

Global HR community



# HR GLOBAL WEBCAST - VERTICALIZATION

1st March 2021

# Today's Agenda

**01** Why this verticalization?

**03** How will this happen?

**02** What is going to Change?

**04** Q&A

# Introduction - Today's Announcement

- Verticalization means that all Finance colleagues will report to global Finance and all HR colleagues will report to global HR.
- The global procurement organization will be reporting to Aymeric Le Chatelier effective on March 1<sup>st</sup>.

# 01 Why this verticalization?

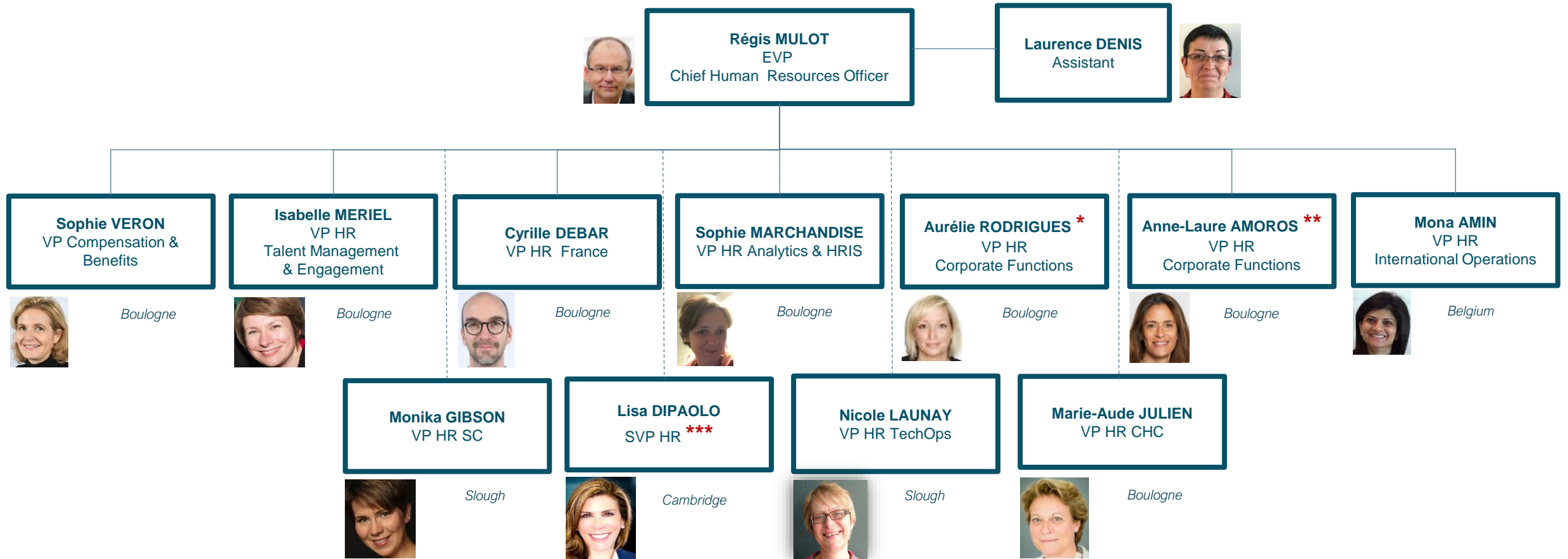
As part of our new Group strategy, *Focus. Together. For patients & society.*, we need to ensure that we find the right balance for all functions across the organization to have the **appropriate governance, processes, systems and capabilities to support the business.**

With this in mind, we have analyzed our current organizational structure and determined how to evolve it and made the decision to verticalize the Finance and HR functions, effective as of 1<sup>st</sup> March 2021.

This change is done for the benefit of the business and will enable us to:

- Reinforce **functions consistency** and focus across geographies
- Accelerate **process and systems harmonization/globalization**
- Create **synergies & efficiencies**
- Build **functional capabilities** and **talent development**: gain visibility within the organization and foster career development
- Drive an **agile**, customer-centric, lean and efficient organization

# 02 What is going to Change? | HR Leadership Team - before

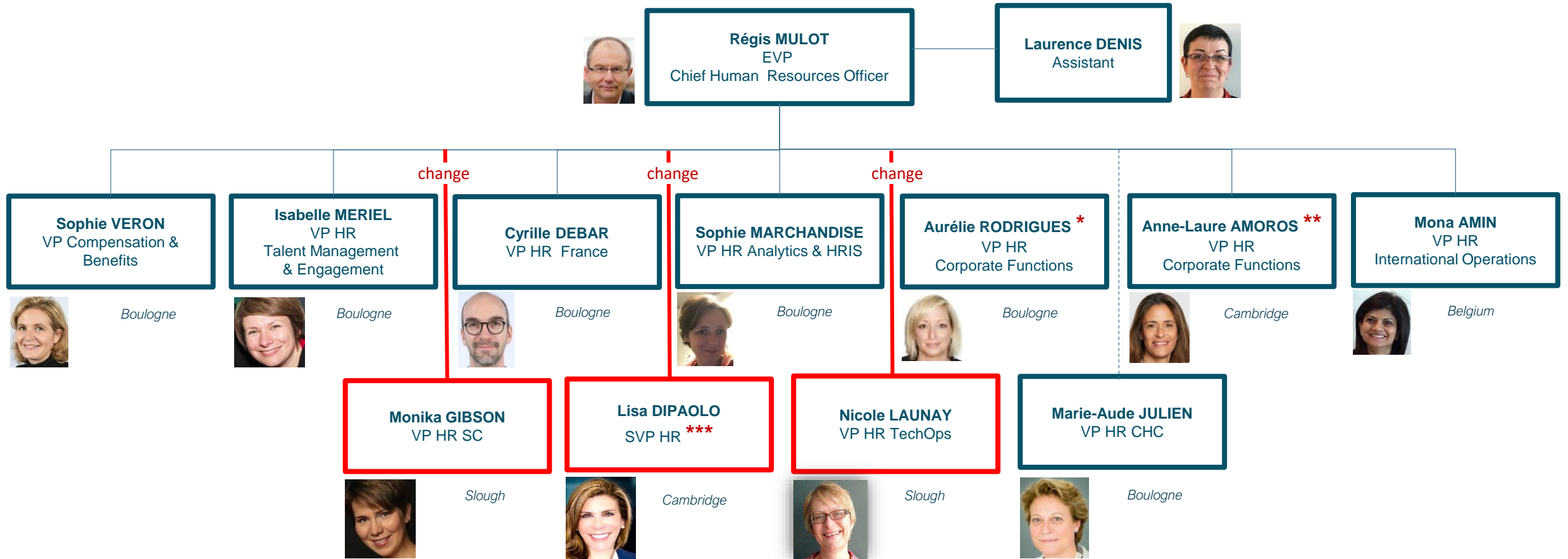


\* Finance, HR, Legal Affairs, Corporate Communication, CEO Office

\*\* Global Medical Affairs, Patient Safety & Patient Affairs, Ethics & Compliance & CSR, Strategy, Transformation & Digital, Ipsen Foundation

\*\*\* North America Commercial, Global Business Development, Ventures and Partnering, R&D, Talent Acquisition Global

# 02 What is going to Change? | HR Leadership Team - after



\* Finance, HR, Legal Affairs, Corporate Communication, CEO Office

\*\* Global Medical Affairs, Patient Safety & Patient Affairs, Ethics & Compliance & CSR, Strategy, Transformation & Digital, Ipsen Foundation

\*\*\* North America Commercial, Global Business Development, Ventures and Partnering, R&D, Talent Acquisition Global

# 02 What is going to Change? | Overview of Business Partners Reporting Lines by Site

## TechOps Sites

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**UK&Ireland - Wrexham, Dublin:** Jo Briggs  
**France - Signes:** Cyrille Debar  
**US - ICMUS:** Lisa DiPaolo

## SC Commercial

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**International:** Mona Amin  
**France:** Cyrille Debar  
**North America:** Lisa DiPaolo

## R&D

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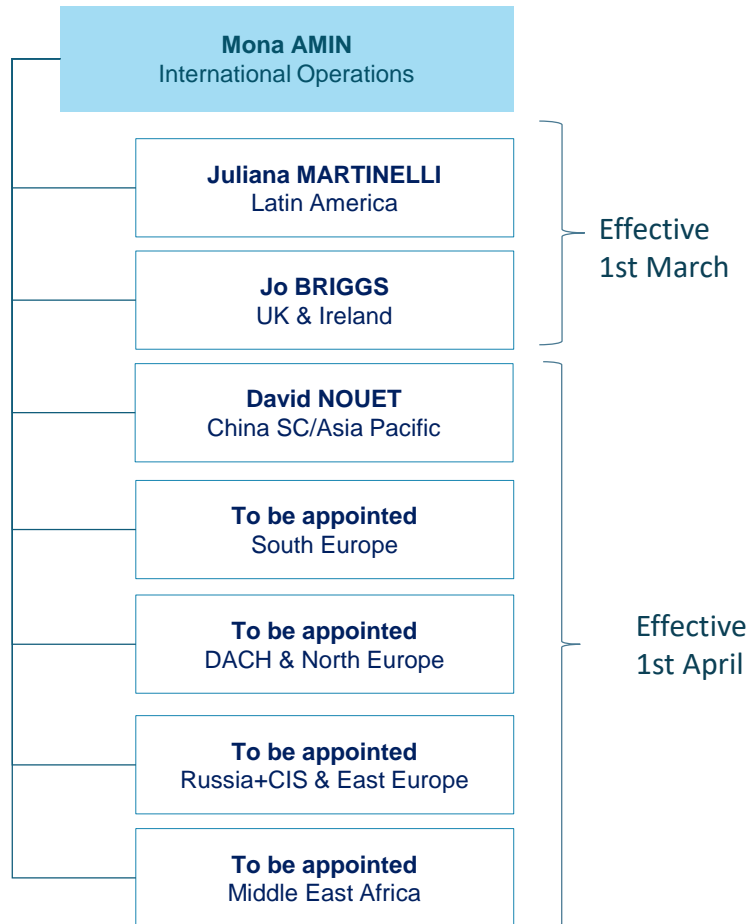
**UK - Milton Park:** Jo Briggs  
**France - Les Ulis, Pharm Dev:** Cyrille Debar  
**North America:** Lisa DiPaolo  
**China – Shangai:** Mona Amin

## CHC

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**France - Industrial Affairs, Ops:** Marie-Aude Julien  
**China – CHC Industrial Affairs, CHC China:** Cindy Jin  
**Other CHC commercial sites:** Mona Amin

# 02 What is going to Change? | Zoom on HR International Clusters



## Clusters' Scope:

- **South Europe:** Italy, Spain, Portugal & Greece
- **East Europe:** Central Eastern Adriatic(CEA), Poland & Ukraine
- **LatAm:** Latin America,
- **APAC-** Asia Pacific excl China,
- **MEA:** Middle East Africa incl North French Africa)
- **DACH & North Europe:** DACH, NoBa & BeNeLux

## Why HR Clusters?

- Closer to business
- Spread the resources where the needs are
- Leverage trained/specialized resources
- Efficiency gains
- Growth Opportunities for HR professionals
- Continue to leverage and foster best practices

## What is an HR Cluster at Ipsen?

- A cluster is one big country and one or more countries supported by an HR leader. The HR leader is responsible for one country.
- HR clusters are designed around one or more factors including; geography, culture, language, similarities in labour regulations, time zone
- HR Cluster head will directly be responsible for one main country and provide HR leadership support for other countries in the cluster –This structure should help us utilize existing resources effectively in managing HR processes including talent management without making it bureaucratic.

## HR Clusters versus Business Clusters:

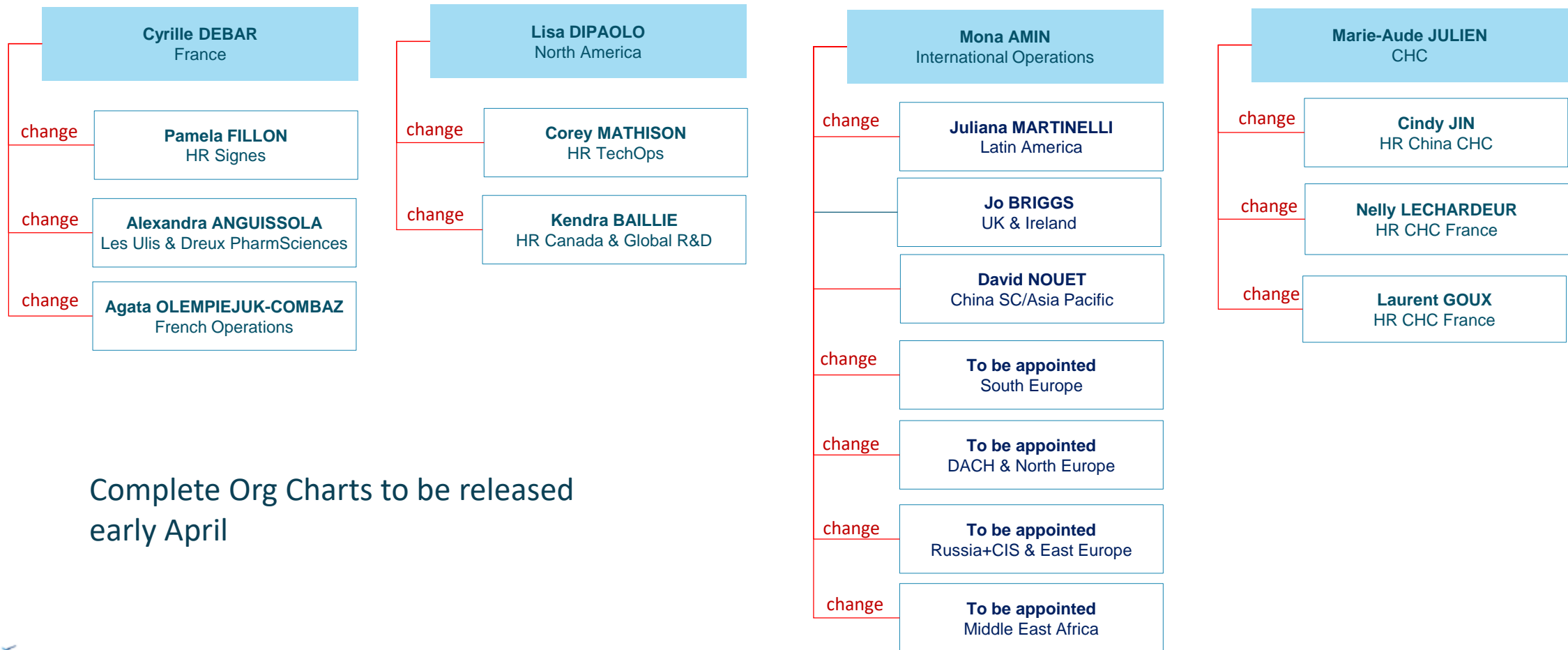
- The HR Clusters are not homotetic to the Business clusters
- However, each Cluster Head will have a single point of contact

## HR Cluster Leads:

- The HR Cluster Lead positions represent an expansion of select roles to include HR responsibilities for the wider region.
- The re-scoping of these roles is therefore intended to be headcount neutral and appointed internally depending on the capability and interest of existing HR Leads within the Clusters

# 02 What is going to Change? | Overview of HR Site, Country and Cluster heads

**(HR Site, Country and Cluster Heads only)**



Complete Org Charts to be released early April

## 02 What is staying the same, what is changing?

### What is staying the same:

- Business Leaders, line managers and employees continue to be key stakeholders for HR
- Country HR Leaders /HR business partners will remain aligned to the same employee groups
- HRDs/HRBPs will remain in their local respective Leadership Team
- HR to continue to provide professional counsel and guidance

### What is changing:

- Business HR leaders will report to the CHRO with a dotted line to the EVPs of the Business (SC, Tech Ops, NA Commercial Operations)
- Country/Site HRDs will report to HR Operations Heads and have a dotted line to GMs/Site Heads
- Build even greater functional capabilities and talent development: gain visibility within the organization and foster career development
- HR to act as a counsel & challenger by being independent whilst ensuring high level of business partnering

## 02 What are the processes that are going to change for me as HR?

### **Who is going to run the iPeople campaigns (objectives, performance, ACR, Development Plan)?**

- HR will now assess performance of all HR in alignment with Business inputs
- Change of reporting lines will be managed centrally after communication of ACR effective as of March 1st

### **Will the verticalization impact the criteria in our Short Term Incentives (STI)?**

- For all Ipsen, a combination of Sales and COI will be introduced in STI calculation.
- For Finance and HR Functions, local/regional staff will have a collective factor combining Local factor and Corporate factor.
- From now on, a local HR or Finance associate will have a « collective » factor that will be split 50/50 between local and Corporate objectives.
- This will be reflected in the Compensation letters distributed early March

## 03 How is it going to be rolled-out?

### From a timing perspective:

March 1st	Announcement
March 5th	STI plan letters released reflecting new organization
April 1st	All HR Cluster Heads announced

### From a Budget perspective:

- The change in reporting lines will not impact 2021 budget or actuals. Finance and HR costs will still be in the local P&Ls. There will be no change for 2021
- Recently, Finance teams went through a detailed Cost Center review / cleaning exercise, enabling visibility on Finance and HR costs globally.

# Your Questions

