

On 30 June 2018, the Company cancelled 61,341 own shares simultaneously with the creation of the same number of shares as a result of the exercise by the beneficiaries of the IPF 2020 Plan of their stock options (options exercised in the first half of 2018).

Finally, on 31 December 2018, the Company cancelled 8,447 own shares simultaneously with the creation of the same number of shares as a result of the exercise by the beneficiaries of the IPF 2020 Plan of their stock options (options exercised in the second half of 2018).

Overview of transactions on own shares at 31 December 2018

As a result of the transactions mentioned above, at 31 December 2018, Ipsos SA held 847,945 of its own shares outside of the liquidity contract.

Those shares, which were allocated for the purpose of allowing Ipsos SA to honour its employee share ownership plans, may be partially reallocated for cancellation with the issuances of shares from the exercise of IPF 2020 stock options as indicated above.

Furthermore, at 31 December 2018, 802,260 free shares granted but not yet vested were outstanding. At that same date, 865,464 stock options not yet exercised were also outstanding.

The Company did not use any derivative instruments as part of its Buyback Programmes in 2018.

C. Purchases and sales of its own shares carried out under the liquidity contract

A liquidity contract was entered into with Exane BNP Paribas in June 2012[1].

Under that liquidity agreement, the following transactions were carried out between 1 January 2018 and 31 December 2018 (settlement dates):

[1] In line with new market practices, a new liquidity contract was signed with the same provider following the end of the 2018 financial year. For this contract, which took effect on 1 January 2019, the same resources were allocated as for the previous contract.

Transactions on own shares under the liquidity contract				
2018	Purchase		Sale	
	Volume	*Average price*	*Volume*	*Average price*
January	19,780	32.253	18,350	32.376
February	22,879	31.554	23,742	31.548
March	20,368	31.554	18,237	31.801
April	17,100	31.066	16,000	31.289
May	27,209	29.990	16,932	30.184
June	16,007	29.509	16,230	29.663
July	20,912	28.688	22,390	29.021
August	15,528	28.844	17,834	29.121
September	13,772	26.345	9,914	26.307
October	25,475	25.309	21,083	25.313
November	24,552	23.094	22,548	23.182
December	9,300	20.745	14,050	20.697
TOTAL	**232,882**	**28.501**	**217,310**	**28.500**

As at 1 January 2018 and 31 December 2018, Ipsos SA held respectively 16,857 and 34,979 of its own shares under the liquidity contract. Negotiation expenses for 2018 amounted to €39,527.

The cash resources listed in the liquidity contract were €233,110 as at 31 December 2018.

Summary of own share transactions completed in 2018 (outside of and under the liquidity contract)

Ipsos SA's share capital at 1 January 2018 (number of shares)	44,436,235
Capital held in treasury at 1 January 2018	1,333,984
Number of shares purchased between 1 January 2018 and 31 December 2018	232,882
Weighted average price of shares purchased	28.501
Number of shares sold between 1 January 2018 and 31 December 2018	217,310
Gross weighted average price of shares sold	28.500
Number of shares transferred to beneficiaries of free share plans between 1 January 2018 and 31 December 2018	417,921
Number of shares cancelled during the previous 24 months	341,092
Ipsos SA's share capital at 31 December 2018 (number of shares)	44,436,235
Capital held in treasury at 31 December 2018	882,924

Summary of the operations

Declaration by the issuer of transactions in its own shares at 31 December 2018	
Percentage of capital held in treasury directly and indirectly at 31 December 2018	1.99%
Number of shares cancelled during the previous 24 months	341,092
Number of shares held in portfolio at 31 December 2018	882,924
Accounting value of portfolio at 31 December 2018 (in €)	22,722,642
Market value of portfolio[2] at 31 December 2018 (in €)	18,135,259

21.1.3.2. Buyback programme submitted to the General Meeting of 28 May 2019

It is in Ipsos's interest to continue to have a Share Buyback Programme.

To this end, the Combined General Meeting of Shareholders to be held on 28 May 2019 will be asked to cancel, effective immediately, the authorisation granted to the Board of Directors by the Combined General Meeting of 4 May 2018 and, in accordance with the provisions of Articles L. 225-209 *et seq.* of the French Commercial Code, to approve the establishment of a new own share Buyback Programme. That Programme would have the same characteristics in all respects as the previous Programme.

The "2019 Buyback Programme" will be activated during the meeting of the Board of Directors of Ipsos SA that will meet at the end of the Combined General Meeting of Shareholders to be held on 28 May 2019, subject to the authorisation given by the same General Meeting.

[2] Based on the closing share price at 29 December 2018

21.1.4. Securities giving rights to the capital

21.1.4.1. Share capital authorised but not issued

Delegations of financial powers covering capital increases

All of the delegations and authorisations covering capital increases that are currently valid were given by the Extraordinary General Meeting of 4 May 2018 for a period of 26 months, with the exception of the delegation allowing free share grants, which was granted for a period of 38 months.

The delegations available to the Board of Directors with respect to capital increases and the use that was made of them, if any, are summarised in the table below.

The only use of the delegated powers or authorisations during the 2018 financial year concerns the delegation to freely grant Ipsos SA ordinary shares already issued or to be issued. The Board used this latter delegation to grant 394,398 shares to employees and Directors or officers of the Group on 4 May 2018 and 54,205 shares on 15 November 2018.

Summary of current delegations of powers

Description of the powers delegated	Ceiling(s)	Procedures used to set the floor price of the issue	Date of authorisation (resolution)	Use of authorisation during the financial year	Expiry date
Delegation to award free shares of Ipsos SA	1% of the capital each year at the date of the decision of the Board of Directors to grant the shares		4 May 2018 (11th resolution)	This delegation was used twice in 2018, with bonus shares awarded on May 4 and November 15, 2018. See 21.1.4.2.2. below.	3 July 2021
Delegation of authority to issue common shares and securities giving entitlement to Company shares, with maintenance of preferential subscription rights (PSR) of shareholders	€5,500,000 for the total nominal value of all of the capital increases made under this resolution €550,000,000 for the total issuance amount of marketable securities giving right to debt instruments + limits of the 21st resolution of the General Meeting of Shareholders of 4 May 2018.	None	4 May 2018 (12th resolution)	None	3 July 2020
Delegation of authority to issue ordinary shares and marketable securities giving access to share capital by offerings without preferential subscription rights.	€1,100,000 for the total nominal value of all of the capital increases made under this resolution €550,000,000 for the total issuance amount of marketable securities giving right to debt instruments + limits of the 21st resolution of the General Meeting of 4 May 2018	The issue price shall be at least equal to the weighted average price of the Company's shares during the three trading days preceding the date on which the price is set. This price may be reduced by a maximum of 5%. For securities giving access to the Company's share capital, the issue price will be set such that the amount immediately received by the Company, plus any amount likely to be collected by it later is, for each of the Company's shares issued as a consequence of the issuance of these securities, at least equal to the issue price defined above.	4 May 2018 (13th resolution)	None	3 July 2020
Delegation of authority to issue ordinary shares and marketable securities giving access to share capital by offerings covered by Article L .411-2 II of the French Monetary and Financial Code without preferential subscription rights	€1,100,000 for the total nominal value of all of the capital increases made under this resolution. €550,000,000 for the total issuance amount of marketable securities giving right to debt instruments + limits of the 21st resolution of the General Meeting of 4 May 2018	The issue price shall be at least equal to the weighted average price of the Company's shares during the three trading days preceding the date on which the price is set. This price may be reduced by a maximum of 5%.	4 May 2018 (14th resolution)	None	3 July 2020

Description of the powers delegated	Ceiling(s)	Procedures used to set the floor price of the issue	Date of authorisation (resolution)	Use of authorisation during the financial year	Expiry date
		For securities giving access to the Company's share capital, the issue price will be set such that the amount immediately received by the Company, plus any amount likely to be collected by it later is, for each of the Company's shares issued as a consequence of the issuance of these securities, at least equal to the issue price defined above.			
Authorisation to set the issue price of shares or marketable securities issued through public offering or an offering covered by Article L .411-2 II of the French Monetary and Financial Code without preferential subscription rights	10% of the share capital (valued on the date of the Board's decision setting the issue price) per year	The issue price of the shares will be equal to the average opening market price of the Company's shares during the twenty trading days preceding the date on which the price is set. This price may be reduced by a maximum of 5%. For the securities giving access to the Company's share capital, the issuance price will be set such that the sum collected immediately by the Company, plus as applicable the sum likely to be collected by it later is, for each of the Company's shares issued as a consequence of the issuance of these securities, equal to or greater than the issuance price set in the subparagraph above.	4 May 2018 (15th resolution)	None	3 July 2020
Delegation of authority to increase share capital by issuing shares and marketable securities with or without preferential subscription rights at issuance under the provisions of the 12th, 13th and 14th resolutions adopted by the Combined General Meeting of 4 May 2018	15% of the initial issuance + limits of the 21st resolution of the General Meeting of 4 May 2018		4 May 2018 (16th resolution)	None	3 July 2020

Description of the powers delegated	Ceiling(s)	Procedures used to set the floor price of the issue	Date of authorisation (resolution)	Use of authorisation during the financial year	Expiry date
Delegation of authority to issue ordinary shares and securities giving access to the capital of the Company, in consideration for contributions in kind granted to the Company in the form of shares or securities giving access to capital	5% of the share capital on 4 May 2018 + limits of the 21st resolution of the General Meeting of 4 May 2018		4 May 2018 (17th resolution)	None	3 July 2020
Delegation of authority to issue ordinary shares and securities giving access to the capital of the Company, in return for contributions made in securities as part of a public exchange offer initiated by the Company	€1,100,000 for the total nominal value of all of the capital increases made under this resolution €550,000,000 for the total issuance amount of marketable securities giving right to debt instruments + limits of the 21st resolution of the General Meeting of 4 May 2018	The price of the shares and/or other securities issued will be set on the basis of the laws applicable to public exchange offers.	4 May 2018 (18th resolution)	None	3 July 2020
Delegation of authority to increase the share capital by incorporation of reserves, profits or premiums	€1,100,000 for the total nominal value of all of the capital increases made under this resolution		4 May 2018 (19th resolution)	None	3 July 2020
Delegation of authority to proceed with the issue of shares and/or securities giving access to share capital with cancellation of preferential subscription rights of shareholders in favour of members of Ipsos group's savings plan	€350,000	The issue price will be determined according to the conditions set out in Articles L. 3332-19 *et seq.* of the French Labour Code. This price may be reduced by a maximum of 20% of the average opening price at the twenty trading sessions preceding the date of the decision setting the opening date of the subscription.	4 May 2018 (20th resolution)	None	3 July 2020
Overall limit for the issues under resolutions 11, 12, 13, 14, 16, 17, 18 and 20 of the General Meeting of 4 May 2018	€5,550,000		4 May 2018 (21st resolution)	None	-
Overall limit for the issues under resolutions 11, 13, 14, 16, 17, 18 and 20 of the General Meeting of 4 May 2018	€1,100,000		4 May 2018 (21st resolution)	None	-

The Extraordinary General Meeting of 28 May 2019 will be asked to grant the Board of Directors a new delegation of powers to allocate free Ipsos SA ordinary shares. This delegation will terminate the unused portion of the authorisation described above.

21.1.4.2. *Share options and free share programs*

In accordance with Articles L. 225-184 and L. 225-197-4, paragraph 1 of the French Commercial Code, the transactions carried out in 2018 in connection with (i) the granting of options to subscribe for or purchase shares and (ii) free grants of Company shares are reported below.

21.1.4.2.1. *Implementation of stock option plans*

The only option plan Ipsos has implementented and which is currently still in force is the IPF 2020 Plan, a long-term incentive plan (5 years) from which a group of top managers Ipsos are the only beneficiaries.

No other option to subscribe for or purchase shares have been granted since 2012.

Description of the “IPF 2020” Long Term Incentive Plan

The IPF 2020 Plan was implemented by decision of the Board of Directors of September 4, 2012 taken on the basis of the authorizations granted to it on April 5, 2012 by the General Meeting. This plan follows a similar long-term plan that was put in place in 2002.

This is a combined plan of stock options and free shares granted on September 4, 2012 (the grant date) to approximately 180 beneficiaries, who were members of the Ipsos Partnership Group at the time of the grant. The initial allocation and the definitive vesting of the rights were subject to several conditions, including the acquisition by the beneficiaries of Ipsos shares on the market and their further retention (the "Investment Shares").

More specifically, the beneficiaries were granted under this Plan:

- a certain number of free shares corresponding to the number of Investment Shares they acquired on the market and registered in a pure registered shares account,
- a number of stock options equal to ten times the number of their Investment Shares.

These free shares and these stock options were subject to the following vesting periods and conditions:

- regarding the **options**, upon expiry of a continuous employment period of three years from the grant date (ie, from September 4, 2015), the stock options would vest progressively by fractions, up to a maximum amount of 10 times the number of Investment Shares after a term of five years from the grant date, ie September 4, 2017. Beneficiaires may then exercise the vested options until 4 September 2020, subject to the condition that they remain an active employee of Ipsos. In the event of departure, the options acquired must be exercised within one month, subject to cancellation;
- regarding the **free shares**, after a five-year period of continuous employment within the Ipsos group from the grant date, ie on September 4, 2017, the shares would vest, with a number of shares definitively acquired equal to the number of Investment Shares still held by the beneficiary at the end of this five years period.
- The IPF 2020 Plan does not provide for additional performance condition subordinating the stock options and the free shares.

The details of free shares awarded under IPF 2020 are given in section 21.1.4.2.2 below.

These stock options, granted under two different plans, a French Plan and an International Plan with different exercise periods to take into account specificities of the different regulations, are detailed in Table 8 below.

Potential dilution

The potential dilution that may result from the exercise of all the options in force represents 1.95% of the capital.

Summary tables

Table 8 (AMF position-recommendation n ° 2009-16): History of grants of share subscription or purchase options (stock options)

The table below lists only the plans implemented and still in force, and therefore exclusively targets the IPF 2020 Plan described above.

	IPF 2020 Plan – 4 September 2012
Date of General Meeting authorising the transaction	05/04/2012
Date of Board Meeting (Grant Date)	04/09/2012
Initial number of shares eligible for subscription or purchase	1,969,370
Number of stock options initially granted to the Executive Officers	146,160
Pierre Le Manh	48,720
Laurence Stoclet	48,720
Henri Wallard	48,720
Initial exercise date for options	04/09/2015 and 04/09/2016
Expiry date	04/09/2020
Subscription or purchase price *(1)*	€ 24.63
Exercise terms *(2)*	1 exercised option = 1 subscribed share
Number of exercised options (subscribed shares) at 31 December 2018	511,241
Oustanding stock options (shares to be subscribed) at 31 December 2018	865,464
Potential dilution	**1.95%**

(1) The average of the last 20 closing prices of the Ipsos share preceding the Grant Date.
(2) The terms of exercise are described in the description of the IPF 2020 Plan above.

Table 9 (AMF Position-Recommendation 2009-16): Share subscription or purchase options granted to the top ten non-corporate officers and options exercised by the latter during the year

	Number of options granted / shares bought or subscribed	**Weighted average price**	**Plan**
Options granted, during the year, by the issuer and any company included in the scope of the options, to the first 10 employees of the issuer and any company included in this scope, the number of options thus granted is the highest (global information)	-	-	
Options held on the issuer and the companies included in the scope of the options exercised, during the year by the first 10 employees of the issuer and any company included in this scope, the number of options thus exercised is the highest (global information)	62,173	€ 24.63	IPF 2020

Additional information relating to share subscription or purchase options granted and exercised by Executive Officers during the financial year 2018 is included in Part 15.3.1 of the Registration Document (see the tables 4 and 5).

21.1.4.2.2. Free share grants

Overview and purpose of the plans

Every year, Ipsos issues at least a free share plan, called "bonus shares" plan, for certain executives residing in France or around the world.

Bonus shares - As Ipsos is engaged in a "people" business, its managers are its primary asset. It is therefore essential that Ipsos be able to both attract and retain the best talent in a highly competitive industry.

Accordingly, Ipsos has maintained over many years a remuneration policy to incentivise its senior management while keeping overall remuneration levels reasonable. The Company believes that the best way to accomplish this goal, and to align the interests of our senior managers with the interests of the shareholders, is to emphasise variable remuneration.

The variable remuneration of the Company's managers is comprised of two parts: (i) the potential annual bonus; and (ii) eligibility for a free share grant.

The free shares granted to executive officers of Ipsos SA are also subject to the fulfilment of additional overall future performance criteria as noted below.

The free share grants are awarded each year close to the timing of payment of bonuses and are designated internally by the name of "bonus shares".

Other allocations - In 2018, the Board of Directors decided that bonus share allocations could be made during the year, in addition to the annual "bonus shares", within the limits of the authorization given by the General Assembly. The rules governing the free share plan were amended in 2018 to allow these additional allocations governed by a single regulation and thus subject to conditions, in particular the presence condition, identical. In November 2018, an additional allocation was granted to 30 Group managers who invested in Ipsos Partners.

Lastly, exceptionally and in the specific context of the acquisition in October 2018 of Synthesio, Ipsos has committed to award free shares of the Company to certain executives and employees of Synthesio joining Ipsos. This allocation was to compensate for the fact that these executives and employees were asked, as part of the acquisition, to definitely waive their respective rights to exercise various of the stock subscription warrants (bons de souscription d'actions "BSA"), business creator shares (bons de souscription de parts de créateur d'entreprise "BSPCE") and stock options, as the case may be, previously allocated to them by Synthesio. This allocation, representing approximately 0.1% of Ipsos' capital, was implemented by the Board of Directors on February 27, 2019, on the basis of the authorization granted by the General Meeting of 4 May 2018 in its eleventh resolution, for the benefit of 54 beneficiaries who became employees of the Ipsos group (the "Synthesio Plan").

Size of the free share plans

Bonus shares - The annual "bonus shares" programme is a large plan that covers about a thousand of managers of the Group, worldwide.

As a result of the large number of participants in the plan, the number of shares awarded to each individual participant is limited. None of the executive officers of Ipsos SA, who are also eligible for these plans, have, to date, received more than 0.01 % of the Company's share capital per year under any of these powers.

To illustrate the wide reach of this programme, the table below identifies the categories of managers receiving grants and the percentage of their variable compensation in shares (bonus shares) as compared to their base salary, for grants given in 2018.

Categories of recipients	Number of persons per category who received free shares	% of the total shares granted in 2018	% of variable share-based compensation (bonus shares) relative to basic salary
Executive Officers	4	4.9%	29.5%
Members of the MBEC* (excluding the executive officers)	16	11.8%	24%
Partnership Bonus Group (excluding the executive officers and the MBEC)	156	32.4%	12.5%
Other managers	830	50.9%	From 2% to 10%
Total	1,006	100 %	

**MBEC: Management Board Executive Committee (Executive Committee)*

The total number of shares granted to employees of the Group in France and abroad under the "bonus shares" 2018 Plan represented 0.88% of the share capital of Ipsos on the day of allocation.

Additional allocation "Ipsos Partners" - The additional allocation of free shares granted in November 2018 to the Group's top managers who joined Ipsos Partners represented 0.12% of Ipsos' capital on the day of allocation.

Conditions subordinating the final grant of free shares applicable to all beneficiaries

All free shares granted by Ipsos are subject to a **presence condition**. The beneficiary must remain an active employee within the Ipsos group during the entire vesting period starting at the date of the allocation and at the end of which the shares will be definitively acquired.

The vesting period has been increased to three years in the plan implemented in 2018. Previously, this vesting period was two years.

Since the Plan implemented on April 28, 2016 on the basis of the authorization given by the Shareholders' Meeting held on the same day according to the new terms and conditions allowed by the so-called "Macron" law, the shares granted free of charge within the Ipsos Group are no longer subject to a retention obligation, with an exception applicable only to Ipsos SA’s executive corporate officers (see below).

The final grants of free shares to the beneficiaries of the plans (except those granted to Ipsos SA's corporate officers as indicated below) are not subject to additional performance criteria. These criteria are not considered appropriate for these executives, for the following reasons: (i) the size of the plan at the level of the number of beneficiaries (about a thousand) and the diversity of the markets in which the participants operate (more than 60 countries); (ii) bonus shares are awarded free of charge to such executives as part of their variable compensation; (iii) they represent, for the majority of these executives, only a small part of their remuneration; and (iv) the inclusion of performance conditions (being noted that stringent performance conditions are already provided for variable compensation in cash) would have a significant negative impact on Ipsos' efforts to recruit and retain talented executives. Other forms of compensation plans that would not have the same effect in terms of aligning the interests of its executives with those of its shareholders should be put in place.

Also, the annual volume of free shares does not exceed 1% of the capital per year and Ipsos endeavours to mitigate the dilutive effect of the free share plans, by delivering to the beneficiaries its own existing shares previously purchased via its share buyback programme, rather than by issuing new issued shares.

Additional conditions applicable only to executive officers of Ipsos SA

Performance criteria:

The free shares granted to executive officers of the Company are also subject to additional performance criteria in accordance with the AFEP-MEDEF's Corporate Governance Code.

These performance criteria are comparable from one year to another[3]. For 2018, as for the three previous fiscal years, two criteria each requiring the allocation of 50% of the shares have been provided:

- a criterion related to organic growth,
- a criterion related to the operating margin.

These criteria are measured over a period that is based on the vesting period, i.e. a period of three years for the last Plan implemented for the 2018 financial year.

Each year, prior to the grant date, the Board of Directors, on the recommendation of the Appointments and Compensation Committee, reviews the achievement levels of the performance criteria that determine the total or partial delivery of the shares granted two-year (and now three years) before.

The achievement rates of the performance criteria and the grant of free shares awarded to executive officers under the bonus share plans implemented for the 2014-2017 fiscal years are indicated in the table below.

Free Shares Plans (FSP)	Rate of delivered/acquired shares	Rate of non-delivered/acquired shares
FSP 2017 (delivery planned in April 2019)	50%	50%
FSP 2016 (shares delivered in 2018)	100%	0%
FSP 2015 (shares delivered in 2017)	90%	10%
FSP 2014 (shares delivered in 2016)	50%	50%

[3] The performance criteria applicable to each plan are detailed in the summary table in Part 15.3.1 of the Registration Document, Table 10.

Holding requirement specific to executive officers:

Executive Officers of the Company are furthermore required to hold at least 25% of the vested shares for the duration of their functions as corporate officers.

Free shares delivered in 2018

Bonus shares - The Board of Directors of the Company held on 4 May 2018 decided to issue a new free share plan for the 2018 financial year, on the basis of the authorisation granted by the General Meeting of the same day in its eleventh resolution.

A total of 394,398 shares were thus granted and allocated to 1,006 beneficiaries working for the Group.

19,204 of these shares were allocated and distributed among Ipsos SA's four executive officers (ie 0.04% of the capital in total, and approximately 0.01% for each of these officers), the definitive acquisition of these shares, being subject to the following two performance criteria measured over three years and each requiring the allocation of 50% of the shares:

- a cumulative organic growth rate over 3 years (2018, 2019 and 2020) of at least 6% (if this rate was between 3 and 6%, the number of shares definitively acquired would be between 80% and 100% of the number of shares allocated according to a linear progression);
- an average operating margin for 2019 and 2020 is higher than that of 2018.

Additional award – The Board of Directors held on 4 May 2018 also decided that in addition to the customary grant approved each year at the General Meeting, a quota of free shares will also be allocated in 2018 to new members of the Partnership Group (Level 1 managers) who will invest in Ipsos Partners at the "second round"to take place in 2018, with a value/amount of the free shares to be granted equal to half of their investment.

In the specific case of Ipsos Partners, this additional free shares grant seeks to leverage the investment of these top managers and thus retain them within the hard core of the members of this partnership, which is considered essential for the independence and long-term future of Ipsos.

Accordingly, on 15 November 2018, it has been decided to grant 54,205 free shares to the 30 top managers of the Group who had invested in Ipsos Partners. This raised the total number of outstanding free shares granted in 2018 to 438,039 shares, i.e. 0.98% of the share capital on the date of this second and last award[4].

Deferred share grants made in connection with Ipsos Partners are governed by the same rules as the grants approved on 4 May 2018. The rules were adapted to allow several share grants in 2018, with the same vesting date three years from each grant date.

Free shares definitively acquired and delivered in 2018

On 28 April 2018, the vesting period expired for the free share plan implemented two years previously in respect of the 2016 financial year.

On that vesting date, 415,397 shares out of a total of 451,115 shares initially granted were definitively vested and delivered to a total of 795 beneficiaries still present within the Group at that date.

As regards the free shares awarded to the executive officers subject to performance conditions, the Board of Directors met on 28 February 2018 assessed the fulfilment of said conditions.

The performance criteria affecting the final vesting of the free shares awarded to Executive Officers under the 2016 Plan were the following:

- Organic growth criterion

Half of the shares allocated will be vested if the cumulative organic growth rate over two years reaches a target level set by the Board in line with the Group's targets and strategy. A minimum level of organic growth acts as a trigger carrying entitlement to 80% of the shares allocated. If Ipsos' rate of organic growth over the two-year period of the plan is between this trigger threshold and the target level, the number of shares vested would be 80% to 100% of the number of shares allocated according to a linear progression, subject to the total weighting applied to this criterion. By contrast, the organic growth criterion will be considered as not having been attained if growth is below this trigger threshold;

- Operating margin criterion

The other half of the shares granted will be definitively vested if Ipsos's operating margin is (i) greater than or equal to a margin level set by the Board of Directors for the first year of the vesting period, and (ii) higher for the second year of the vesting period compared to the previous year:

Achievement of the organic growth criterion: after having considered the level of cumulative organic growth over two years and compared it to the target level set by the Board of Directors, the Board noted that the target level had been reached and therefore authorised the final grant of 100% of the shares allocated under this criterion.

[4] 10,564 of the 394,398 free shares granted on 4 May 2018 have been cancelled between the grant date and 15 November 2018, date of the additional grant, for reason of (i) refusal of the grant by the beneficiaries or for cause of departure.

Achievement of the operating margin criterion: the Board of Directors noted the achievement of this criterion: 2016 operating margin of 10.1%, higher therefore than the previous year's margin, and 2017 operating margin of 10.2%, also higher than the 2016 margin. Accordingly, it authorised the final grant of 100% of the shares allocated under this criterion.

In total, therefore, 100% of the free shares initially granted to executive officers were definitively vested and thus delivered to them.

Status of the long-term free share plan: IPF 2020 programme

As mentioned in the section 21.1.4.2.1. above, on 4 September 2012, the Board allocated, in the context of the IPF 2020 program, (i) 42,399 free shares to French residents under the IPF 2020 France free share plan (of which 14,616 went to Ipsos SA's corporate officers) and (ii) 154,538 shares for non-French residents under the IPF 2020 International free share plan.

This Plan expired on 4 September 2017 (Vesting Date), following a five-year vesting period. At the vesting date, 119,426 shares were definitively vested by a total of 95 beneficiaries who had retained their Investment Shares at the same date.

Potential dilution

As at 31 December 2018, if the free shares granted but not yet delivered would come to be delivered by issuing new shares through a capital increase, the maximum potential dilution would be 1.81% (see the summary table hereafter).

Summary tables

Summary table of the current free shares plans

	Date of allocation	Number of shares granted	Cumulative number of cancellations	Shares delivered	Remaining shares	Delivery date	Potential dilution
Shares granted in 2016	28/04/2016	451,115	(35,718)	(415,397)	-	28/04/2018	-
Shares granted in 2017	28/04/2017	397,878	(29,390)	(1,724)	366,764	28/04/2019	0.83%
Shares granted in 2018	*04/05/2018*	*394,398*	*(12,307)*	*(800)*	*381,291*	*04/05/2021*	*0.86%*
	15/11/2018	*54,205*	*-*	*-*	*54,205*	*15/11/2021*	*0.12%*
	Total 2018	**448,603**	**(12,307)**	**(800)**	**435,496**	**-**	**0.98%**
Total		**1,297,596**	**(77,415)**	**(417,921)**	**802,260**	**-**	**1.81%**

Free shares delivered in 2018

Free shares plan 2018	**Number of shares**	**IFRS value (in euros)**
Number of free shares delivered in 2018	**448,603**	**12,295,488**
Including executive directors *(see detail in Table 6, Part 15.3.1 of the Reference Document)*	19,204	544,241
Including the ten non-executive employees whose number of shares awarded is the highest	40,379	1,141,341

Additional information relating to the free shares awarded to executive corporate officers and the history of bonus share grants are set out in Part 15.3.1 of the Reference Document (see in particular tables 6, 7 and 10).

21.1.4.2.3. Maximum potential dilution

As at 31 December 2018, if (i) all the free shares granted but not yet vested would come to be delivered by the issuance of new shares through a capital increase, and (ii) all the IPF 2020 options from the aforementioned programme would be exercised, the maximum potential dilution would be 3.76% (1,667,724 shares).

21.1.5. Information about the terms controlling any acquisition rights and/or obligations over authorised but unissued capital designed to increase share capital

N/A.

21.1.6. Information about the capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option

Please refer to Note 1.2.7 “Commitments to buy out minority interests” of the consolidated financial statements in Part 20.2 of this Reference document.

21.1.7. *History of transactions on share capital*

The table hereinafter described the operations in the share capital of Ipsos SA done since 2002.

Date	Transaction	Par value	Gross issue premium	Cumulative par value	Cumulative number of shares
31/12/2002	Increase in share capital through the issue of 50,400 new shares, following the exercise of subscription options in 2002	€0.25	€259,926	€7,004,597	28,018,388
31/12/2003	Increase in share capital through the issue of 173,440 new shares, following the exercise of subscription options in 2003	€0.25	€865,268	€7,047,957	28,191,828
31/12/2004	Increase in share capital through the issue of 205,844 new shares, following the exercise of subscription options in 2004	€0.25	€1,297,392	€7,099,418	28,397,672
02/11/2005	Increase in share capital through the issue of 5,000,000 new shares, without preferential subscription rights	€0.25	€113,750,000	€8,349,418	33,397,672
15/12/2005	Increase in share capital through the issue of 297,648 new shares, as part of its share contribution to MORI	€0.25	€6,994,729	€8,423,830	33,695,320
31/12/2005	Increase in share capital through the issue of 168,024 new shares, following the exercise of subscription options in 2005	€0.25	€1,907,668	€8,465,836	33,863,344
31/12/2006	Increase in share capital through the issue of 152,179 new shares, following the exercise of subscription options in 2006	€0.25	€2,113,240	€8,503,881	34,015,523
20/03/2007 Board Mtg	Recognition of the increase in share capital through the issue of 29,481 new shares, following the exercise of subscription options in January and February 2007	€0.25	€439,137	€8,511,251	34,045,004
18/03/2008 Board Mtg	Recognition of the increase in share capital through the issue of 133,341 new shares following the exercise of the subscription options between 1 March 2007 and 31 December 2007	€0.25	€1,985,562	€8,544,586	34,178,345
18/03/2008 Board Mtg	Recognition of the increase in share capital through the issue of 3,913 new shares, following the exercise of subscription options between 1 January 2008 and 29 February 2008	€0.25	€59,000	€8,545,565	34,182,258
18/03/2008 Board Mtg	Decision to cancel 457,017 shares (acquired for this purpose under the Share Buyback Programme approved by the General Meeting of 2 May 2007) and corresponding reduction in share capital to €8,431,310	€0.25	-	€8,431,310	33,725,241
18/03/2009 Board Mtg	Recognition of the increase in share capital through the issue of 48,299 new shares following the exercise of the subscription options between 1 March 2008 and 31 December 2008	€0.25	€757,546	€8,443,385	33,773,540
18/03/2009 Board Mtg	Recognition of the increase in share capital through the issue of 3,560 new shares, following the exercise of subscription options between 1 January 2009 and 28 February 2009	€0.25	€51,270	€8,444,275	33,777,100

Date	Transaction	Par value	Gross issue premium	Cumulative par value	Cumulative number of shares
24/02/2010 Board Mtg	Recognition of the increase in share capital through the issue of 85,040 new shares following the exercise of the subscription options between 1 March 2009 and 31 December 2009	€0.25	€1,387,715	€8,465,535	33,862,140
23/02/2011 Board Mtg	Recognition of the increase in share capital through the issue of 268,147 new shares, following the exercise of subscription options between 1 January 2010 and 31 December 2010	€0.25	€4,734,812	€8,532,572	34,130,287
27/07/2011 Board Mtg	Recognition of the increase in share capital through the issue of 20,614 new shares, following the exercise of subscription options between 1 January 2011 and 30 June 2011 and the delivery of shares following free share grants having resulted in the issue of 118,425 new shares	€0.25	-	€8,567,331.50	34,269,326
07/09/2011 decision of the Chairman & Chief Executive Officer	Recognition of the increase in share capital through the issue of 4,276 new shares following the exercise of subscription options between 1 July 2011 and 31 August 2011	€0.25	-	€8,568,400.50	34,273,602
30/09/2011 decision of the Deputy Chief Executive Officer	Recognition of the increase in share capital by public offering through the issue of 10,967,552 new shares, i.e. a share capital of 45,241,154 shares as of this date	€0.25	€197,415,936	€11,310,288.50	45,241,154
29/02/2012 Board Mtg	Between 1 October 2011 and 31 December 2011, 13,401 new shares were issued through the exercise of subscription options.	€0.25	-	€11,313,638.75	45,254,555
27/02/2013 Board Mtg	Between 1 February 2012 and 31 January 2013, 72,032 new shares were issued through the exercise of subscription options	€0.25	-	€11,331,646.75	45,326,587
26/02/2014 Board Mtg	Between 1 February 2013 and 31 January 2014, 9,648 new shares were issued through the exercise of subscription options	€0.25	-	€11,334,058.75	45,336,235
26/10/2016 Board Mtg	Recognition of the capital increase related to the exercise of stock options between 1 July and 30 September 2016 that resulted in the issue of 107,998 new shares, followed by a capital reduction through cancellation of the same number of shares resulting from the exercise of options (share capital remained unchanged at the end of the two-part transaction)	€0.25	-	€11,334,058.75	45,336,235
22/11/2016 Board Mtg	Cancellation of 900,000 shares and subsequent recognition of a reduction in the share capital by a nominal amount of €225,000.	€0.25	-	€11,109,058.75	44,436,235

Date	Transaction	Par value	Gross issue premium	Cumulative par value	Cumulative number of shares
29/12/2016	Capital increase by a nominal amount of €2,219,179 through the issuance of 8,876,716 new shares granted to the shareholders of LT Participations, followed by a capital reduction through cancellation of the same number of shares (share capital remained unchanged at the end of the two-part transaction)	€0.25	-	€11,109,058.75	44,436,235
31/12/2016 decision of the Chairman & Chief Executive Officer	Recognition of the capital increase related to the exercise of stock options between 1 October and 31 December 2016 that resulted in the issue of 62,151 new shares, followed by a capital reduction through cancellation of the same number of shares resulting from the exercise of options (share capital remained unchanged at the end of the two-part transaction)	€0.25	-	€11,109,058.75	44,436,235
30/06/2017 decision of the Chairman & Chief Executive Officer	Recognition of the capital increase related to the exercise of stock options between 1 January and 30 June 2017 that resulted in the issue of 156,344 new shares, followed by a capital reduction through cancellation of the same number of shares resulting from the exercise of options (share capital remained unchanged at the end of the two-part transaction)	€0.25	-	€11,109,058.75	44,436,235
31/12/2017 decision of the Chairman & Chief Executive Officer	Recognition of the capital increase related to the exercise of stock options between 1 July and 31 December 2017 that resulted in the issue of 114,960 new shares, followed by a capital reduction through cancellation of the same number of shares resulting from the exercise of options (share capital remained unchanged at the end of the two-part transaction)	€0.25	-	€11,109,058.75	44,436,235
30/06/2018 decision of the Chairman & Chief Executive Officer	Recognition of the capital increase related to the exercise of stock options between 1 January and 30 June 2018 that resulted in the issue of 61,341 new shares, followed by a capital reduction through cancellation of the same number of shares resulting from the exercise of options (share capital remained unchanged at the end of the two-part transaction)	€0.25	-	€11,109,058.75	44,436,235
31/12/2018 decision of the Chairman & Chief Executive Officer	Recognition of the capital increase related to the exercise of stock options between 1 July and 31 December 2018 that resulted in the issue of 8,447 new shares, followed by a capital reduction through cancellation of the same number of shares resulting from the exercise of options (share capital remained unchanged at the end of the two-part transaction)	€0.25	-	€11,109,058.75	44,436,235

21.2. Memorandum and articles of association

21.2.1. Issuer's objects and purposes (article 2 of the by-laws)

Ipsos SA's objectives are:

- to conduct market research using surveys, opinion polls, statistical research or any other process with a view to facilitating and organising the establishment of sales operations, promotions, and the distribution of products and services of all kinds; and to provide studies, surveys, opinion polls, analyses and consultancy services in the political, economic and social fields;

- to research, prepare, organise and implement, either on its own account or for third parties as agent or otherwise, all forms of advertising for all commercial products, including all space buying and selling operations;

- to carry out all types of consultancy activities that may constitute decision-support aids for companies, services or any other organisation;

- to identify, obtain, acquire and use all;

  patents, licences, processes and goodwill relating to the above activities;

- to acquire interests and equity stakes of whatever form in all similar enterprises, including by exchange of shares for assets, by the subscription or purchase of shares, bonds or other securities, by becoming an active partner in limited partnerships, by forming new companies or mergers, or by any other means;

- to execute all financial transactions associated with a stock market listing;

- and generally, to carry out all civil, commercial, financial and industrial asset or property transactions, relating directly or indirectly to the Ipsos SA objectives or to all other similar or associated objectives.

21.2.2. Executive Management

The organisation and the functions of the Board of directors and the management are described respectively in articles 11 to 16 and 19 of the Articles of association.

For more details, please refer to part 16 of this Reference document.

21.2.3. A description of the rights, preferences and restrictions attached to each class of existing shares

There are no shares giving special control rights other than the double voting rights allocated to all fully paid-up shares, which have been registered in the name of the same shareholder for more than two years.

Double voting rights (Article 10 of the articles of association)

Double voting rights relative to the percentage of the total share capital the shares represent are granted as follows:

- for shares that are fully paid-up and have been registered in the name of the same shareholder for at least two years;

- for registered shares that are allocated for free to a shareholder based on shares with double voting rights, in the event of an increase in the share capital by capitalisation of reserves, profits or share premiums.

A share loses its double voting rights if it is converted to a bearer share or if its ownership is transferred.

However, the acquired right is not lost if the share is transferred when a deceased shareholder's estate is settled, if a married couple's joint estate is dissolved, or if a gift is made to a spouse or heir.

The double voting right attached to registered shares may be exercised by a registered intermediary if the information provided by the intermediary can be verified to ensure compliance with the conditions required for the right to be exercised.

Each shareholder may waive these double voting rights at any type of General Meeting (Ordinary, Extraordinary, Combined or Special), and for a single Meeting at a time.

The option of waiving double voting rights must be renewed at each Meeting where the shareholder wishes to make use of this facility. Waiver may be total or partial, for all or for part of the resolutions put to vote at the Meeting.

At 31 December 2018, 5,568,272 shares carried double voting rights. It should be noted that LT Participations had double voting rights in Ipsos SA. The shareholders of LT Participations were themselves holders of shares in the company that acquired double voting rights on 30 June 2017. As a result of the merger of LT Participations into Ipsos SA, the Ipsos SA shares delivered in exchange for the merger to the shareholders of LT Participations also enjoyed double voting rights that were to be applicable as of 30 June 2017 to shares still held in registered form by their holders on that date.

There are no statutory limitations governing the exercise of voting rights, other than the penalty for non-disclosure of any ownership thresholds exceeded (please refer to 21.2.7 below).

Appropriation and distribution of profits

At least five per cent (5%) of the net profit for the year, less any brought-forward losses, must be appropriated to the legal reserve. This appropriation is no longer mandatory when the legal reserve reaches one tenth of the share capital.

The balance, reduced by all other sums to be held as reserves in compliance with the law and the articles of association, and increased by the retained earnings carried forward, is the profit available for distribution.

The General Meeting may also decide to distribute amounts from reserves available for distribution, indicating from precisely which reserve accounts such distributions are made. The General Meeting may appropriate any sum it sees fit from the profit available for distribution, to be carried forward as retained earnings or transferred to one or more reserve accounts.

Disposal of shares

There is no clause in the articles of association restricting the transfer of shares.

21.2.4. Action necessary to change the rights of holders of the shares

Please refer to the Paragraph 21.2.7 hereinafter regarding the sanction for non-compliance with statutory provisions relating to the disclosing of crossing thresholds.

There is no other statutory restriction on the exercise of voting rights.

Changes to the articles of association can only be made by an Extraordinary General Meeting.

21.2.5. Statutory provisions preventing a change of control

There are no shares giving special control rights other than the double voting rights allocated to all fully paid-up shares, which have been registered in the name of the same shareholder for more than two years (please refer to 21.2.3 above).

There is no clause in the articles of association restricting the transfer of shares.
Voting rights of Ipsos shares held by the FCPE "Ipsos Actionnariat" (employee savings mutual fund) are exercised by the Supervisory Board of the fund in accordance with Article 8.2, Paragraph 2 of the FCPE's internal regulations.

There are no limitations in the articles of association governing the exercise of voting rights, other than the penalty for non-disclosure of any ownership thresholds exceeded.

21.2.6. Statutory provisions governing the ownership threshold above which shareholder ownership must be disclosed

Thresholds for disclosure of interests in the share capital (Article 8 of the articles of association)

In addition to the legal requirement to inform the Company and the French Financial Markets Authority of ownership of certain percentages of share capital or voting rights, any individual or legal entity acting alone or in concert who comes to hold shares representing more than 6%, or more than any multiple of 1% above 6%, of the capital or voting rights of Ipsos SA (the total number of voting rights to be used in the denominator of this calculation to be based on all shares qualifying for voting rights, including those stripped of their voting rights), is required to inform Ipsos SA within a period of five (5) trading days from the date on which any threshold is crossed, by registered letter with acknowledgement of receipt sent to the Company's registered office, of the total number of shares and securities giving deferred access to shares held individually or in concert together with the total number of associated voting rights. A new declaration must be made, under the same conditions, whenever a new threshold, calculated as above, is exceeded. Companies managing UCITS or pension funds are required to provide this information for all shares or voting rights held by all the funds that they manage.

A new declaration must be made, under the same conditions, whenever holdings fall below one of the thresholds indicated and calculated as above, until the threshold of 5% of the capital or voting rights of Ipsos SA is reached.

In the event of non-compliance with the information obligations and at the request, noted in the Meeting's minutes, of one or several shareholders holding at least 5% of the share capital, the voting rights exceeding the fraction which should have been declared shall be suspended and shall not be exercised at any Meeting up to the end of the two-year period following the date of proper disclosure.

Identification of the holders of bearer shares: identifiable bearer shares through "TPI" (Article 7 of the articles of association)

As permitted by Article L. 228-2 of the French Commercial Code, Ipsos SA may, at any time, request the identity of holders of its bearer shares from the central depository responsible for maintaining the Company's securities issuance account.

21.2.7. Statutory conditions governing changes in the capital, where such conditions are more stringent than is required by law

The articles of association do not provide any specific condition regarding changes in the capital.

22. Material contracts

22.1. Financial contracts

As regards the loans contracted, Ipsos has five principal lines of financing:

- On 10 August 2010 Ipsos issued to certain private investors in the US a private placement (USPP) for a nominal amount of $300 million, structured in three tranches, the first one with a seven year bullet maturity (on 28 September 2017), the second one with a ten year bullet maturity (on 28 September 2020), and the third one with a twelve year bullet maturity (on 28 September 2022). The fixed rates of these tranches are respectively 4.46%, 5.18% and 5.48%;
- On 2 August 2013, Ipsos entered into a variable-rate, multi-currency syndicated loan facility for a nominal amount of €150 million with a pool of banks, for a term of five years (2 August 2018). The loan was renewed in September 2018 for €160 million over a term of five years with two one-year extension options;
- On 30 December 2015, Ipsos entered into a variable-rate, multi-currency syndicated loan facility for a nominal amount of €215 million with a pool of banks, for a term of five years (30 December 2020) with two one-year extension options;
- On 12 November 2013, six "Schuldscheindarlehen" (SSD) loan agreements were taken out through Private Investors (French and foreign), in EUR (€52.5 million) and in USD ($76.5 million), over a term of three, five and seven years;
- On 7 December 2016, Ipsos issued a new loan on the German market to refinance part of its debt (including an already existing Schuldschein arrangement from 2013) at longer maturities (three, five and seven years) and with improved margin conditions. The initial offer, amounting to €125 million, was oversubscribed and the final amount was increased to €223 million;
- In September 2018, Ipsos issued a €300 million bond with a maturity of seven years, an annual coupon of 2.875% and an issue premium of 99.184%. This allowed Ipsos to extend the maturity of its debt profile and diversify its credit investor base.

For financing agreements, also refer to Note 5.9 "Financial debt" to the consolidated financial statements appearing in Part 20.2, as well as 4.3.3 "Liquidity Risk" of this Reference document.

22.2. Operational contracts

Other than contracts entered into within the normal conduct of business, including for purchase or sale transactions or within the financing operations mentioned in this Reference document, the Group is not aware of any other significant contracts that were entered into by companies of the Group in the two years preceding the date of this Reference document, still in effect on that date, that would contain provisions conferring an obligation or commitment likely to have a significant effect on the Group's business activity or financial position.

Within the framework of the services that Ipsos is required to deliver globally to the same client, Ipsos's policy is to enter into global framework service agreements with its key clients. This type of contract includes all of the financial and legal conditions as well as the operational rules governing relations between Ipsos and its clients in all countries concerned. Based on this global framework agreement, orders for services are entered into separately between Ipsos and the client's local subsidiaries charged with describing the services, their financial conditions, as well as the specific rules for each country. However, the principle is that the global framework agreement prevails over the service orders and governs all contractual relations between Ipsos and its client in each country. These framework agreements are often entered into for a term of three years or an automatically renewable one-year term (concerning client risk, refer to Section 4.1.1 of this Reference document).

23. Third party information and statement by experts and declarations of any interest

Not applicable.

24. Publicly available documents

Person responsible for financial information:

Laurence Stoclet, Ipsos Deputy Chief Executive Officer, Group Chief Financial Officer.

(Tel: +33 1 41 98 90 20), 35 rue du Val de Marne – 75013 Paris – France.

Legal and financial documents:

During the validity period of this Reference Document, the following documents can be consulted at the registered office (35 rue du Val de Marne – 75013 Paris):

- the articles of association of Ipsos SA;
- the reports, letters and other documents, historical financial information, evaluations and declarations established by an expert at the request of Ipsos, a part of which is included or referenced in this Reference Document;
- historical financial information of Ipsos and its subsidiaries for each of the last three financial years prior to the publication of this Reference Document.

The following documents are also available online at (www.ipsos.com): the articles ofassociation, the consolidated financial statements and historical financial information from the last three financial years. The Reference Documents since the Company went public in 1999 are also available online at the website (https://www.ipsos.com/en/regulated-informations/en).

The website also contains all the publicly available information:

- the internal regulations of the Board of Directors;
- regulatory information as defined by the Autorité des Marchés Financiers (AMF);
- presentations to analysts and investors;
- regarding General Meetings, the Notice of Meeting showing draft resolutions, ways to access the meeting, the results of votes on resolutions and all the documentation to be made available to shareholders in accordance with current regulations;
- information regarding the composition of the Board of Directors and Executive Committee (MBEC).

2018 annual financial report:

A cross-reference table between the annual financial report and this Reference Document is presented in Chapter 27 of this Reference Document.

2018 management report:

A cross reference table between the 2018 management report and this Reference Document is presented in Chapter 27 of this Reference Document.

2018 corporate governance report:

A cross reference table between the 2018 corporate governance report and this Reference Document is presented in Chapter 27 of this Reference Document.

Publications over the last 12 months:

List of press releases published over the last 12 months	
Available on: www.ipsos.com	
22/02/2018	Najat Vallaud-Belkacem joins Ipsos
26/02/2018	Helen Zeitoun joins Ipsos
28/02/2018	Ipsos 2017 annual results
26/04/2018	Ipsos first quarter 2018 revenue
25/07/2018	Ipsos first half of 2018 results
30/07/2018	Ipsos signs an agreement with GfK for the acquisition of four global divisions of GfK Research: Customer Experience; Experience Innovation; Health and Public Affairs
17/09/2018	Ipsos announces that it has successfully obtained mandatory authorisation from the competition authorities in accordance with the agreement for the acquisition of four global divisions of GfK Custom Research
17/09/2018	Ipsos successfully launches a €300 million inaugural bond issue
10/10/2018	Ipsos announces that it has successfully completed the acquisition of the four global divisions of GfK Custom Research
25/10/2018	Ipsos third quarter 2018 revenue
30/10/2018	With the acquisition of Synthesio, Ipsos strengthens its capabilities in Social Media Intelligence
18/12/2018	Chaptal Award: Didier Truchot, Chairman and Chief Executive Officer of Ipsos, receives the 2018 Chaptal Award
27/02/2019	Ipsos 2018 annual results

Shareholder and investor information:

Ipsos SA communicates with its shareholders at least once a year at its Annual General Meeting. It also regularly issues press releases to all business and financial media, reporting its quarterly revenue, interim and full-year results and any major events affecting the Group.

The prospectuses, annual reports and other information memorandums, as well as press releases, are available in French and English on the Group's website (www.ipsos.com) and specifically at:

https://www.ipsos.com/en/regulated-informations/fr

and

https://www.ipsos.com/en/regulated-informations/en

At least two analyst meetings are organised each year to present the full-year and interim financial statements, and these are generally followed by a series of other presentations in France and abroad.

The Company has been hosting "Investors Days" since 2015. An investors day was held in Paris on 7 November 2018.

Managers of the Group frequently meet with journalists, analysts and investors who request a meeting (contact: Laurence Stoclet, Deputy Chief Executive Officer and Group CFO, Tel.: +33 1 41 98 90 20. E-mail: finance@ipsos.com).

2019 financial agenda:

- 27 February 2019: presentation of 2018 annual results;
- 28 February 2019: presentation of 2018 annual results – Paris, France; investor conference call – English;
- 25 April 2019: publication of first quarter of 2019 revenue;
- 28 May 2019: General Meeting of Shareholders – Paris (Ipsos), France;
- 24 July 2019: publication of first quarter of 2019 results;
- 25 July 2019: presentation of first half of 2019 results – Paris, France; investor conference call – English
- 24 October 2019: publication of third quarter of 2019 revenue.

25. Information on holdings

Please refer to Note 7.1 "Scope of consolidation" of the consolidated financial statements in Part 20.2 of this Reference Document and to Note 4.1.3 "List of subsidiaries and equity interests" of the Parent Company financial statements in Part 20.4 of this Reference Document.

General Meeting of 28 May 2019

26. General Meeting of 28 May 2019

26.1. Board of Directors' report to the Ordinary and Extraordinary General Meeting of 28 May 2019

The Ordinary and Extraordinary General Meeting of Ipsos SA (hereinafter "Ipsos" or the "Company"), has been convened by the Board of Directors on 28 May 2019 at 9.30 a.m. at the Company's registered office in order to vote on the draft resolutions presented in this report.

1. Resolutions proposed to the Ordinary General meeting

Approval of the annual and consolidated financial statements (first and second resolutions)

The first and second resolutions submitted for the approval of the shareholders relate to the annual and consolidated financial statements of the Company for the financial year ended 31 December 2018, as approved by the Board of Directors.

The Company's annual financial statements show a profit of €23,425,986.

The consolidated financial statements show a profit of €108,554,000.

The Company's business and financial position for the financial year ended 31 December 2018 are described in sections 9.2.1 and 9.2.2 of the Reference Document.

Allocation of profits for the financial year ended 31 December 2018 and dividend distribution of €0.88 per share (third resolution)

The third resolution submitted for the approval of the shareholders relates to the allocation of profits for the financial year ended 31 December 2018 as follows:

Origin of the profits to be allocated	
Profits from the financial year	€23,425,986
Prior retained earnings	€133,923,369
Total	**€157,349,355**
Allocation of profits	
Dividend [1]	€38,326,914
Balance, to the retained earnings account	€119,022,441
Total	**€157,349,355**

[1] On the basis of the shares giving rights to dividends at 31 December 2018.

The retained earnings account would therefore be increased to €119,022,441.

Each of the shares making up the share capital and conferring rights to dividends would be paid a dividend of €0.88.

The ex-dividend date of the share on the regulated Euronext Paris market will be set for 1 July 2019. The payment of the dividend would take place on 3 July 2019.

For tax residents of France, these dividends have since 2018 been subject to the Single Flat Withholding Tax (PFU), a flat tax with a total rate of 30% (17.2% of which is social security contributions) levied automatically unless the recipient explicitly opts for taxation of the dividends according to the progressive income tax scale. If opting for the progressive scale, the dividend would be eligible for the 40% rebate covered in Article 158, Paragraph 3, Subsection 2 of the French General Tax Code.

As a reminder, the dividend distributed for the three previous financial years was as follows:

Financial year	Net dividend per share	Proportion of the dividend eligible towards the allowance[1]
2017	€0.87	100% - progressive taxation option only
2016	€0.85	100%
2015	€0.80	100%

[1]40% tax allowance referred to in paragraph 3, Subsection 2 of Article 158 of the French General Tax

Regulated agreements (fourth resolution)

The fourth resolution submitted for your approval relates to the agreements and commitments referred to in Article L.225-38 of the French Commercial Code, authorised by the Board of Directors and entered into during the past financial year, as referred to in the special report of the Statutory Auditors. Furthermore, this report does not mention any new agreements or commitments that fall within the scope of that article.

Shareholders are asked to take note of this fact.

This report also enumerates previously approved regulated agreements and commitments that remained in force during the past year.

Reappointment of four Directors (fifth to eighth resolutions)

The terms of Laurence Stoclet, Jennifer Hubber, Patrick Artus and Neil Janin as Directors will expire after this General Meeting.

On the question of the renewal of some or all of these terms of office, the Board of Directors, following the recommendations of the Nomination and Remuneration Committee, held that it was in its interest and the Company's to make the renewal of all of the terms of office subject to your approval.

Indeed, your Board of Directors considers that, during prior terms of office, each of these four directors demonstrated constant involvement in the work of the Board and, as can be seen in their respective profiles, they all contribute to the diversity of the Board and participate with success in its work.

As regards Patrick Artus and Neil Janin, the Board also checked that they continue to meet all the necessary criteria in order to continue to be qualified as Independent Directors (see Section 16.4.3. of the Reference Document, from pages 130 to 132).

A short biography of each of these Directors appears in the Appendix to this Report. Detailed information about the identity, including age and nationality, experience, areas of competence and expertise, seniority on the Ipsos Board of Directors, and the list of functions performed and other terms of office, for all of the above directors, are also provided in Section 14.1. of the Reference Document.

Consequently, resolutions 5 to 8 submitted for your approval concern the renewal of each of these four terms of office for another four-year period, i.e. until the General Meeting to be held in 2023.

Appointment of Eliane Rouyer-Chevalier as a director (ninth resolution)

To give the Board a new director with specific expertise in financial matters and business strategy and increase the independence of the Board of Directors, it is proposed that you appoint Eliane Rouyer-Chevalier as a new director. Furthermore, should this appointment be approved by the General Meeting, Eliane Rouyer-Chevalier would also become a member of the Audit Committee.

At the age of 66, Eliane Rouyer-Chevalier currently carries out various consulting activities in the field of financial communication, strategy and governance for senior executives of companies and their Executive Committees. She works as a consultant in financial communication and governance in emerging countries at the World Bank. Eliane Rouyer-Chevalier is also experienced in the management and administration of companies. Since 2011, she has been an independent director on the Board of Legrand SA, where she also chairs the Audit Committee.

Eliane Rouyer-Chevalier's background and the complete list of her offices and functions appear in the Appendix.

If you approve these proposals of renewal and this appointment, the Board of Directors will be composed of eleven members, including six women and four men (excluding the Director representing employees, who is also a woman). Six out of ten directors (excluding the Director representing employees) will be independent directors as defined by the AFEP-MEDEF Code.

"Ex-Post" vote on the compensation and benefits due or awarded for the financial year ended 31 December 2018 to the Chairman & CEO (tenth resolution)

In accordance with the system put in place by Law No. 2016-1691 of 9 December 2016, known as the "Sapin II Law", pursuant to Article L.225-100 of the French Commercial Code, we invite you to approve the fixed, variable and non-recurring components of the total compensation and fringe benefits paid or allocated to Didier Truchot, Chairman and Chief Executive Officer, for the past financial year.

These components are the subject of a summary presentation in part 15.2.1 of the 2018 Reference document (page 112). A detailed presentation is also included in part 15.3.

"Ex-Post" vote on the compensation and benefits due or awarded for the financial year ended 31 December 2018 to the three Deputy Chief Executive Officers (eleventh to thirteenth resolutions)

As stated in the Board of Directors report on corporate governance (15.1 of the Reference document), and for the reasons set forth therein, the three Deputy Chief Executive Officers of the Company, who hold salaried positions within the Group, receive no compensation for their terms of office. As a result, no compensation components were paid or allocated for the 2018 financial year to Pierre Le Manh, Laurence Stoclet, and Henri Wallard in their capacity as Deputy Chief Executive Officers and for that reason are not subject to an "ex post" vote as strictly referred to in the Sapin II Law.

Nevertheless, for good governance purposes, the Board of Directors wanted to invite the shareholders to cast an advisory vote on the fixed, variable and non-recurring components of the total compensation and fringe benefits paid or allocated for the past year to each of the three Deputy Chief Executive Officers under their respective employment contracts.

These components are the subject of a summary presentation in part 15.2.2 of the 2018 Reference document (pages 112-113). A detailed presentation is also included in part 15.3.

Ex-Ante vote on the principles and criteria for the determination, distribution and allocation of the compensation attributable to the Chairman and Chief Executive Officer (fourteenth resolution) and to the three Deputy Chief Executive Officers (fifteenth resolution)

The so-called "ex-ante" vote described in the Sapin II Law involves the principles and criteria for the determination, distribution and allocation of the fixed, variable and non-recurring items comprising the total compensation and fringe benefits attributable to Executive Officers due to their office.

Strictly speaking, under the Sapin II Law, only the compensation policy for the Chairman and Chief Executive Officer is affected by this scheme, as the three Deputy Chief Executive Officers do not receive any compensation for their corporate office.

However, in a manner similar to the "ex-post" vote presented above and for purposes of good governance, an advisory vote is proposed for the compensation policy applicable to the Deputy Chief Executive Officers with regard to their salary.

Regarding the fourteenth resolution on the compensation policy applicable to the Chairman and CEO, we hereby inform you that, if this resolution is approved, the compensation policy approved will govern the determination of the compensation attributable to the Chairman and Chief Executive Officer for the current financial year and, as the case may be, subsequent years in the absence of any change in that policy. However, payment of the variable and exceptional components of this compensation in respect of 2019 will be conditional on prior approval at the General Meeting of Shareholders to be held in 2020 to approve the 2019 financial statements.

The compensation policy applicable to the Chairman and CEO and the one applicable, with regard to their salaries, to the Deputy Chief Executive Officers are specifically covered in a section of the Board of Directors' report on corporate governance that appears in section 15.1 of the Reference Document.

Authorisation to the Board of Directors to enable the Company to buy back its own shares, up to a maximum of 10% of its share capital (sixteenth resolution)

In its ninth resolution, the General Meeting of 4 May 2018 authorised the Board of Directors to purchase Company shares for a period of 18 months from the date of that Meeting for the purpose of complying with a certain number of objectives mentioned in the programme, including the following: to manage the secondary market and share liquidity; to cancel shares so acquired; and to grant stock options or free shares to the employees or directors and officers of the Ipsos group, or in the context of an external growth transaction.

Since this authorisation expires in 2019, it is proposed to the shareholders to grant a new authorisation to the Board of Directors to buy back Company shares in accordance with applicable laws and regulations and within certain limits to be set by the shareholders.

In particular, the authorisation to be granted to the Board of Directors would include limitations relating to (i) the maximum purchase price (€65 per share with a par value of €0.25 excluding transaction costs), (ii) the maximum allocation amount for the implementation of the buy-back programme (€250,000,000 after expenses) and (iii) the volume of shares which may be purchased in accordance with applicable laws and regulations (10% of the share capital of the Company as of the date of the General Meeting, it being stipulated that this ceiling is reduced to 5% when it applies to shares acquired by the Company for the purpose of their conservation and later remittance in payment or exchange in the context of an external growth transaction).

This authorisation would be given for a period of 18 months and would supersede the previous authorisation. It should be noted that this authorisation cannot be implemented by the Board of Directors while a takeover bid for the Company, submitted by a third party, is in progress.

As of 31 December 2018, Ipsos SA held 882,924 treasury shares, representing 1.99% of the share capital, including 34,979 shares under the liquidity contract and 847,945 shares outside the liquidity contract. The assessment of the treasury share transactions carried out in 2018 and the description of the way in which the previous share buyback programme was implemented appear in Section 21.1.3.1 of the Reference Document.

2. Extraordinary Resolutions

Authorisation to the Board of Directors to grant free shares already issued or to be issued (seventeenth resolution)

The proposed resolution aims, pursuant to Articles 225-197-1 *et seq.* of the French Commercial Code, to authorise the Board of Directors to grant free of charge, on one or more occasions, existing or newly issued shares of the Company to employees of the Company or the Ipsos Group and to the executive officers of the Company.

The shares would be subject to a minimum vesting period of three years from their being granted.

The allocation of shares will not be final until the vesting period expires, except in case of beneficiaries'death or disability. In such cases, the shares would immediately become vested and freely transferable.

Regarding the shares that would be allocated to the Company's eligible corporate officers, namely to its executive officers, their vesting would be subject to specific performance conditions and executives will be required to retain at least 25% of the shares acquired during their term of office.

This authorisation would be given for a period of 38 months. It would supersede the authorisation given in the eleventh resolution adopted by the General Meeting of 4 May 2018.

Furthermore, the total number of free shares granted under this authorisation presented for your approval may not exceed 1% each year of the total number of shares constituting the share capital of the Company at the grant date of those shares by the Board of Directors.

Moreover, this ceiling will not, for 2019, include the 44,032 free shares granted to employees who joined Ipsos because of the acquisition of Synthesio. These shares were granted between 1 January 2019 and the date of this General Meeting pursuant to the authorisation given by the General Meeting of Shareholders of 4 May 2018 in its 11th resolution to meet the needs of a specific growth transaction necessary for the development of Ipsos and the deployment of its new strategic plan.

It is important to note that this exceptional grant representing about 0.1% of the Ipsos share capital does not encumber the total amount usually used each year under the annual bonus share plans for free grants to employees to reward their performance and to maintain their loyalty, it being understood that such awards already cover a limited number of shares per beneficiary.

Furthermore, an issuance of new shares that may be carried out should this authorisation be used will be deducted from the maximum amounts authorised in the 21st resolution of the General Meeting of Shareholders of 4 May 2018;

A full description of Ipsos free share grants, including the manner in which the previous delegation was used in the previous financial year, is included in section 21.1.4.2.2 of the Reference Document. It also describes the performance criteria and other conditions governing the granting of free shares to executive officers. Details are also given concerning the free shares granted in February 2019 under the "Synthesio" plan as mentioned above.

Moreover, Ipsos endeavours to mitigate the dilutive effect of the free share plans by issuing the treasury shares previously purchased under the share buyback programme to beneficiaries on the vesting date.

Powers to carry out all legal formalities required to implement the decisions made at the General Meeting of Shareholders (eighteenth resolution)

The eighteenth resolution relates to the use of powers.

Appendices:

- Appendix 1: short biographies of Directors eligible for reappointment;
- Appendix 2: background of the director whose appointment is proposed.

Appendix 1 - Directors eligible for reappointment

Age: 67 years old

Nationality: French

Professional address: 47, Quai d'Austerlitz, 75013 Paris

Main role: Chief Economist at Natixis

Main skills and areas of expertise: Economics

Number of Ipsos shares held: 792

Patrick Artus

Independent Director and Chairman of the Audit Committee

Biography

Patrick Artus is currently Chief Economist at Natixis and Professor of Economics at PSE (Paris School of Economics). A graduate of the École Polytechnique, the École Nationale de la Statistique et de l 'Administration Economique (ENSAE) and the Institut d'études politiques de Paris, Mr. Artus began his career at the French National Institute of Statistics and Economic Studies (INSEE), where he mainly worked on forecasting and modelling. He went on to work in the Economics Department at the Organisation for Economic Co-operation and Development (OECD) in 1980, before being appointed as Director of Studies at ENSAE (1982-1985). He subsequently served as Scientific Advisor at the Banque de France Research Department, before moving to the Natixis Group as Head of Research. He has been a member of the Executive Committee since May 2013. He is also a member of the Cercle des Économistes.

Main appointments and positions in other companies

- France: Chief Economist at Natixis; Professor of Economics at PSE (Paris School of Economics); Total SA* (Independent Director, member of the Audit Committee, member of the Strategy & CSR Committee)

Main appointments and positions that have expired over the past five years

None

**Listed company*

Age: 56 years old
Nationality: British
Professional address: Ipsos - 35 rue du Val de Marne, 75013 Paris
Main role: Chief Client Officer of Ipsos
Main skills and areas of expertise: Executive Management, Transformation Programmes, IT/Digital
Number of Ipsos shares held: 7,674

Jennifer Hubber

Director, member of the CSR Committee

Biography

After obtaining an MBA from Bocconi University in Milan, Jennifer Hubber began her career in 1985 in the research sector, first on the client side at Pirelli and then with the agency AC Nielsen in Milan. In 1998, she joined Ipsos, where she has spent the past 20 years. Since January 2018, Ms. Hubber has headed the Global PartneRing programme ("IGP") for Ipsos' key clients. Previously, she managed Ipsos' Italian operations for almost three years, after serving in various roles that enabled her to gain solid client expertise and international development experience. Ms. Hubber was in charge of the WSBL ASI (advertising and brand research) in Western Europe for several years, and looked after one of Ipsos' main clients, Nestlé. Ms. Hubber is multilingual and speaks fluent English, French, Spanish and Italian.

Main appointments and positions in other companies

Within the Group:

- France: Ipsos Partners (Member of the Supervisory Board)
- Italy: Ipsos SRL (Chairwoman of Board of Directors and Executive Director)

Appointments and positions held outside the Group:

- HOPE Foundation (NGO) (Chairman)

Main appointments and positions that have expired over the past five years

None

Age: 64 years old

Nationality: Canadian

Professional address: 2 York Street, London W1U 6QD

Main role: Director Emeritus of McKinsey & Company

Main skills and areas of expertise: Strategy, Leadership, Organisation and Change Management Consulting

Number of Ipsos shares held: 1,000

Neil Janin
Independent Director, Chairman of the Nomination and Remuneration Committee

Biography

Neil Janin is Director Emeritus at McKinsey & Company and a strategy and leadership consultant for senior management of commercial and charitable organisations. Since 2010, he has held the position of Chairman of the Supervisory board of Bank of Georgie (Tbilisi and London), and member of the Board of Directors of HD (Center for Humanitarian Dialogue) (Geneva). From 1982 to 2010, Mr. Janin was involved in developing the "Organisation" & "Leadership" practices of McKinsey & Company in the fields of organisation consulting and change management. He worked as a consultant in strategy in various areas, including, but not limited to, bank activities, retail activities in all continents. Before joining McKinsey & Company, Mr. Janin worked for Chase Manhattan in New York and Paris and for Procter & Gamble in Toronto. He also had teaching and research functions at INSEAD (Institut européen d'administration des affaires) and HEC (École des Hautes Etudes Commerciales).

Main appointments and positions in other companies

- United Kingdom: Strategy and Leadership Consultant and Director Emeritus at McKinsey & Company; Bank of Georgia Holdings Plc* (Chairman of the Supervisory Board)
- Switzerland: HD (Center for Humanitarian Dialogue) (Director)

Main appointments and positions that have expired over the past five years

- United Kingdom: Georgia Healthcare Group (GHG) Plc (Member of the Supervisory Board)

Age: 52 years old

Nationality: French

Professional address: Ipsos - 35 rue du Val de Marne, 75013 Paris

Main role: Group Chief Financial Officer, Investments, Technology

Main skills and areas of expertise: Market Studies, Finance, Business Administration, Legal, Securities, IT, Market Research, Operations and Back-Office Functions

Number of Ipsos shares held: 68,489

Laurence Stoclet
Director and Deputy Chief Executive Officer of Ipsos SA

Biography

With an MBA from ESCP Europe (banking & finance), Laurence Stoclet led the ESCP research association, specialising in market research, for three years. She also holds a postgraduate diploma in accounting and finance. She was an audit and consulting manager at Arthur Andersen for more than six years before joining the listed company Metaleurop as head of treasury and investor relations for two years. She joined Ipsos as Chief Financial Officer in 1998. She was notably in charge of the Company's initial public offering on 1 July 1999. Since 2010, she has been deputy CEO and in charge of the finance department and several support functions for the Group. She also oversees investments in new technologies and is director of a Chinese fund - "Oneworld" - in which Ipsos holds a 40% stake. Oneworld invests in big data and platforms. She also sits on the Group's investment committee and directly oversaw the acquisitions made in 2018 of GfK Research and Synthesio. She chairs or is member of the Board of Directors of the Group's main subsidiaries.

Main appointments and positions in other companies

Within the Group:

- France: Ipsos Group GIE (Director); Ipsos Stat (Chairwoman and Chief Executive Officer); Ipsos Strategic Puls (Chairwoman and Chairwoman of the Board of Directors); Synthesio (Chairwoman);
- Australia: Ipsos Proprietary Ltd, Ipsos Public Affairs Pty Ltd, I-View Proprietary Ltd (Director);
- Canada: Ipsos-Insight Corporation, Ipsos NPD Inc. (Director);

	• China: Oneworld (Director); • Cameroun: Ipsos (Chairman of the board of directors); • Colombia: Ipsos Napoleon Franco & Cia SAS; • Denmark: Ipsos AS (Chairman); • Germany: Ipsos GmbH, 1-2-3 MysteryWorldNet GmbH (Chief Executive Officer); • Hong Kong: Ipsos Asia Ltd, Ipsos Ltd, Synovate Ltd, Ipsos China Ltd, Ipsos Observer Ltd (Director); • India: Ipsos Research Pvt Ltd (Director); • Indonesia: PT Ipsos Market Research Ltd, PT Field Force Indonesia (Chairman of the Supervisory Board); • Ireland: Ipsos Ltd (Director); • Italy: Ipsos S.r.l. (Director); • South Korea: Ipsos Co. Ltd (Director); • Malaysia: Ipsos Sdn Bhd (Director); • Mexico: Ipsos SA de CV (Director); • New Zealand: Ipsos Ltd (Director); • Norway: Ipsos AS (Chairman of the Board of Directors); • Peru: Ipsos Opinion y Mercado S.A. (Director); • Poland: Ipsos sp.z.o.o. (Chairwoman and Legal Representative); • Spain: Ipsos Iberia S.A.U., Ipsos Understanding Unlimited S.A.U. (Directors); • Thailand: Ipsos Ltd, IJD Ltd, Synovate Ltd (Director); • Turkey: Recon Arastirma Danismanlik AS, Ipsos Arastirma ve Danismanlik AS (Member of the Board of Directors); • Netherlands: Synovate Holdings BV, Ipsos BV (Director); • United States: Ipsos-Insight, LLC, Ipsos Interactive Services US LLC, Research Data Analysis, Inc., Ipsos MMA, Inc., Ipsos Public Affairs, LLC (Director); Ipsos America Inc (Vice Chairwoman); • United Kingdom: Ipsos MORI UK Ltd, Ipsos Interactive Services Limited, Livra Europe Ltd, Ipsos Pan Africa Holdings Ltd, Synovate Healthcare Ltd, Ipsos EMEA Holdings Ltd, Ipsos Mystery Shopping UK Ltd, Ipsos Mystery Shopping Services UK Ltd (Director); • Czech Republic: Ipsos S.R.O. (Directors); • Singapore: Ipsos Pte Ltd (Director); • Sweden: Ipsos Norm A.B. (Directors); **Appointments and positions held outside the Group:** • France: DT & Partners (Chief Executive Officer). **Main appointments and positions that have expired over the past five years** • Netherlands: Synovate Treasury BV (Director); Ipsos Latin America BV (Co-manager) • United Kingdom: Synovate Management Services Ltd (Director); Big Sofa Technologies Group Plc (Director) • France: LT Participations (Deputy Chief Executive Officer; Permanent Representative of DT & Partners)

Appendix 2 - Director whose appointment is proposed

Age: 66 years old

Nationality: French

Professional address : 19 rue d’Edimbourg, 75008 Paris

Main role: Consultant and company director

Main skills and areas of expertise: Financial communication, strategy, governance and compliance consulting

Number of Ipsos shares held: 0

Eliane Rouyer-Chevalier

Biography

With a master's degree in Economics from Université Paris II Assas, Eliane Rouyer-Chevalier joined the Accor Group in 1983, where she held the positions of Head of International Financing and Currency Cash Management before taking the management, from 1992, of the Investor Relations and Financial Communication Department. From 2010 to 2012, she was a member of the Executive Committee of Edenred, a company that emerged from the split of the Accor Group, as Vice President in charge of corporate, financial and corporate social responsibility communication. In 2013, she founded ERC Consulting, advising corporate executives and their executive committees. She has also been a consultant to the World Bank (IFC) since 2016. Ms. Rouyer-Chevalier also holds other offices as an independent director. In particular, since 2011, she has had a seat on the Board of Legrand SA, where she also chairs the Audit Committee and is a member of the Compensation Committee, and since 2018, she has been an independent director of Vigéo Eiris. She is Honorary President of the French Association of Investor Relations (CLIFF), having chaired that association from 2004 to 2014. She is co-founder and administrator of the association Time2Start, created in 2016, which trains young people from disadvantaged neighborhoods in entrepreneurship.

Main appointments and positions in other companies

Consultant and company director

- France: Legrand SA* (Independent Director, Chairwoman of the Audit Committee, Member of the Compensation Committee); Vigeo Eiris SAS (Independent Director); ERC Consulting (SAS) (Chairwoman); Cliff Investor relations (Honorary Chairwoman); Fédération des Investisseurs Individuels et des Clubs d'investissement (F2IC) (Director); Time2Start (Director); Institut du Capitalisme Responsable (Member of Panel of Experts);

Main appointments and positions that have expired over the past five years

- France: Cliff Investor relations (Chairwoman); Observatoire de la Communication Financière (Vice Chairwoman); Institut français du tourisme (Director), Cercle de la compliance (Director)

**Listed company*

26.2. Draft resolutions submitted to the Ordinary and Extraordinary General Meeting to be held on 28 May 2019

Agenda

Ordinary Resolutions

1 Approval of the Company's financial statements for the financial year ended 31 December 2018

2 Approval of the consolidated financial statements for the financial year ended 31 December 2018

3 Allocation of profit for the financial year ended 31 December 2018 and setting a dividend of €0.88 per share

4 Regulated agreements

5 Reappointment of Patrick Artus as Director

6 Reappointment of Jennifer Hubber as Director

7 Reappointment of Neil Janin as Director

8 Reappointment of Laurence Stoclet as Director

9 Appointment of Eliane Rouyer-Chevalier as a Director

10 Approval of the compensation and benefits due or awarded for the financial year ended 31 December 2018 to Didier Truchot, Chairman and Chief Executive Officer

11 Approval of the compensation and benefits due or awarded for the financial year ended 31 December 2018 to Pierre Le Manh, Deputy CEO

12 Approval of the compensation and benefits due or awarded for the financial year ended 31 December 2018 to Laurence Stoclet, Deputy CEO

13 Approval of the compensation and benefits due or awarded for the financial year ended 31 December 2018 to Henri Wallard, Deputy CEO

14 Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and non-recurring items comprising the total compensation and fringe benefits for the Chairman and Chief Executive Officer

15 Approval of the principles and criteria for the determination, distribution and allocation of the fixed, variable and non-recurring items comprising the total compensation and fringe benefits for the Deputy Chief Executive Officers

16 Authorisation to the Board of Directors to enable the Company to buy back its own shares, up to a maximum of 10% of its share capital

Extraordinary Resolutions

17 Authorisation to be given to the Board of Directors to grant free shares already issued or to be issued to employees of the Company and companies in the Group and the Company's eligible directors and officers, without preferential subscription rights for shareholders

18 Powers to carry out legal formalities relating to the decisions of the General meeting of Shareholders.

Proposed Resolutions

Ordinary Resolutions

1st resolution:

APPROVAL OF THE COMPANY'S FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

The General Meeting, voting in accordance with the quorum and majority rules for Ordinary General Meetings, and after having considered the management report prepared by the Board of Directors and the report of the Statutory Auditors on the Company's annual financial statements for the financial year ended 31 December 2018, approves the Company's annual financial statements for such financial year as presented, as well as the transactions reflected in said statements and summarised in such reports.

2nd resolution:

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

The General Meeting, voting in accordance with the quorum and majority rules for Ordinary General Meetings, and after having considered the management report prepared by the Board of Directors and the report of the Statutory Auditors on the consolidated financial statements for the financial year ended 31 December 2018, approves the consolidated financial statements for such financial year as presented, as well as the transactions reflected in said statements and summarised in such reports.

3rd resolution:

ALLOCATION OF PROFIT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 AND SETTING A DIVIDEND OF €0.88 PER SHARE

The General Meeting, voting in accordance with the quorum and majority rules for Ordinary General Meetings, and after having considered the management report prepared by the Board of Directors, decides upon proposal of the Board of Directors to allocate the profit of the financial year ended 31 December 2018, which amounts to €23,425,986, as follows:

Origin of the income to be allocated:	
Profits from the financial year	€23,425,986
Prior retained earnings	€133,923,369
Total	**€157,349,355**
Allocation of profit:	
Dividend	€38,326,914
Balance, to the retained earnings account	€119,022,441
Total	**€157,349,355**

The General Meeting resolves that a dividend of €0.88 per share be paid in respect of the financial year ended 31 December 2018, and attached to each of the shares conferring rights thereto.

The dividend to be distributed will be detached from the shares on 1 July 2019. The dividend payment shall take place on 3 July 2019.

The aggregate amount of dividend of €38,326,914 was determined on the basis of a number of shares comprising the share capital of the Company equal to 44,436,235 as at 31 December 2018 and a number of shares held by the Company equal to 882,924 as at the same date.

The aggregate amount of the dividend and, consequently, the amount of the carry forward shall be adjusted in order to take into account the number of shares held by the Company at the date of payment of the dividend and, if applicable, the issue of shares in case of definitive attribution of free shares.

Under Articles 117 quater and 200 A of the French General Tax Code, dividends received since 1 January 2018 are subject (in their gross amount and unless there is an income-based exemption) to a flat tax (PFU), except if opting for application of the progressive income tax scale.

If opting for the progressive scale, the dividend is eligible for the 40% deduction, pursuant to Article 243 bis of the French General Tax Code, available to individual taxpayers whose tax residence is in France, and is established by Article 158, Paragraph 3, Subsection 2 of the French General Tax Code.

As a reminder, the dividend distributed for the three previous financial years was as follows:

Financial year	Net dividend per share	Proportion of the dividend eligible towards the allowance[1]
2017	€0.87	100% - progressive taxation option only
2016	€0.85	100%
2015	€0.80	100%

[1]40% tax allowance referred to in paragraph 3, subsection 2° of Article 158 of the French General Tax Code.

4th resolution:

REGULATED AGREEMENTS

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings, having reviewed the special report of the Statutory Auditors on the agreements and commitments referred to in Articles L.225-38 *et seq.* of the French Commercial Code, hereby notes that this report recognises the absence of any new agreement that falls within the scope of Article L.225-38 cited above and occurred during the financial year ended 31 December 2018. The General Meeting further notes the information on the agreements entered into and authorised in previous financial years, whose performance was continued during the past financial year, and mentioned in that report, which were examined again by the Board of Directors at its meeting of 27 February 2019 pursuant to Article L.225-40-1 of the French Commercial Code.

5th resolution:

REAPPOINTMENT OF PATRICK ARTUS AS DIRECTOR

The General Meeting, voting in accordance with the quorum and majority rules for Ordinary General Meetings, notes that Patrick Artus' term as Director expires at the end of this General Meeting, and resolves, as proposed by the Board of Directors, to renew said office as director for a four-year term, which shall expire at the close of the General Meeting called to vote on the Company's financial statements for the financial year ending on 31 December 2022.

6th resolution:

REAPPOINTMENT OF JENNIFER HUBBER AS DIRECTOR

The General Meeting, voting in accordance with the quorum and majority rules for Ordinary General Meetings, notes that Jennifer Hubber's term as Director expires at the end of this General Meeting, and resolves, as proposed by the Board of Directors, to renew said office for a four-year term, which shall expire at the close of the General Meeting called to vote on the Company's financial statements for the financial year ending on 31 December 2022.

7th resolution:

REAPPOINTMENT OF NEIL JANIN AS DIRECTOR

The General Meeting, voting in accordance with the quorum and majority rules for Ordinary General Meetings, notes that Neil Janin's term as Director expires at the end of this General Meeting, and resolves, as proposed by the Board of Directors, to renew said office as director for a four-year term, which shall expire at the close of the General Meeting called to vote on the Company's financial statements for the financial year ending on 31 December 2022.

8th resolution:

REAPPOINTMENT OF LAURENCE STOCLET AS DIRECTOR

The General Meeting, voting in accordance with the quorum and majority rules for Ordinary General Meetings, notes that Laurence Stoclet's term as Director expires at the end of this General Meeting, and resolves, as proposed by the Board of Directors, to renew said office for a four-year term, which shall expire at the close of the General Meeting called to vote on the Company's financial statements for the financial year ending on 31 December 2022.

9th resolution:

APPOINTMENT OF ELIANE ROUYER-CHEVALIER AS A DIRECTOR

The General Meeting, voting in accordance with the quorum and majority rules for Ordinary General Meetings, hereby resolves to appoint Eliane Rouyer-Chevalier as a director, effective as of this date, for a four-year term, which shall expire at the close of the General Meeting called to vote on the Company's financial statements for the financial year ending on 31 December 2022.

10th resolution:

APPROVAL OF THE COMPENSATION AND BENEFITS DUE OR AWARDED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 TO DIDIER TRUCHOT, CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The General Meeting, voting in accordance with the quorum and majority rules required for Ordinary General Meetings, approves, pursuant to Articles L.225-37-2 and L.225-100 of the French Commercial Code, the fixed, variable, and non-recurring components of the total compensation and fringe benefits due or allocated for the financial year ended 31 December 2018 in respect of his tenure to Didier Truchot, Chairman and Chief Executive Officer of the Company, as set out in the Board of Directors' report on corporate governance prepared in accordance with Article L.225-37 of the FCC.

11th resolution:

APPROVAL OF THE COMPENSATION AND BENEFITS DUE OR AWARDED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 TO PIERRE LE MANH, DEPUTY CEO

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings pursuant to Articles L.225-37-2 and L.225-100 of the French Commercial Code, duly notes as needed that no compensation was paid or allocated, for the year ended 31 December 2018, to Pierre Le Manh, in respect of his tenure as Deputy Chief Executive Officer, as mentioned in the Board of Directors' report on corporate governance. The General Meeting further approves, in an advisory capacity, the fixed, variable and non-recurring components of the total compensation and fringe benefits paid or allocated in respect of the past financial year to Pierre Le Manh under his employment contract, as presented in that same report.

12th resolution:

APPROVAL OF THE COMPENSATION AND BENEFITS DUE OR AWARDED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 TO LAURENCE STOCLET, DEPUTY CEO

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings pursuant to Articles L.225-37-2 and L.225-100 of the French Commercial Code, duly notes as needed that no compensation was paid or allocated, for the year ended 31 December 2018, to Laurence Stoclet, in respect of her tenure as Deputy Chief Executive Officer, as mentioned in the Board of Directors' report on corporate governance. The General Meeting further approves, in an advisory capacity, the fixed, variable and non-recurring components of the total compensation and fringe benefits paid or allocated in respect of the past financial year to Laurence Stoclet under her employment contract, as presented in that same report.

13th resolution:

APPROVAL OF THE COMPENSATION AND BENEFITS DUE OR AWARDED FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 TO HENRI WALLARD, DEPUTY CEO

The General Meeting, voting in accordance with the quorum and majority requirements for Ordinary General Meetings pursuant to Articles L.225-37-2 and L.225-100 of the French Commercial Code, duly notes as needed that no compensation was paid or allocated, for the year ended 31 December 2018, to Henri Wallard in respect of his tenure as Deputy Chief Executive Officer, as mentioned in the Board of Directors' report on corporate governance. The General Meeting further approves, in an advisory capacity, the fixed, variable and non-recurring components of the total compensation and fringe benefits paid or allocated in respect of the past financial year to Henri Wallard under his employment contract, as presented in that same report.

14th resolution:

APPROVAL OF THE PRINCIPLES AND CRITERIA FOR THE DETERMINATION, DISTRIBUTION AND ALLOCATION OF THE FIXED, VARIABLE AND NON-RECURRING COMPONENTS COMPRISING THE TOTAL COMPENSATION AND FRINGE BENEFITS ATTRIBUTABLE TO THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The General Meeting, voting in accordance with the quorum and majority rules for Ordinary General Meetings, after having considered the Board of Directors' report on corporate governance, approves, pursuant to Article L.225-37 of the FCC, the principles and criteria for the determination, distribution and allocation of the fixed, variable and non-recurring components of the total compensation and fringe benefits attributable to the Chairman and Chief Executive Officer in respect of his tenure, as detailed in the above-mentioned report.

15th resolution:

APPROVAL OF THE PRINCIPLES AND CRITERIA FOR THE DETERMINATION, DISTRIBUTION AND ALLOCATION OF THE FIXED, VARIABLE AND NON-RECURRING COMPONENTS COMPRISING THE TOTAL COMPENSATION AND FRINGE BENEFITS ATTRIBUTABLE TO THE DEPUTY CHIEF EXECUTIVE OFFICERS

The General Meeting, voting in accordance with the quorum and majority rules for Ordinary General Meetings, after having considered the Board of Directors' report on corporate governance, duly notes as needed, pursuant to Article L.225-37 of the FCC, that there was no compensation for the Deputy Chief Executive Officers in respect of their tenure and approves, in an advisory capacity, the principles and criteria for the determination, distribution and allocation of the fixed, variable and non-recurring components of the total compensation and fringe benefits attributable to the Deputy Chief Executive Officers under their employment contracts, as detailed in the above-mentioned report.

16th resolution:

AUTHORISATION TO THE BOARD OF DIRECTORS TO ENABLE THE COMPANY TO BUY BACK ITS OWN SHARES, UP TO A MAXIMUM OF 10% OF ITS SHARE CAPITAL

The General Meeting, voting in accordance with the quorum and majority rules for Ordinary General Meetings and after having considered the report by the Board of Directors, authorises the Company, pursuant to Articles L.225-209 *et seq.* of the French Commercial Code, Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014, and market practices approved by the AMF, for the reasons and subject to the terms and conditions detailed below, to purchase Company shares, in order to:

(i) manage the secondary market and share liquidity through an investment services provider within the scope of a liquidity agreement;

(ii) grant, sell, allocate or transfer shares to employees and/or executive officers of the Company and/or its affiliated companies in accordance with applicable regulations, in particular in connection with Company or Ipsos group savings plans, the shareholding plans for Company employees and/or its affiliated companies in France and/or abroad, or stock option plans of the Company and/or its affiliated companies in France and/or abroad, or the granting by the Company or its affiliated companies of free shares to employees or executive officers of the Company and/or its affiliated companies in France and/or abroad (whether or not pursuant to Articles L.225-197-1 *et seq.* of the French Commercial Code), as well as providing cover for such transactions in accordance with applicable regulations;

(iii) deliver the shares so purchased to the holders of securities giving access to the Company's share capital upon exercise of the rights attached thereto, in accordance with applicable regulations;

(iv) deliver in the future the shares so purchased in exchange or payment for potential external growth transactions;

(v) cancel shares thus purchased, subject to adoption of the tenth resolution of this General Meeting;

(vi) execute any other action that is or will become permitted by French law or the AMF regulation, or more generally, any action that complies with applicable regulations.

This authorisation may be implemented subject to and in accordance with the following terms and conditions:

- the maximum number of shares purchased by the Company during the buy-back programme shall not exceed 10% of the shares comprising the Company's capital as of the date of this General Meeting of Shareholders, it being clearly stated that this ceiling is lowered to 5% for shares acquired by the Company for the purpose of their conservation and subsequent remittance in payment or exchange in the context of an external growth transaction;

- the aggregate amount of such purchases, after expenses, cannot exceed €250,000,000;

- the maximum purchase price under the share buy-back programme cannot exceed €65 per share, with a par value of €0.25, excluding transaction costs;

- in no case shall any acquisitions made by the Company cause the Company to retain more than 10% of the ordinary shares comprising its share capital at any time.

The purchase, sale or transfer of shares may be performed at any time, except during a public tender offer for the Company's shares filed by a third party, and by any means, on the open market or over the counter, including through block trades, public tender offers or the use of options (except for the sale of put options) or forward financial instruments traded on a regulated market or over the counter or through the issue of securities convertible, exchangeable, redeemable or otherwise exercisable for shares of the Company, in accordance with the conditions provided by the market authorities and applicable regulations.

The Shareholders' meeting gives full powers and authority to the Board of Directors (including the power of delegation subject to applicable regulations) to:

- implement this authorisation;

- place any and all buy and sell orders, and enter into any and all agreements, in particular for the keeping of registers of share purchases and sales, in accordance with applicable regulations;

- carry out any and all filings and other formalities, and generally do whatever is necessary.

The Board of Directors will detail in its report to the Shareholders' meeting all transactions carried out under this authorisation. This authorisation is granted for a period of 18 months from the date of this General meeting. This authorisation supersedes and cancels, as of the date hereof, the authorisation given by the General Meeting of 4 May 2018 in its ninth resolution.

Extraordinary Resolutions

17th resolution:

AUTHORISATION TO BE GIVEN TO THE BOARD OF DIRECTORS TO GRANT FREE SHARES ALREADY ISSUED OR TO BE ISSUED, TO BENEFIT EMPLOYEES OF THE COMPANY AND COMPANIES IN THE GROUP AND THE COMPANY'S ELIGIBLE DIRECTORS AND OFFICERS, WITHOUT PREFERENTIAL SUBSCRIPTION RIGHTS FOR SHAREHOLDERS

The General Meeting, voting in accordance with the quorum and majority rules for Extraordinary General Meetings, having considered the report of the Board of Directors, and the special report of the Statutory Auditors, and pursuant to the provisions of Articles L. 225-197-1 et seq. of the French Commercial Code:

- authorises the Board of Directors to make, when and in the proportions that the Board shall determine, one or more free allocations of existing or newly-issued shares in the Company, to benefit employees or certain categories of employees, whether they belong to the Company or to companies affiliated with it, within the meaning of Article L.225-197-2 of the FCC, in France or abroad, as well as eligible directors and officers of the Company;

- resolves that the total number of free shares allocated under this authorisation cannot exceed 1% per year of the total number of shares comprising the Company's share capital on the date of the Board's decision to allocate free shares, not counting for 2019 the 44,062 free shares allocated between 1 January 2019 and the date of this General Meeting in the context of the authorisation given by the General Meeting of Shareholders of 4 May 2018 in its 11th resolution, it being specified that if there are free share allocations to be issued by the Company in the context of this authorisation, these issuances will be counted against the ceilings mentioned in the 21st resolution of the General Meeting of Shareholders of 4 May 2018;

- resolves that the allocation of shares to their beneficiaries will only be final at the end of a vesting period, the length of which will be set by the Board of Directors, but not less than 3 years, during which period the Board may, as applicable, add a holding period during which the beneficiaries shall hold said shares;

- resolves that in the event of the death or disability of the beneficiary corresponding to classification in the second or third categories set out in Article L. 341-4 of the French Social Security Code, the shares allocated to him or her will be vested before the end of the vesting period, and will furthermore be immediately transferable;

- resolves (i) that this authorisation may be used to allocate free shares to eligible executive officers of the Company, and renders the allocation of shares to executive officers under this authorisation conditional on the fulfilment of two performance conditions determined by the Board of Directors upon the decision, as proposed by the Appointment and Compensation Committee, (ii) that the shares allocated annually to each of these officers will not represent a percentage higher than 0.03% of the share capital, as noted on the date of the Board's decision to allocate shares, which will be counted against the ceiling of 1% of the aforementioned share capital, (iii) that these officers shall hold at least 25% of the shares acquired under this authorisation during their terms of office, and cannot carry out any risk hedging on said shares during that time;

- notes that this authorisation, in favour of the beneficiaries, waives the shareholders' preferential subscription right to the shares that will be issued pursuant to this resolution.

The General Meeting grants the Board of Directors full powers, with the power to delegate pursuant to law, to implement this authorisation within the limits set by the laws and regulations in force, specifically to:

- determine whether the freely-allocated shares are newly-issued or existing shares;
- determine the list or categories of beneficiaries;
- set the share allocation conditions and, as applicable, criteria, particularly the length of the vesting period and the length of the holding period imposed on each beneficiary;
- provide the option of temporarily suspending the beneficiaries' rights to allocation;
- note the final allocation dates and the dates after which the shares may be freely transferred, in view of applicable legal restrictions;
- during the vesting period, make the necessary adjustments to the number of freely-allocated shares, for the purpose of preserving the beneficiaries' rights;
- in case of issuances of new shares, (i) charge, as applicable, against reserves, profits, or share premiums, the sums required to pay up the shares, (ii) note the completion of share capital increases pursuant to this authorisation, (iii) make the corresponding changes to the articles of association;
- and generally, take all useful measures and enter into all agreements to achieve the success of the planned share allocations.

This authorisation is granted for a period of 38 months from the date of this General Meeting. As of that date, it puts an end to the authorisation having the same purpose granted to the Board of Directors by the General Meeting of Shareholders on 4 May 2018 in its 11th resolution.

18th resolution

POWERS TO CARRY OUT LEGAL FORMALITIES REQUIRED TO IMPLEMENT THE DECISIONS OF THE GENERAL MEETING OF SHAREHOLDERS

The Shareholders' meeting gives full powers to the bearer of an original, extract or copy of the minutes of this Shareholders' meeting to carry out any and all filings and other formalities required by law in order to implement the decisions of the General Meeting of Shareholders.

Cross-reference Tables

27.1. Cross-reference table regarding the European regulation

The following table provides a list cross-referencing the main headings required under Commission Regulation (EC) N°809/2004, in application of Directive 2003/71/EC, called the “Prospectus” Directive; and the Sections, Chapters and pages in the present Reference document on which the information can be found. Information that is not applicable to Ipsos SA is indicated as N/A.

	European Legislation	Section	Page
1.	**Persons responsible**		
1.1	Persons responsible for the information	1.1	8
1.2	Declaration by the persons responsible	1.2	8
2.	**Statutory Auditors**		
2.1	Names and addresses	2	9
2.2	Resignation/non-renewal of appointments	2	9
3.	**Selected financial information**		
3.1	Presentation for each financial year of the period covered	3	11
3.2	Presentation for interim periods	N/A	N/A
4.	**Risk factors**	4	12 to 17
5.	**Information about the issuer**		
5.1	History and development of Ipsos SA	5.1	18 to 22
5.1.1	Legal and commercial name of the issuer	5.1.1	18
5.1.2	Registration of the issuer	5.1.2	18
5.1.3	Date of incorporation	5.1.3	18
5.1.4	Registered seat and legal form of the issuer	5.1.4	18
5.1.5	Significant events	5.1.5	18 to 22
5.2	Investments	5.2	22 to 24
5.2.1	A description (including the amount) of the issuer’s principal investments for each financial year for the period covered by the historical financial information up to the date of the Reference document	5.2.1	22
5.2.2	A description of the issuer’s principal investments that are in progress, including the geographic distribution of these investments (home and abroad) and the method of financing (internal or external)	5.2.2	23
5.2.3	Information concerning the issuer’s principal future investments on which its management bodies have already made firm commitments	5.2.3	24
6.	**Business overview**		
6.1	Main activities	6.1	26 to 34
6.1.1	Nature of the issuer’s operations	6.1.1 to 6.1.6	27 to 34
6.1.2	New products	6.1.3	28 to 32
6.2	Main markets	6.2	35
6.3	Exceptional factors	N/A	N/A
6.4	Extent of dependency on patents, licences or contracts	6.3.3	37
6.5	Competitive position	6.4	37 to 38
7.	**Organisational structure**		
7.1	Group structure	7	39 to 42
7.2	List of subsidiaries	7.2 to 7.4 ; 20.2 (note 7.1)	39 to 42 ; 213
8.	Properties, plants and equipments		
8.1	Important tangible assets	5.3	24
8.2	Environmental issues	8 ; 8.4	43 ; 71 to 74
9.	**Review of the company’s financial situation**		
9.1	Financial situation	9.1	81
9.2	Operating results	9.2	81 to 86
9.2.1	Information regarding significant factors, including unusual or infrequent events or new developments, materially affecting the issuer’s income from operations, indicating the extent to which income was so affected	9.2	81 to 86
9.2.2	Where the financial statements disclose material changes in net sales or revenue, provide a narrative discussion of the reasons for such changes	9.2	81 to 86
9.2.3	Information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer’s operations	9.2 ; 12	81 ; 88
10.	**Cash and capital resources**		

	European Legislation	Section	Page
10.1	Issuer's capital resources (short- and long-term)	10.1	87
10.2	Source, description and amount of issuer's cash flows	10.2	87
10.3	Issuer's borrowing requirements and funding structure of the issuer	10.3	87
10.4	Restrictions on the use of capital resources	10.4	87
10.5	Sources of expected financing to honor our engagements relating to investment decisions	10.5	87
11.	**Research and development**	11	87
12.	**Information on trends**		
12.1	Most significant trends	12	88
12.2	Factors likely to have a material effect on the issuer's prospects	12	88
13.	**Profit forecasts or estimates**	13	89
14.	**Board of Directors and management bodies**		
14.1	Information relating to members of the administrative and management bodies	14.1 ; 16.4.3	91 to 102 ; 128 to 140
14.2	Conflicts of interest in administrative and management bodies	14.2 ; 16.4.3	102 ; 130
15.	**Compensation and benefits**		
15.1	Compensation and benefits paid	15; 26.1 & 26.2 (10th to 15th resolutions)	103 to 125 ; 267, 268 ; 276, 277
15.2	Total amounts set aside	20.2 (note 6.7.4)	212
16.	**Functioning of the corporate and management bodies**		
16.1	Date of expiration of current term of mandate	14.1.1.1	92
16.2	Information about services agreements with affiliate members	16.2	126
16.3	Compliance of the issuer with the corporate governance regime in its country of incorporation	16.4.1	126
17.	**Employees**		
17.1	Number of employees and breakdown by main category of activity and geographic location	8.2.1 ; 17.1	51 ; 146
17.2	Shareholdings, stock options and free share attribution	8.2.5 ; 21.1.4.2	60 ; 249
17.3	Agreements for involving the employees in the issuer's capital	8.2.5	60
18.	**Major shareholders**		
18.1	Crossings of thresholds	18.1	147 ; 148
18.2	Whether the issuer's major shareholders have different voting rights	18.2	149
18.3	Control	18.3	149
18.4	A description of any arrangements regarding a change in control of the issuer	18.4.1	149
19.	**Related-party transactions**	19	151
20.	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**		
20.1	Historical financial information	3 ; 20.2 ; 20.4	11 ; 159 ; 223
20.2	Pro forma financial information	N/A	N/A
20.3	Financial statements	20.2 ; 20.4	159 ; 223
20.4	Auditing of historical annual financial information	20.1 ; 20.3	155 ; 220
20.4.1	A statement that the historical financial information has been audited	1.2	8
20.4.2	Indication of other information in the Reference document which has been audited by the auditors	N/A	N/A
20.4.3	Where financial data in the Reference document is not extracted from the issuer's audited financial statements, state the source of the data and state that the data is unaudited	N/A	N/A
20.5	Age of latest financial information	20.5	238
20.6	Interim and other financial information	N/A	N/A
20.6.1.	If the issuer has published quarterly or half-yearly financial information since the date of its last audited financial statements, these must be included in the Reference document. If the quarterly or half-yearly financial information has been reviewed or audited, the audit or review report must also be included. If the quarterly or half-yearly financial information is unaudited or has not been reviewed, state that fact	N/A	N/A

	European Legislation	Section	Page
20.6.2	If the Reference document is dated more than nine months after the end of the last audited financial year, it must contain interim financial information, which may be unaudited (in which case that fact must be stated) covering at least the first six months of the financial year. The interim financial information must include comparative statements for the same period in the prior financial year, except that the requirement for comparative balance sheet information may be satisfied by presenting the year-end balance sheet	N/A	N/A
20.7	Dividend policy	20.6	238
20.7.1	The amount of the dividend per share for each financial year for the period covered by the historical financial information, adjusted, where the number of shares in the issuer has changed, to make it comparable	9.2.2	85
20.8	Legal and arbitration proceedings	20.7	238
20.9	Significant change in the issuer's financial or commercial position	20.8	238
21.	**Additional information**		
21.1	Share capital	21.1	241
21.1.1	The amount of issued capital, for each class of shares	21.1.1	241
21.1.2	If there are shares not representing capital, state the number and main characteristics of such shares	21.1.2	241
21.1.3	The number, book value and face value of shares in the issuer held by or on behalf of the issuer or by subsidiaries of the issuer	21.1.3	242
21.1.4	The amount of any convertible securities, exchangeable securities or securities with warrants, with an indication of the conditions governing and the procedures for conversion, exchange or subscription	N/A	N/A
21.1.5	Information about and terms of any acquisition rights and/or obligations over authorised but unissued capital or an undertaking to increase the capital	21.1.5	255
21.1.6	Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate	21.1.6	255
21.1.7	History of the share capital	21.1.7	256
21.2	Memorandum and articles of association	21.2	259
21.2.1	A description of the issuer's objects and purposes and where they can be found in the memorandum and articles of association	21.2.1	259
21.2.2	Directorship	21.2.2	259
21.2.3	A description of the rights, preferences and restrictions attached to each class of existing shares	21.2.3	259
21.2.4	A description of what action is necessary to change the rights of holders of the shares, indicating where the conditions are more stringent than is required by law	21.2.4	260
21.2.5	A description of the conditions governing the manner in which Annual General Meetings and Extraordinary General Meetings of Shareholders are called, including the conditions of admission	16.4.7	142
21.2.6	A brief description of any provision of the issuer's articles of association, statutes, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the issuer	21.2.5	260
21.2.7	An indication of the articles of association, statutes, charter or bylaw provisions, if any, governing the ownership threshold above which shareholder ownership must be disclosed	21.2.6	260
21.2.8	A description of the conditions imposed by the memorandum and articles of association, statutes, charter or bylaws governing changes in the capital, where such conditions are more stringent than is required by law	21.2.7	261
22.	**Material contracts**	22	262
23.	**Third party information and statement by experts and declarations of any interest**	23	262
23.1	Where a statement or report attributed to a person as an expert is included in the Reference document, provide such person's name, business address, qualifications and material interest if any in the issuer. If the report has been produced at the issuer's request, a statement to the effect that such statement or report is included, in the form and context in which it is included, with the consent of the person who has authorised the contents of that part of the Reference document	N/A	N/A
23.2	Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition, identify the source(s) of the information	N/A	N/A
24.	**Publicly available documents**	24 +Cross-reference Annual Management Report	263
25.	**Information on holdings**	25	264

27.2. Cross-reference table of the Annual Management Report provided for in articles L.225-100 and seq. of the French Commercial Code

This Reference document includes all the information of the Annual Management Report mentioned by articles L.225-100 of the French Commercial Code, as identified in the cross-reference table below:

Sections of the Annual Management Report	Section	Page
1. Information regarding the activities and the results of the Company and the Group		
Objective and comprehensive analysis of changes in the business, results and financial position of the Company and Group, and in particular the debt position, in light of the volume and complexity of the business	9	81
Position of the Company and Group during the last fiscal year	6 ; 9	26 ; 81
Company and Group foreseeable trends and outlooks	12 ; 13	88 ; 89
Significant changes since the end of the fiscal year	20.2 (note 6.8) ; 20.8.	212 ; 238
Research and development activities	11	87
Company's existing branch offices	N/A	N/A
Activities and results of the Company, its subsidiaries and the controled companies (consolidated group)	6 ; 9	26 ; 81
Key financial and, if applicable, non-financial performance indicators relating to the specific activities of the Company and Group, and in particular information regarding environmental and social issues	8 ; 9	43 ; 81
2. Risk factors		
Description of the principal risks and uncertainties faced by the Company and Group companies	4	12
Company and Group's objectives and policies relating to financial risk management inclunding the hedging policy	20.2 (note 6.2)	203
Information on the financial risks related to the effects of climate change and overview of measures adopted by the Company to reduce them and implement a low carbon strategy in all its activities	4.5	17
Company and Group's exposure to price, credit, liquidity and cash flow risks	4.3 ; 20.2 (note 6.2)	16 ; 203
3. Internal monitoring and risk management procedures		
Key features of the internal monitoring and risk management procedures related to the production and processing of financial and accounting information	16.5	142
4. Legal, financial and tax information		
Identity of the natural persons or legal entities directly or indirectly holding more than 5% of the share capital or voting rights of the Company and changes made during the fiscal year	5.4 ; 18	24 ; 148
Names of the controlled companies and portion of the Company's capital held by them	20.2 (note 4.1.3)	231
Significant stakes acquired or takeovers occurring within companies whose headquarters are in France	5.1.5 (acquisition of Synthesio)	20 ;22
Shares' disposals by a company to adjust cross-shareholdings	N/A	N/A
Statement of employee shareholding on the last day of the fiscal year pursuant to article L. 225-102, last paragraph, of the French Commercial Code	18.1	147
Summary of trading by Directors and executive officers and their closely related parties in the Company's shares	15.4	123
Statement of the shareholding retention obligations applied to executive corporate officers until the termination of their duties by the Board of Directors in the decision to award bonus shares or stock option	15.1	106 ;109 ; 117 (table 6)
Buyback by the Company of its own shares	21.1.3	242
Statement of conversion adjustments and adjustments to terms of issue or exercise of stock options or securities granting access to the share capital	N/A	N/A
Amount of dividends distributed during the last three fiscal years and amount of income	9.2.2 ; 26	85 ; 275
Sumptuary and non-tax deductible expenses	9.2.2	85
Information on the payment terms of suppliers and customers of the Company whose annual accounts are certified by an auditor	20.9	239
Intercompany loans mentioned in article L. 511-6.3bis of the French Monetary and Financial Code	N/A	N/A
of the Company for antitrust practices	N/A	N/A
Vigilance plan relating to the Company's activities and all of the subsidiaries or companies controlled by the Company	8.3.3	68

Sections of the Annual Management Report	Section	Page
5. Social and environmental information		
Social information	8; refer to 8.6 (cross-reference table with the CSR report)	43 ; 77
Environmental information		
Information relating to societal commitments in order to promote sustainable development		
Information appliable to companies operating at least one installation listed in Article L. 515-36 of the French Environment Code	N/A	N/A
6. Other information		
Table showing the results of the Company over the past five years	9.2.2	85
Special report on the transactions carried out by the Company or its associated companies regarding the allocation of free shares to employees and managers	21.1.4.2.2	251
Special report on the transactions carried out by the Company or its associated companies regarding the allocation of stock options to employees and managers	21.1.4.2.1	249

27.3. Cross-reference table of the Board of Directors' on corporate governance mentioned in article L. 225-37, last paragraph, of the French Commercial Code

This Reference document includes all the information of the Board of Directors' on corporate governance produced pursuant to article L. 225-37, last paragraph, of the French Commercial Code, as identified in the cross-reference table below:

Sections of the Board of Directors' on corporate governance	Section	Page
Corporate governance code		
Declaration regarding the corporate governance code to which the Company voluntarily refers, and, if applicable, the reasons why any provision thereof has been set aside, the place whre this code may be consulted and the rules which may be applied in addition to the legal obligations	16.4.1	127
Information regarding the composition and functioning of the Board of Directors		
List of all of the directorships and functions held at any company by each corporate officer (*mandataires sociaux*) during the 2018 fiscal year	14.1.1.2	93
Agreements made, directly or through an intermediary, between, on the one hand, any corporate officers (mandataires sociaux) or shareholder holding more than 10% of the Company's voting rights and, on the other hand, a company of which the Company directly or indirectly owns more than half of the capital	16.4.7	142
Summary table of valid delegations granted by the Shareholders' Meeting with respect to capital increases, pursuant to Articles L. 225-129-1 and L. 225-129-2 of the French Commercial Code, showing the use made of such delegations during the 2018 fiscal year	21.1.4.1	245
Statement of the choice made between the two forms of management set out in Article L. 225-51-1 of the French Commercial Code	16.4.3	128
Limits set by the Board of Directors concerning the powers of the Chief Executive Officer, if any	16.4.3	128
Conflicts of interest at the level of the Board of Directors and the management of the Company	16.4.3	130
Composition and preparation and organization of the work of the Board of Directors	16.4.2 ; 16.4.3	128
Application of the principle of balanced representation of men and women on the board	16.4.3	132
Particular conditions regarding shareholders' participation in the shareholders' meeting or provisions of the bylaws setting out such conditions)	16.4.7	142
Information regarding factors likely to have an impact in the event of a public takeover or exchange offer	16.4.5	141
Compensation paid to the directors and executive corporate officers		
Total compensation and benefits of any kind paid during the financial year to each corporate officer by the Company, the companies it controls or the company that controls it	15.2; 15.3	112;114
Statement of the commitments of all kinds made by Ipsos SA in favor of its corporate officers (mandataires sociaux) corresponding to components of compensation, indemnities or in-kind benefits due or likely to be due upon acceptance, termination or change in their duties or after the discharge therefof, and in particular pension commitments and other annuities	15.1 ; 15.3 (Table 11)	103 ;121
Principles and criteria for the determination, breakdown and of the fixed, variable and exceptional components of the total compensation and benefits of any kind attributable to the Chairman, Chief Executive Officers or Deputy Chief Executive Officers	15.1	103
Total compensation including in-kind benefits paid to each corporate officer during the 2018 fiscal year	15.2 ; 15.3 ; 15.5	112; 114; 124
Draft resolution produced by the Board of Directors pursuant to Article L. 225-37-2 of the French Commercial Code: approval of the principles and criteria for the determination, breakdown and allocation of the fixed, variable and exceptional components of the total compensation (including in-kind benefits) attributable to the Chairman and Chief Executive Officers as a result of their duties (say on pay)	15.1; 26.1 and 26.2 (14th and 15th resolution)	103; 268; 277
Variable or exceptional components of the total compensation attributed to each corporate officer during the 2018 fiscal year	15.2; 26.1 and 26.2 (10th to 13th resolution)	112 ; 267 ; 276 ; 277
Amount set aside or accrued to provide pension, retirement or similar benefits	20.2 (note 6.7.4)	212

27.4. Cross-reference table of the Annual financial report mentioned in article L. 451-1-2 of the French Financial and Monetary Code

In order to facilitate the reading of the annual financial report, the following cross-reference table provides a list of information required by the article 222-3 of the General Regulations of the *Autorité des Marchés Financiers*, as identified in the cross-reference table below:

Sections of the article 222-3 of the Regulations of the Autorité des Marchés Financiers		Section and Chapter	Page
1.	2018 financial statements	20.4	223
2.	2018 consolidated financial statements	20.2	159
3.	Management report	Cross-reference Annual Management Report	284
4.	Declaration of the persons responsible	1.2	8
5.	2018 Statutory Auditors' report on the financial statements	20.3	220
6.	2018 Statutory Auditors' report on the consolidated financial statements	20.1	155
7.	Auditors' fees	20.2 (note 8)	219
8.	Board of Directors' report on corporate governance (article L. 225-37, last paragraph, of the French Commercial Code)	16.4	126
9.	Auditors' report on the Board of Directors' report on corporate governance (article L.225-235 of the French Commercial Code)	20.3	220

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