



CORPORATE
SOCIAL
RESPONSIBILITY

2013 CSR REPORT

PARTNERING TO PROMOTE ACCESS TO HEALTHCARE

Monika, patient who suffers migraines, India



About this report

Our 2013 CSR report offers a close look at Sanofi's Corporate Social Responsibility (CSR) priorities and practices. As a key component in our CSR communications suite, it describes the challenges we face, the strategic approaches we use to address them, and our progress toward meeting our goals. For each challenge, we also highlight initiatives that illustrate CSR in action in our day-to-day work. The sections of this report reflect our four strategic pillars of Patient, Ethics, People, and Planet. Within each of these key areas, we present emblematic CSR issues as a means to focus on the most critical CSR challenges today, for us as a global healthcare company and for our stakeholders.

Using this report

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Links: Use the underlined navigation throughout the report to access related information in this report or online.

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<http://csr.sanofi.com/downloadcenter>

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GROUP PROFILE

OUR INDUSTRIAL NETWORK: 112 SITES IN 41 COUNTRIES (including 37 sites in emerging markets)

Sanofi's integrated manufacturing reflects a long-standing policy to ensure improved product quality and distribution. The three key stages in our production process are: the manufacture of active pharmaceutical ingredients, their transformation into medicines and vaccines, and packaging.



2013 KEY FIGURES



More than **110,000** employees in over **100** countries



More than **20** R&D sites worldwide

WORKFORCE

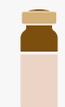
- 25% France
- 23% Europe (excluding France)
- 17% North America
- 35% Rest of world

R&D

- €4,770 million invested in R&D in 2013
- 7 approvals in 2013¹
- 9 high-potential late-stage projects¹

TOTAL SALES

€32,951 million



Medicines and vaccines produced in 2013

BY REGION

- 32% USA
- 24% Western Europe
- 33% Emerging countries
- 11% Rest of world

PRODUCTS

- 3,153 million boxes of pharmaceuticals produced and packaged
- 476 million containers of vaccines
- 550 million doses of animal health vaccines for all non-avian species

BY ACTIVITY

- 83% Pharmaceuticals
- 11% Vaccines
- 6% Animal health

¹ See press release February 6, 2014

Our Chief Executive Officer

Each of us has an obligation to leave the world a better place for the next generation. We are a leading healthcare company with over 110,000 dedicated employees, present in over 100 countries. It is therefore natural that through our corporate social responsibility (CSR) initiatives we act in the areas where we can have the greatest impact – healthcare and the sustainable development of our sites.

“ I believe that ‘partnership’ is the most important word in advancing CSR. By putting the right people around the table, the impact that each stakeholder can have is amplified.”

Despite progress in science and in the provision of healthcare, there are still huge gaps and challenges. With our long history and effective partnerships with governments, NGOs and academia, we have the knowledge, expertise and, of course, treatments that can make a difference in global health.

I believe that ‘partnership’ is the most important word in advancing CSR. By putting the right people around the table, the impact that each stakeholder can have is amplified. For instance, our unique approach to improving access to healthcare is that we do not simply donate treatments. We work with our partners to assess the needs and develop programs that meet those needs, whether they are in building capacity, improving disease awareness and screening programs, training physicians or supporting policy development.

Throughout 2013, we implemented over 260 programs worldwide. One of the areas we focused on was maternal and infant health to support the development of a healthy population. Together with the International Confederation of Midwives, we continued our work training midwives in Africa and created a collaborative platform to help them share experiences and best practices. I traveled to Myanmar in December for the first International Women’s Forum. While there, we launched a three-year pilot program with partners, focusing on training and creating a network of auxiliary midwives. The program is based in two regions, one urban and one rural.

Children’s health was another focus for us in 2013. During one of my visits to India, we announced a program called KiDS (Kids and Diabetes in Schools) with the International Diabetes Federation and Public Health Foundation of India. India has the second highest incidence of type 2 diabetes in the world, with 60 million patients. In addition, every fifth person in the world, diagnosed with type 1 diabetes is Indian. The aim of our program is to encourage a safe and supportive school environment for children with type 1 diabetes to manage their diabetes and avoid discrimination. The program will also raise awareness on diabetes in general and the benefits of healthy nutrition and exercise habits among schoolchildren.

As a company centered on R&D, sustainable innovation is also a driver of our CSR approach. In 2013, we announced a vaccine discovery partnership with the Bill & Melinda Gates Foundation to accelerate the research and development of effective, affordable vaccines to benefit the world’s poorest populations. Vaccines are one of the most cost-effective and cost-saving primary prevention measures to protect and promote public health. Yet one out of five children is still unprotected against vaccine-preventable illness and three quarters of the babies born every year do not have access to modern vaccination programs.

As a large company with a large manufacturing capacity across the globe, we are keenly aware of our responsibility to the communities in which we operate. In 2013, we strengthened our commitment to drive energy efficiency with Cofely and Schneider Electric. Together with existing initiatives this puts us well ahead of schedule to reach our objective to reduce CO₂ emissions by 20% by 2020.

Moving forward, we have identified the most critical CSR challenges facing our business and will focus on these six priorities¹ over the next three years. We also renewed our support of the Ten Principles of the United Nations Global Compact in the areas of human rights, working conditions, the environment and the fight against corruption. These are integrated into our CSR commitments, business strategy, culture and day-to-day operations to ensure that each of our 110,000 employees works together to protect lives and improve the health of those counting on us.

Christopher Viehbacher
Chief Executive Officer



Our Senior Vice President CSR

From my perspective at the head of Sanofi's CSR Direction, I am impressed with the progress we made on many fronts in 2013. I would start with Human Rights, the foundation of our CSR approach. I believe businesses have a clear role to play in promoting respect for Human Rights, which begins with identifying their own impact on compliance and taking measures to address concerns. To that end, we published an internal guide for our employees to illustrate the Human Rights dimensions in all our activities. This project reflects our commitment to the UN Guiding Principles on Business and Human Rights (the Ruggie Principles) and contributes to the duty of due diligence they set forth. It also reflects our full support for the Children's Rights and Business Principles, which we incorporate into our actions. We were proud to launch the guide on December 10, 2013, in celebration of International Human Rights Day.

Another 2013 highlight was our renewed, in-depth analysis of the most critical CSR challenges facing our business, for which we engaged over 100 internal and external stakeholders across all our major geographies. They confirmed our material issues as well as risks and opportunities, actionable items and upcoming trends. Their insights allowed us to determine the six priorities² for action that will drive our CSR strategy from 2014 to 2017.

One of our top environmental achievements was an ambitious project in Swiftwater, Pennsylvania, to build a gas pipeline that brings natural gas onto our site and pipes it to utility buildings. Making the switch from light fuel oil to natural gas was a smart choice to reduce our carbon footprint, yet the project's impact goes much further. The new pipeline will generate savings of around €25 million over three years. It eliminates the potential business continuity concerns and environmental risks associated with transporting fuel to the site by truck, and it contributes to the Swiftwater community by providing access to the resource for their benefit. This all-round success demonstrates how making the right CSR decision also benefits our business.

Expanding access to healthcare for all is a truly critical challenge in today's world, where people expect a lot from the pharmaceutical industry – and rightly so. This is why the milestone we reached in the Artemisinin Project, of which we are a longstanding partner, is so important. We launched the large-scale production of semisynthetic artemisinin, the key ingredient in the WHO-recommended treatment for malaria, one of the world's most severe public health problems. Malaria primarily affects poor, tropical and subtropical areas of the globe, particularly in Africa. We plan to produce an average 50–60 tons of semisynthetic artemisinin annually, representing from 80 to 150 million treatments, which we are committed to make available at a low price in developing countries.

“ Another 2013 highlight was our renewed, in-depth analysis of the most critical CSR challenges facing our business, for which we engaged over 100 internal and external stakeholders across all our major geographies. Their insights allowed us to determine the six priorities¹ for action that will drive our CSR strategy from 2014 to 2017.”

As Chairman of the Sanofi Risk Committee and head of the Risk Management Direction, another achievement I'm especially pleased about is the evaluation of risks across all our activities, including CSR-related risks.

I have just skimmed the surface of some of the past year's accomplishments, and I invite you to discover others in the following report. Looking to the future, my ambition is for us to keep up the same strong momentum, tackling each new CSR challenge as an opportunity to uphold our responsibilities as a global healthcare leader, committed to enhance access to healthcare.

Gilles Lhernould
Senior Vice President of
Corporate Social Responsibility



¹ The six priorities of CSR are: Access to healthcare, Patient safety, Ethics in R&D, Business ethics, Workforce development and Pharmaceuticals in the environment

OUR APPROACH

Materiality

Anchoring our CSR approach

At Sanofi we take materiality extremely seriously. Materiality is central to defining our CSR strategy and essential to determining where to focus our energies. It is how we work to identify and address the issues of highest relevance, which are at once crucial to the success of our business and of utmost importance to our stakeholders.

How do we determine material issues?

We determine material issues through a customized, methodological process where Sanofi engages both internal and external stakeholders in a robust exercise of ranking, mapping and analyzing an exhaustive list of sustainability issues. Sanofi has been working on materiality since 2010, when we performed our first corporate materiality analysis resulting in our 12 CSR priorities for action. These have defined our CSR strategy to date, and are communicated in this report. Since 2010, Sanofi's CSR team has continuously revised and improved the process, and in 2013, we undertook a renewed, in-depth analysis to help determine our 2014–2017 CSR roadmap.

Why is it important to update the materiality test?

To ensure that our CSR activities are in line with evolving stakeholder expectations, and that our identified CSR challenges remain core to our business, it is important to renew this analysis every three years. We therefore challenged ourselves to perform a redesigned, strengthened materiality test to explore whether our current priority issues had shifted in relative importance, whether there were additional ones to consider, and how to best further focus our resources. Our ambition was to engage over 100



stakeholders across all our major geographies in a robust process of desktop research, interviews and online surveys, all of which helped identify not only material issues but also risks and opportunities, actionable items and upcoming trends. This renewed assessment has given us a deeper understanding of each priority issue to enhance our positive impact on each one of them.

What will Sanofi do with the results of the materiality analysis?

As a first step, we will use these findings to drive internal dialogue and focus on actions that align the activities of Sanofi's business units with our CSR priorities. This will allow us to design and implement the best measures to track progress toward our CSR goals. We truly believe that focusing on these most material issues will help Sanofi to create more value for our business and, above all, create more value for patients and our stakeholders.

MORE in our Download Center

- [Materiality analysis factsheet](#)

Materiality analyses in 7 countries

While the CSR strategy is applied globally across all our entities, it is adjusted to take into account local specificities in certain countries. Sanofi affiliates in **Algeria, Brazil, Egypt, India, Russia, Turkey** and the **United States** have conducted their own materiality tests to help them identify specific local challenges and coordinate the roll-out of our global CSR strategy.

Stakeholder engagement

In addition to consulting our stakeholders for specific initiatives, such as the materiality analysis, representatives from all areas of our business interact on an ongoing basis with stakeholders from many different walks of life. Our teams from research and development, production, marketing and other corporate functions interact with stakeholders, particularly in the healthcare field, for numerous projects through dedicated Sanofi organizations. We pay attention to their concerns and expectations and solicit their input to develop our CSR strategy and action plans.

Valuable partners

Our stakeholders are also our partners, and they are actively involved in a wide range of Sanofi initiatives across the globe. For some of these initiatives, we seek out a myriad of partnerships that extend to new ways of working with academia, hospitals and biotech. These range from discovery and research alliances to government agency partnerships, product alliances, clinical trial networks, and translational medicine collaborations. Our key initiatives span prevention and disease management, innovation and improving access and affordability of treatments.

➤ Related content in this report

To find out more about our partnerships in Access to healthcare:

- **Page 28** In partnership with the International Diabetes Federation and the Public Health Foundation of India, we combat pediatric diabetes with the KiDS initiative.
- **Page 23** Our partnership with the Bill & Melinda Gates Foundation and Eisai aims to eliminate lymphatic filariasis by 2020.
- **Page 29** The Sanofi Espoir Foundation and the Union for International Cancer Control (UICC) are partners in the fight against childhood cancer in low- and middle-income countries.

EXAMPLE OF EXTERNAL PARTNERSHIPS

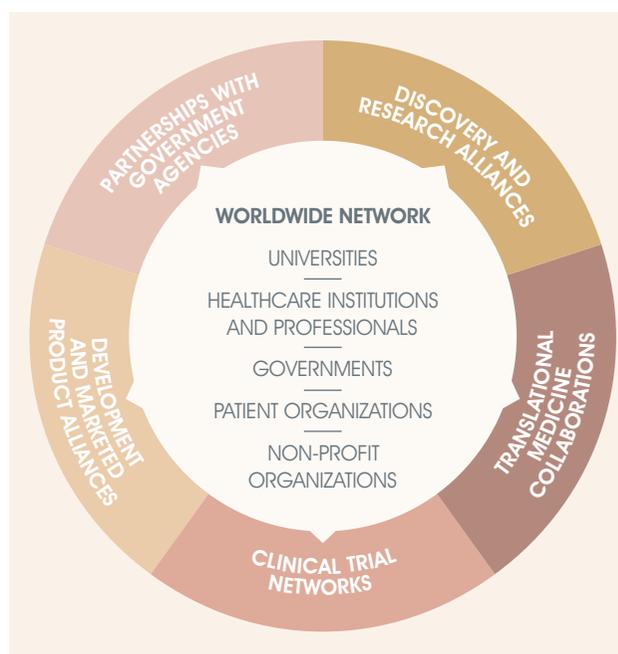


Photo credit: Gil Corre

Children are our stakeholders too

Sanofi has always considered children to be stand-alone stakeholders and we develop numerous initiatives designed to meet their needs. For example, through our “Healthy Children, Happy Children” program, we are committed to offer children the most innovative and adapted medicines and to improve access to these products worldwide, especially in emerging countries. Our approach is in line with the Children’s Rights and Business Principles, the first comprehensive set of principles to guide companies on the full range of actions to respect and support children’s rights. These principles were developed by Save the Children, UNICEF and the UN Global Compact.

➤ **MORE** in our Download Center

- [Children’s Rights factsheet](#)

➤ **Related content in this report**

- **Page 19** Access to healthcare

WHO ARE OUR STAKEHOLDERS AND HOW DO WE INTERACT WITH THEM?

PATIENTS

- Patients
- Patient associations
- Consumers
- General public



HEALTHCARE PROFESSIONALS

- Physicians
- Pharmacists
- Midwives
- Nurses
- Researchers and public experts



AUTHORITIES AND PAYERS

- Health authorities
- Governments and regulators
- Public and private insurance companies



BUSINESS PARTNERS

- Pharmaceutical industry associations (IFPMA, EFPIA, PhRMA, LEEM)
- Other pharmaceutical companies
- Public and private healthcare centers
- Suppliers including Contract Research Organizations (CROs)



OUR STAKEHOLDERS AT THE HEART OF OUR CSR STRATEGY

INTERNATIONAL ORGANIZATIONS

- UN Organizations (WHO, UNICEF)
- NGOs (DNDi, Bill & Melinda Gates Foundation)



INVESTORS

- Shareholders
- Institutional investors
- Socially responsible investors
- Rating agencies



LOCAL COMMUNITIES

- Residents
- Economic players including SMEs



EMPLOYEES

- Sanofi employees
- Trade unions



KEY:

PARTNERSHIPS: Our stakeholders are also our partners in a broad range of initiatives.

ENGAGEMENT: We engage in ongoing dialogue and listen to our stakeholders' concerns.

INFORMATION AND CONSULTATION: We provide information to stakeholders and solicit their feedback.

MORE in our Download Center

- [Stakeholder engagement factsheet](#)

Sanofi France Stakeholder Panel

Sanofi affiliates worldwide organize their own initiatives to engage local stakeholders. A prominent example is the **Sanofi France Stakeholder Panel**, created in late 2011. It is composed of ten internal and 20 external stakeholders involved in a co-construction process to share ideas, experience, and knowledge about CSR issues. Our stakeholders challenge us and make suggestions to adjust our strategy, which allows us to transform their insights into actions.

In 2013, the Stakeholder Panel met for two plenary sessions and held workshops on specific topics, including an in-depth review of our 2012 CSR Report.

MORE on the Sanofi France website

- [Notre engagement pour les parties prenantes](#) (Proceedings available in French)



Photo credit: own photo (O. Maurel)

“By working on the challenges of sustainability and social responsibility, companies are better able to integrate a variety of viewpoints and reasons for taking action. From that perspective, stakeholder dialogue is neither an alibi nor a game of ping-pong. It is about working together to build relations and develop objectives that will be stronger and more focused on the public interest as a result of this dialogue.”

**Olivier Maurel, Independent Consultant & Researcher
Member of Sanofi France Stakeholder Panel**

Topics addressed by Sanofi France Stakeholder Panel in 2013

- Access to healthcare
- Ethics in R&D
- Local community involvement
- Conflicts of interest with politicians and healthcare professionals
- Pharmaceuticals in the environment
- Continuity of supplies
- Drug pricing policies

Our CSR strategy

Our Corporate Social Responsibility (CSR) strategy is the natural outcome of our materiality analysis and ongoing stakeholder engagement. The foundation on which we build our strategy is respect for human rights in all our activities. We are committed to following this approach because we are convinced that the principles of human rights apply to people, to nations and, by extension, to businesses. In particular, we support each person's fundamental human right to health, through our daily efforts to improve access to healthcare for patients everywhere.

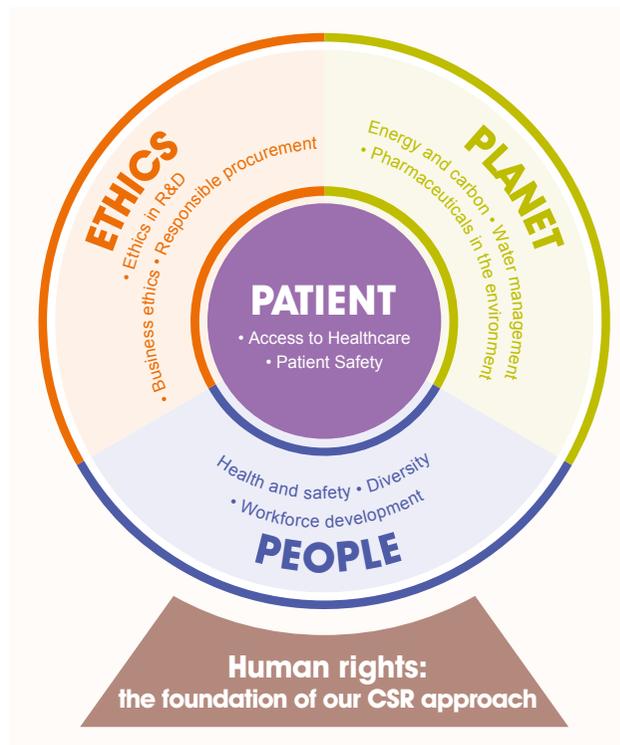
CSR is embedded into Sanofi's core business strategy, focused on the patient at the center of our activity. Today the notion of integrated care is increasingly central to our business. Sanofi wishes to play a wider role in delivering effective care to patients by innovating and developing patient-oriented solutions, and by seeking to improve business performance and remain global leader in our sector. We wish to continue making decisions in the interests of patients, our stakeholders, and our company.

Patient, Ethics, People, Planet – our CSR pillars

In addition to developing new ways to protect the health and improve the quality of life of patients everywhere, we are committed to finding solutions for the many other CSR challenges we face. In addition to Patient, the other three pillars of our CSR strategy are:

- Ethics – conducting our business with integrity;
- People – focusing on our employees and the communities where we operate; and
- Planet – addressing the many ways we can protect and preserve the environment.

The 2013 CSR Report presents our priorities for action across all four CSR pillars, which have defined our CSR strategy to date. In 2014, we plan to concentrate on fewer priority issues to remain closely aligned with our stakeholders' expectations and our core business.



Every challenge is an opportunity to improve our business

Each time we respond to a challenge, we try to seize a business opportunity and mitigate risks to find solutions that improve our overall performance while upholding our responsibilities as a global healthcare leader. As we develop pragmatic and innovative responses to the CSR challenges facing us – very often through teamwork and pooling valuable expertise within the Group – we are convinced that we also improve our business.

Developing a human rights guide for our 110,000 employees

To give practical examples showing how human rights principles constitute the foundation of our CSR commitment and our work on a daily basis, in 2013, we published an in-house guide entitled “Human Rights in our Activities.” The guide responds to the key principle of human rights due diligence, in compliance with the UN Guiding Principles on Business and Human Rights, also known as the Ruggie Principles, and the UN Global Compact, of which Sanofi is a member.

Readers follow the life cycle of a drug, going from R&D to its launch on the market. At each step, the guide examines the relevant human rights issues. It also includes a selection of good practices for employees, and provides a valuable reference for managers by helping them understand the human rights dimension of the decisions they make.



MORE in our Download Center

- [Human Rights in our Activities Guide](#)
- [Human Rights factsheet](#)

Governance

Corporate governance

Sanofi aspires to be in line with the highest standards of good corporate governance. As a company governed by French law, Sanofi's practices comply with recommendations contained in the Nouvelles Régulations Économiques (NRE) law and in the Corporate Governance Code of the Association Française des Entreprises Privées and the Mouvement des Entreprises de France (AFEP-MEDEF).

The Board of Directors and its committees

The functions of Chairman of the Board and Chief Executive Officer are separated.

Serge Weinberg chairs the Board, currently comprising 16 members, including the CEO. Four directors are women. Eleven of the 16 directors are deemed to be independent directors pursuant to the independence criteria set out in the AFEP-MEDEF Corporate Governance Code.

The mission of the Board is to determine the general direction of Sanofi's activities and to ensure its actual implementation. A part of the Board's time is dedicated to Corporate Social Responsibility issues related to the Group's strategy. The Board is also attentive to the interests of shareholders and other stakeholders. Five non-voting employee representatives attend and participate at Board meetings, contributing their point of view to questions debated by the Board. Employee input and questions on key corporate issues are also solicited through such internal tools as the corporate intranet, the establishment of non-mandatory consultative bodies such as the European Works Council, and alert mechanisms such as those required under the U.S. Sarbanes-Oxley law.



AGEFI prize recognizes Sanofi's corporate governance

In 2013, for the second time, Sanofi received the prestigious corporate governance prize from AGEFI, a leading French financial newspaper. This distinction recognizes French listed companies with exemplary corporate governance practices. John Felitti, Associate Vice President of the Corporate Legal Department, accepted the prize on behalf of Sanofi, saying, "I'm pleased to see the quality of our practices in corporate governance is recognized and honored externally by this prize."

The work of the Board is based on the recommendations of specialist committees, which are composed of a majority of independent directors as per AFEP-MEDEF requirements. These advisory bodies are tasked with providing specialist input to assist the Board in its decision-making. They include the Audit Committee, the Compensation Committee, the Appointments and Governance Committee, and the Strategy Committee.

MORE on the Sanofi website

- [Investors – Corporate governance](#)
- [Document de Référence 2013 \(in French\)](#)
- [Annual Report on Form 20-F 2013](#)

MORE in our Download Center

- [Corporate Governance factsheet](#)

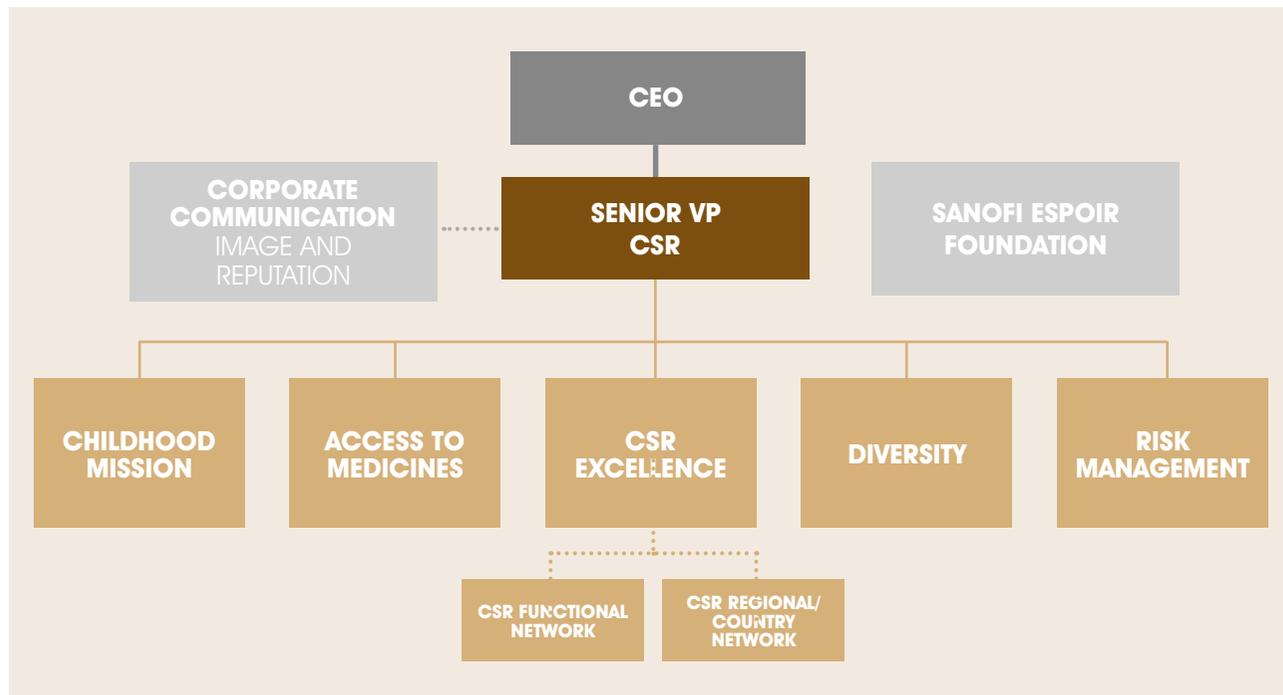
The Chief Executive Officer and his committees

The CEO, Christopher Viehbacher, is responsible for the management of the Company and represents it in dealings with third parties. He chairs the Executive Committee and the Global Leadership Team, composed of about 50 senior executives representing Sanofi's principal organizations and functions.

The CEO relies on guidance from the Executive Committee, which meets twice a month, the Global Leadership Team and other committees, such as the Risk Committee, the Executive Compliance Committee, the Global Health Policy Initiative Committee, the Bioethics Committee and the IS Strategic Board.

In 2013, the CEO's variable compensation was based on both quantitative and qualitative criteria, including CSR objectives (15%).

CSR governance



The CSR Direction

Sanofi's Corporate Social Responsibility Direction proposes Sanofi's CSR strategy to the CEO and is in charge of managing and integrating our CSR approach at every level of the company – locally, regionally and globally. In addition to coordinating major CSR initiatives strategy in connection with our economic, social and environmental responsibility, we develop awareness about key CSR issues, promote good CSR practices across all our entities, and communicate about Sanofi's initiatives to our numerous stakeholders. We also engage our stakeholders to develop action plans that address Sanofi's CSR challenges and improve our business performance.

Increasingly, the CSR Direction is involved in discussions with investors, in particular socially responsible investors. We receive a growing number of questions about Sanofi's CSR performance, to which we seek to provide transparent and relevant replies.

The voice of CSR in Sanofi's corporate governance

CSR is strongly embedded into Sanofi's business strategy. The Senior Vice President of CSR, Gilles Lhernould, is a member of the Global Leadership Team. He is also the Chairman of the Risk Committee and a member of the Executive Compliance Committee, and the Bioethics Committee. The CSR perspective is thus represented on three of five strategic committees that report formally to the CEO. The CSR Direction provides a broad, cross-company view of the risks and opportunities that Sanofi must address, in particular those related to CSR.

Implementing our CSR strategy

Two CSR networks, over 100 correspondents

One of the ways we accomplish our CSR goals is through two complementary networks covering all Sanofi geographies and functions. Together, the regional and functional networks cascade our CSR approach and gather valuable feedback from our sites. Our CSR correspondents cascade information about our activities, and we work together to devise action plans and monitor progress.

- The CSR Functional Network includes over **50 people** representing all our corporate functions and divisions, including Industrial Affairs, R&D, Commercial Operations, Health, Safety & Environment (HSE), Compliance, Human Resources, the Legal Department, Sanofi Pasteur, Genzyme and Merial. It coordinates the implementation of our global CSR strategy across all Sanofi's business activities.
- The CSR Regional Network is made up of correspondents from **six regions** and **67 countries** where we operate. It implements, adapts, and develops our global strategy locally and regionally.

Over 100 correspondents representing:

- all corporate functions
- 67 countries

OUR PROGRESS

KEY Completed In progress Not completed

Our objectives	2013 progress and actions	Status
Materiality analysis	New materiality test performed	
	Implementation of materiality findings in 2014	
Human Rights Guide	Guide published in December 2013	
	Roll out Human Rights Guide for employees	
Build CSR awareness and empowerment among employees worldwide	Develop internal CSR collaborative platform – launched January 2014	

Countries' CSR Reports

Some of our affiliates have also released CSR reports or brochures.



MORE in our Download Center

- [Germany CSR Report 2013](#)
- [Russia CSR Report 2012](#)
- [Turkey CSR Report 2011](#)
- [China CSR Report 2012](#)
- [Egypt CSR Report 2012–2013](#)

CSR Awards



Organized every two years, the CSR Awards showcase the most innovative CSR projects designed by Sanofi teams all over the globe. Submissions are received from every level of our organization and from all countries and regions, providing emblematic illustrations of how we translate CSR principles into action to create value for the Company and for our stakeholders. The second CSR Awards ceremony will be held in Paris in September 2014 to recognize new projects based on our CSR pillars.

2013 CSR Convention

CSR correspondents were invited to attend our third annual CSR Convention, held in September 2013, which explored how to integrate sustainable innovation into our business projects. During interactive workshops, members of the CSR network looked at ways to work together in multidisciplinary teams, forge partnerships with external stakeholders, and develop creative channels of communication to share best practices. Guest speakers gave us their vision of our CSR performance and a panel of experts addressed a shared value approach and risk management in the pharmaceuticals sector.

For our CSR team and correspondents, this annual encounter is a much-anticipated event that strengthens our CSR networks and provides a forum where regional, functional and divisional correspondents can exchange ideas and learn from one another.

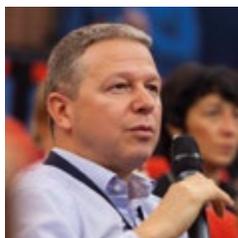


Photo credit: Frank Fouquet

“As a newcomer to CSR, for me the convention was a unique opportunity to connect with the Sanofi CSR community, understand our priorities, and share best practices with colleagues from all parts of the organization.”

Pierre Frezal, Associate Vice President, CSR, Sanofi Pasteur



Photo credit: own photo (S. Mechiche)

“The Convention is the opportunity to exchange experiences with our colleagues from the functions and other regions. This is also a forum for sharing ideas and thoughts about trends and evolution of CSR thanks to the participation of external experts.”

Simone Méchiche, Director, CSR, Intercontinental Region

Building CSR awareness among employees

To promote the CSR approach among the workforce the Senior Vice President of CSR makes regular visits to our sites and affiliates. In addition, we develop in-house communication tools, training, rewards, and recognition. The **CSR blog**, in French and English, is updated continuously, and we publish a **CSR brochure** annually. **CSR e-learning** modules were introduced in 2011 to allow employees to learn about the fundamentals of CSR at their own pace. Our most recent development is **My CSR**, an internal platform where all employees worldwide can share information about CSR news and events, as well as communications materials: guidelines, brochures, videos, presentations, etc.

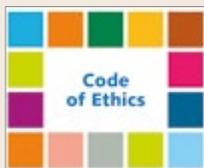
This new platform provides access to the CSR blog and the *Enfants de Sanofi* blog, where employees can post news and articles.

Policies and management systems

Our CSR approach relies on internal policies and tailored management systems that make it possible to integrate the approach across all Sanofi entities. In all countries across the globe where Sanofi operates, we ensure compliance with applicable laws and regulations by relying on our internal policies and tailored management systems.

Our framework

Sanofi has established a framework consisting of codes, charters, directives, and guidelines to support and structure our activities. While they integrate external standards and legislation that apply to our business, we design them to exceed compliance with regulatory and other requirements, when relevant. Often, we go beyond compliance because we wish to hold ourselves to a very high standard.



The **Code of Ethics** sets out the ethical principles and rules that must be followed in the conduct of Sanofi's business. It is provided to all employees and is available in **30 languages**.

At the end of 2013,

97,000

employees had received training in the Code of Ethics to date

MORE in our Download Center

- [Sanofi Code of Ethics](#)

Transparency: strengthening our framework

An essential component of Sanofi's CSR approach, transparency, is vital to building trust with our stakeholders, in particular healthcare professionals, patients, and patient associations. The **Sanofi Transparency Initiative** is designed to ensure that interactions with healthcare professionals and organizations remain transparent and comply with regulatory and legal requirements at the international, regional, and local levels.

Our Transparency Initiative covers the disclosure of payments to healthcare professionals as well as donations to patient associations in specific regions and access to our clinical trials and publications data.

[Related content in this report](#)

- [Page 47](#) Business Ethics
- [Page 41](#) Ethics in R&D

MORE in our Download Center

- [Quality Management systems factsheet](#)
- [HSE management system factsheet](#)
- [Internal Audit & Control factsheet](#)
- [Risk management factsheet](#)
- [Governance factsheet](#)

Management systems

We rely on solid management systems to establish a framework for monitoring the full integration of policies and standards at every level of the Group. We carry out surveillance programs, quality controls, and internal audits on a continuous basis to monitor compliance. We have numerous management systems at Sanofi; the following table presents those that are most relevant to our CSR approach. They cover six areas that are critical to the viability of our business.

MANAGEMENT SYSTEM	PURPOSE
Quality	Ensure patient safety by implementing systems to guarantee the quality of all Sanofi products and oversee compliance with pharmaceutical regulatory requirements across their entire life cycle
HSE	Protect the health and safety of each employee, develop and utilize safe industrial processes, and limit the environmental impact of the Group's activities
Compliance	Develop processes to instill ethical values and clear standards of compliant behavior
Pharmacovigilance (product safety monitoring)	Ensure patient safety by constantly evaluating and monitoring risks associated with the use of our products and seeking to optimize the benefit/risk profile of our medicines and vaccines during their entire life cycle
Internal Audit	Provide reasonable assurance to Sanofi's senior management on the level of control over operations, with reference to operational efficiency and compliance with internal and external standards and requirements
Risk	Foster a culture of risk management and assess cross-company risks that may have a potential impact on the business strategy and the Group's shared values

Risk management

As a global healthcare leader focused on patients' needs, Sanofi has established the framework for a consistent, proactive and responsible risk management approach through governance, people, and policies. We rely on a risk management organization that operates on three levels.

- **The Risk Committee** is chaired by the Senior Vice President of CSR and co-chaired by the Senior Vice President of Audit & Internal Control Assessment. It reports to the Chief Executive Officer and assists the Executive Committee in its mission to manage risks that might impact the Group's strategy and extend a risk management culture across all Sanofi activities. The Group Risk Committee's members are senior managers representing the operational units and corporate functions. They identify and regularly assess the profile of the strategic and transversal risk areas for the Group. They reinforce their vigilance on the monitoring of risk areas where coordination across different activities is required to improve risk mitigation. In addition to reporting to the Executive Committee, the Audit Committee is informed at least once a year by the Group Risk Committee Chairman.

- **The Risk Management Direction** reports to the Senior Vice President, CSR. It establishes policy and guidance designed to ensure a consistent risk management language, process, and methodology across all Sanofi activities. Specific direction and support are provided to the leaders in charge of developing transversal mitigation plans on specific topics. This includes training and organization of multidisciplinary working groups aimed at identifying, prioritizing, and monitoring risks, as well as proposing and following up on associated action plans. The Risk Management Direction also pilots the risk coordinators network through regular exchanges and formal meetings to ensure consistent deployment and sharing of best practices.
- **Risk coordinators** from Sanofi operations and corporate functions lead the deployment of risk management within their perimeter, from risk identification to risk mitigation. Risk profiles of the activities are established at least once a year and enrich the Group risk profile.

MORE on the Sanofi website

- [Document de Référence \(in French\)](#)
- [Rapport de Gestion](#)
- [Annual Report on Form 20-F 2013](#)

CSR: A DRIVING FORCE IN INNOVATION AND VALUE CREATION FOR PATIENTS



INNOVATIVE SOLUTIONS FROM GLOBAL MARKETING

Sanofi develops innovative services to help patients with chronic kidney diseases:

- **Phosphorus Mission** is an educational game designed for patients undergoing dialysis to help them learn about chronic kidney disease and better manage their disease.
- **KidneyAPPetite** is a nutritional coaching application aimed at enhancing support for end-stage renal disease patients. It offers patients a tool to track, record, and compare daily nutritional data in relation to recommended or daily guidelines.



GALENIC FORMS

New fixed-dose combination of **clopidogrel and aspirin** gives patients access to a simplified treatment to help prevent atherothrombosis events.



OPEN INNOVATION

Ignite, the **Diabetes Ideas Challenge**, is a contest inviting patients, caregivers, engineers, and other innovators from around the globe, to design the next-generation insulin delivery device.



TELEMEDICINE

DIABEO is an integrated telemedicine and service solution for French patients and healthcare professionals, enabling the comprehensive management of diabetes. It includes treatment and monitoring tools.



INNOVATION IN EMERGING/ DEVELOPING MARKETS

Pill Message is a behavioral messaging solution developed in Indonesia that facilitates patient education and treatment adherence for acute coronary syndrome and post-percutaneous coronary intervention patients.



Photo credits: Eric Larrayadiou, Interlinks Images

VACCINES

Innovative R&D on Chagas disease: Sanofi contributes to financial incentives in support of research to develop an oral vaccine in Argentina to combat this high-impact orphan disease.



FOCUS ON CHILDREN AND EMERGING COUNTRIES

Mommy's book is a digital organizer for children's health records, appointments, vaccination reminders, and more.



External recognition for innovation

Sherpa project receives Accelrys Scientific Innovation Life Cycle Leaders Award

In June 2013, Sanofi's pioneering work on secure data exchange, the Sherpa project (Share Drug Discovery Data with External Partners), a prerequisite to the development of open innovation, was recognized by the Accelrys Scientific Innovation Leaders Award.

Translational Medicine Team wins Thomson Reuters Innovation Award

Sanofi's Translational Medicine for Patients Team (TM4P) won the Thomson Reuters Life Sciences' Innovation Award for outstanding Innovation and Collaboration in Translational Medicine.

Scrip Award goes to Dupilumab

Sanofi and Regeneron's Dupilumab was named Clinical Advance of the Year by Scrip Intelligence. Dupilumab is a fully human monoclonal antibody in clinical development for potential treatment of asthma, atopic dermatitis and nasal polyposis.

Most Innovative New Medical Products Award

KYNAMRO® (mipomersen sodium), which is designed to inhibit LDL-cholesterol formation, received the 2013 Most Innovative Product Award in the Life Sciences/Medical Products category from CONNECT (San Diego, CA, United States).

MORE in our Download Center

- [Innovative solutions for patients factsheet](#)
- [External CSR Awards Received factsheet](#)

External recognition for our CSR performance

In recognition of our CSR and sustainability performance, we were included on the most recognized global CSR indices in 2013.



MEMBER OF
Dow Jones
Sustainability Indices
In Collaboration with RobecoSAM



ROBECOSAM
Sustainability Award
Silver Class 2014

Dow Jones Sustainability Index (DJSI World) and RobecoSAM Sustainability Yearbook

For the seventh consecutive year, we were included on the Dow Jones Sustainability Index (DJSI World), one of the most widely recognized international sustainability indices among investors. Sanofi was among six pharmaceutical companies selected for the DJSI World by RobecoSAM, a Zurich-based investment company. The DJSI World features approximately 10% of the top-performing companies in CSR, among 2,500 worldwide. As one of the top-scoring companies in the pharmaceutical industry, we also received the Silver Class distinction in the Sustainability Yearbook.



CDP™
CLIMATE
DISCLOSURE
LEADER 2013

Climate Disclosure Leadership Index (CDLI)

Sanofi was included on the Climate Disclosure Leadership Index (CDLI), improving on our 2012 score to 97/100. The CDLI distinguishes 60 companies among the 500 that comprise the FTSE Global Equity Index. It estimates the robustness of climate change data supplied by the company.

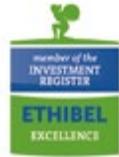


Access to Medicine Index

Sanofi was ranked third in the Access to Medicine Index in November 2012. The index, which is published every two years, assesses pharmaceutical companies' performance in the areas of management and policies, R&D, pricing, patents, capability building, and philanthropy. The index ranking will be reviewed in 2014.

We were also included on widely recognized global CSR indices:

- FTSE4Good;
- Ethibel EXCELLENCE Investment Register;
- STOXX® Global ESG Leaders indices;
- Euronext Vigeo Europe 120 and Euronext Vigeo Eurozone 120; and
- Oekom Prime.





In addition to these global listings, Sanofi received awards in the field of CSR from national and local organizations in many of the countries where we operate.

MORE in our Download Center

- [External CSR Awards Received factsheet](#)

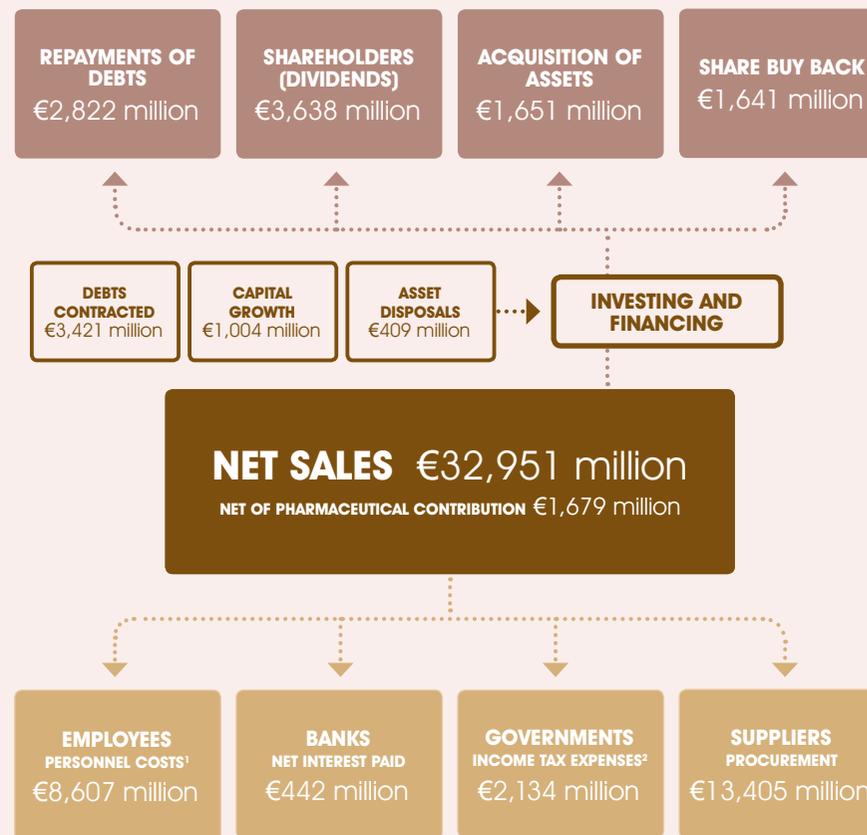
Value chain

What we produce is the result of working across a number of operational stages. At each stage, we create value by addressing various challenges.



Value distribution

Sanofi contributes to local and global economic development through the distribution of the value generated by its activities. Our financial performance impacts our stakeholders around the world – employees, partners, suppliers, NGOs, and public authorities.



Source: Annual Report on Form 20-F 2013
1 Including social security contributions of €1,880 million
2 Based on business operating income



PATIENT

We seek to improve the lives of people everywhere by expanding access to healthcare and developing innovative solutions that meet patients' needs.

- p19** [ACCESS TO HEALTHCARE](#)
- p32** [PATIENT SAFETY](#)

Introduction

Our approach

Patient

Ethics

People

Planet

Performance

Photo credit: Denis Felix

PATIENT ACCESS TO HEALTHCARE



Photo credit: Gil Corre



A new service platform for patients with diabetes

In 2013, Sanofi launched StarBem in Brazil to support patients in the treatment of diabetes. By late 2013, more than 40,000 patients had benefited from the program. Built on five pillars – information, education, support, access, and solutions – this integrated service platform brings together all our Company's initiatives for people with diabetes. It provides a wide range of services that go beyond access to products:

- instructors make educational visits, with the goal of explaining the basics of diabetes, the importance of self-monitoring, and how to use insulin, and they deliver a kit with information materials;
- two dedicated call centers, with access to a trained health attendant team: one for patient enrollment and the other for product support and treatment. The call centers respond to an average of 12,000 calls each month;
- a network of accredited pharmacies: by late 2013, more than 1,350 points of sale were involved in the program; and
- a tiered-pricing program with possible treatment discounts (insulin and medications for hypertension and cholesterol, glucose meters, and strips). By late 2013, more than 18,000 patients had benefited from the program.

In addition, information is available via a dedicated website (www.StarBem.com.br) and social media (Facebook fan page), which facilitates support groups and discussions for people with diabetes.

StarBem exemplifies our innovative approach to integrated patient care programs.

CREATING VALUE FOR SANOFI AND OUR STAKEHOLDERS

Relevant stages of our value chain → SEE p17

VALUE FOR STAKEHOLDERS

- Fulfill unmet medical needs
- Tailored products offering to meet local conditions
- Develop local R&D capabilities



Innovation
Develop new solutions and services for patients

VALUE FOR SANOFI

- Develop innovative culture and portfolio
- Control R&D cost, risks and complexity
- Partner to foster innovation
- Differentiate from competitors

- Increase number of patients treated
- Production and distribution centers in developing/emerging countries
- Local manufacturing and supply chain to the highest quality standards
- Fight against counterfeit drugs



Availability
Seek registration and ensure distribution and production capacity

- Increase number of patients treated
- Ensure full production capacity
- Facilitate access to new markets

- Increase number of patients treated
- Differentiated pricing where appropriate
- Offer includes generics
- Decrease financial burden on healthcare systems
- Contribution toward universal health coverage



Affordability
Ensure affordable treatment provision

- Increase number of patients treated
- Develop relations with authorities and other payers
- Improve license to operate

- Raise awareness about disease
- Training of healthcare professionals
- Improve health literacy and patient empowerment
- Improve disease management



Quality care and patient support
Raise awareness and ensure proper usage

- Partner with health authorities, physicians and patient associations
- Improve usage of medicines for optimal benefit/risk ratio
- Foster innovation roll-out in patient-centered solutions

Our challenge

Access to quality healthcare remains beyond the reach of one-third of the world's population. Finding innovative solutions to improve access to essential medicines and vaccines is the area where our stakeholders expect the most of the pharmaceutical industry, and where Sanofi faces its biggest challenge.

OUR PROGRESS

KEY Completed In progress Not completed

Our objectives	2013 progress and actions	Status
Eliminate lymphatic filariasis by 2020 – partnership with the Bill and Melinda Gates Foundation and Eisai in the framework of the London Declaration on Neglected Tropical Diseases	60 million tablets of DEC (diethylcarbamazine) donated to World Health Organization (WHO)	
Eliminate sleeping sickness by 2020	More than 7 million people screened and more than 5,000 treated in 2013 Over 27 million people screened and more than 175,000 treated since the beginning of the program Partnership with DNDi to develop new treatment: molecule fexinidazole in phase II/III trials	
Continue to include more beneficiaries in our many and diverse Access to healthcare programs	98 million patients received diagnosis, vaccination, treatment or self-disease management training. We continue our efforts to raise awareness about diseases and help train healthcare professionals	
Enhance the coverage of our programs worldwide	More than 260 programs in more than 70 countries worldwide	
Strengthen our presence in emerging markets by responding to local health needs through sales of our products	StarBem in diabetes in Brazil, Healthy Children, Happy Children for pediatric care in Latin America, Asia, and Africa	

OTHER INITIATIVES



Photo credit: Denis Felix

p22

Vaccines: Sanofi Pasteur has developed the first dengue vaccine to reach Phase III clinical trials



Photo credit: Sanofi Russia

p25

Launching "fill and pack" insulin production at Sanofi's Vostok plant, Russia



Photo credits: Gil Corre

p29

My Child Matters: fighting childhood cancer in low- and middle-income countries



Photo credit: Adek Berry

p30

Finding solutions for mental health challenges in low- and middle-income countries

Strategic approach

We are committed to working in partnership with relevant stakeholders to increase access to healthcare and quality medicines designed to improve people's health within an economically sustainable framework that guarantees future innovation.

Inequities in health have become one of the greatest threats not only to global health, but also to human development. We believe there is a need for new cross-sectoral approaches to support both the individual and care systems to ultimately ensure access to healthcare for all.

As a global healthcare leader operating in more than 100 countries, we have a responsibility to meet the needs of the greatest number of patients worldwide, and we have the expertise and the resources to make a real difference.

Drugs alone are not enough

For several decades now, we have demonstrated Sanofi's sustained contribution to global health challenges by developing a large portfolio of medicines and vaccines for a wide range of diseases that threaten millions of lives and will continue to affect millions of people globally.

At the same time, we know that providing health products and services is just one part of the solution. For this reason, our strategy spans the continuum of care, from prevention to diagnosis and treatment, including disease monitoring and long-term care. Our approach begins with wellness and evolves during the entire patient journey, as we seek to continually contribute to the best possible outcomes for the patient.

MORE in our Download Center

- [Access to Healthcare Programs developed by our affiliates – 2013 factsheet](#)
- [Access to Medicines Direction Programs – 2013 factsheet](#)
- [Access to Healthcare – Position Paper](#)

MORE on the Sanofi Espoir Foundation website

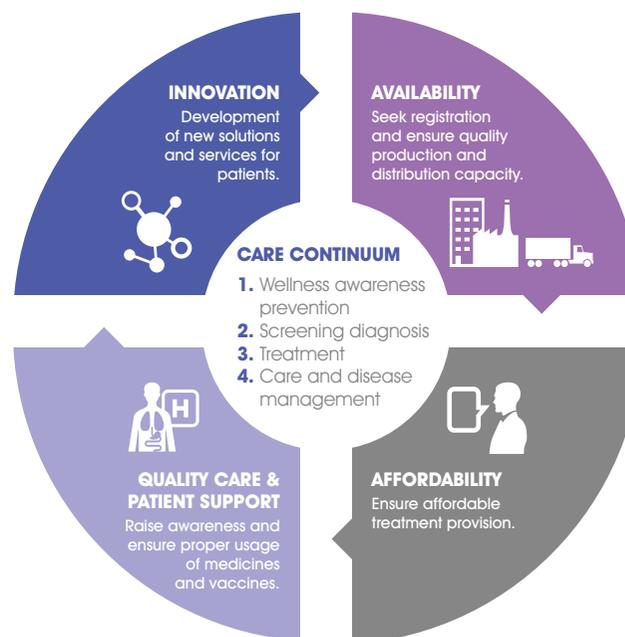
- [Map of our projects](#)

How to reach optimal patient outcomes along the life course: our integrated approach to patient care

The care continuum includes several stages and, in order to have a strong impact, it is necessary to intervene at each of these stages. As a global healthcare leader, Sanofi has developed an integrated approach to patient care along the life course and offers a wide range of health solutions adapted to patients and local needs.

OUR INTEGRATED APPROACH

We are developing an integrated approach and providing our expertise to address different aspects of access to healthcare, i.e. innovation, availability, affordability and, quality care and patient support.



More than 260 access to healthcare programs in more than 70 countries worldwide

177 MILLION
people benefited, including:

98 MILLION
patients received diagnosis, vaccination, treatment, or disease self-management training

79 MILLION
people targeted by awareness campaigns

163,000
healthcare professionals trained



Photo credit: own photo (M. Bernhardt)

“We need to open a new discussion with our partners around developing a sustainable model... because we won't bring about the solution alone.”

Martin Bernhardt, Vice President, Relations with International Institutions, Sanofi

Highlights

Innovation – developing new solutions and services for patients

Innovation represents a powerful means to reach our goal of providing new solutions for patients' unmet therapeutic needs by developing medicines, vaccines, diagnostic tools, and patient services. Innovation drives our numerous R&D partnerships and collaborations for drug discovery and development, including for neglected tropical diseases that affect the world's poorest communities and chronic diseases, which are a growing threat to global health today.



The first dengue vaccine to reach Phase III clinical trials

Sanofi Pasteur, our human vaccines division, has developed the first dengue fever vaccine to reach Phase III clinical trials, with results expected in the second half of 2014. Dengue fever is a disease caused by four dengue virus types transmitted by mosquitoes. The World Health Organization estimates there are up to 100 million infections per year, and 500,000 people, mostly children, are affected with dengue hemorrhagic fever, the severe form of the disease. Dengue hemorrhagic fever is a leading cause of hospitalization, placing tremendous pressure on health systems and strained medical resources with a heavy economic and social impact. Because there is currently no specific treatment for dengue, developing a vaccine is a pressing public health need.

DENGUE FEVER FACTS

Up to **100 million** infections estimated per year in endemic areas

500,000 people, mostly children, are affected by the severe form of dengue

Source: WHO estimates

This dengue vaccine breakthrough is the result of Sanofi Pasteur's 20-year commitment. We have invested €350 million into a manufacturing plant in France in order to supply mass immunization public programs in endemic areas (Latin America, Asia, and the Caribbean) that are most in need. We also have developed and implemented a large-scale clinical development plan (31,000 subjects) in those regions.

Beyond vaccine clinical and industrial advances, we are combining our efforts with global international stakeholders such as the Dengue Vaccine Initiative (DVI) and Partnership for Dengue Control (PDC), as well as with local governments to improve dengue surveillance, detection, diagnostic, and infrastructure in endemic countries.

We are also focused on improving the quality of life of the communities involved in this project and leaving a legacy regardless of the outcome of the vaccine's development. Sanofi Pasteur has contributed to building capabilities in over 20 clinical centers. The project's impact in terms of job creation, technical skills, improved infrastructure and education and prevention initiatives is already being felt.

Photo credit: Denis Felix

SANOFI PASTEUR PROVIDES MORE THAN 1 BILLION DOSES OF VACCINES EACH YEAR

Today, one child out of five does not have access to the most basic childhood vaccines, which represents over 22 million children worldwide. Each year, at least 2 million deaths of children under five could be prevented by existing vaccines¹.

Through Sanofi Pasteur, our vaccines division, our vision is a world in which no one suffers or dies from a vaccine preventable disease. We will support this vision by providing superior, innovative vaccines for the prevention and treatment of disease and by playing an active role in the immunization community to maximize vaccination.

Vaccines save millions of lives each year and bring considerable benefits to society and the economy. As a world leader in vaccines, Sanofi Pasteur makes it possible to immunize over 500 million people annually.

MORE in our Download Center

- [Access To Vaccines factsheet](#)

¹ Source: UNICEF – Immunization Facts & Figures – April 2013

31,000
people involved in clinical trials
in ten countries throughout Latin America
and Asia over the past few years

€350 million
investment in a new manufacturing
facility to produce hundreds
of millions of doses of vaccines

Working to eliminate neglected tropical diseases



Photo credit: Gil Corre

Our vaccine in development to prevent dengue is an illustration of our contribution to fighting neglected tropical diseases (NTDs). Over 1 billion people worldwide are at risk of or suffer from these debilitating infectious diseases, which take their greatest toll on the world's poorest communities.¹ We are committed to playing an active role in the fight against NTDs, in particular within the scope of our long-term partnership with the World Health Organization (WHO).

- For the period 2001–2016, we have committed to invest U.S.\$75 million to the fight against NTDs in partnership with the WHO. In particular, regarding sleeping sickness, over 27 million people were screened and more than 175,000 patients treated since the beginning of the partnership.
- Along with public and private partners, we are signatories to the London Declaration on Neglected Tropical Diseases, which has set the explicit goal of eliminating ten NTDs by 2020.

- To reach the goal of eliminating lymphatic filariasis (elephantiasis) by 2020, we are partnering with the Bill & Melinda Gates Foundation and Eisai. This partnership provided 120 million tablets of Sanofi-produced DEC (diethylcarbamazine citrate) tablets in 2012 and 2013 to treat lymphatic filariasis, which allowed the WHO to provide treatment for 30 million people.
- Since May 2011, we have made our library of proprietary data on NTDs available to the Drugs for Neglected Diseases initiative (DNDi) in a first-time, innovative undertaking.
- To anticipate future needs, we continue to invest in malaria, tuberculosis, and neglected tropical diseases R&D programs in order to respond to future biological resistance to existing medicines.

MORE in our Download Center

- [Fighting Neglected Tropical Diseases factsheet](#)
- [Participating in Collaborative Efforts to Promote Access to Healthcare factsheet](#)
- [Brochure Sanofi and Africa – A Sustained Commitment to Serving Patients](#)

Over €30 million
invested in research and development
to fight malaria, tuberculosis, and
leishmaniasis, including vaccines



Photo credit: Marthe Lemelle

“These numbers are more than just drugs delivered or funds committed. They ultimately mean that millions of people have been spared pain and suffering from these debilitating diseases. Through new and innovative partnerships, we can continue to help break the cycle of poverty and overcome the burden of NTDs.”

Christopher Viehbacher, CEO of Sanofi

A public-private open innovation consortium: WIPO Re:Search

We have contributed to the creation of WIPO Re:Search, an open innovation consortium of public and private sector organizations that share their portfolios of compounds to promote research and development on NTDs, malaria, and tuberculosis. Sanofi is one of the founding member companies of the consortium, which already has 60 members on all continents. It was founded in 2011 under the aegis of the World Intellectual Property Organization (WIPO).

MORE in our Download Center

- [Participating in Collaborative Efforts to Promote Access to Healthcare factsheet](#)

¹ Source: WHO – Global Health Observatory – Neglected Tropical Diseases

Availability – seek registration and ensure quality production and distribution capacity

We operate in over 100 countries across the globe, where we develop an in-depth understanding of local needs and challenges. We support local production and distribution capacity, because we know it is essential to ensure the availability of quality products, solutions, and services.

Sanofi Pasteur, partner in the endgame polio eradication effort

Polio is a viral infectious disease mainly affecting children under five years old leading in some cases to irreversible paralysis. There is no cure but there are safe and effective vaccines. The strategy to eradicate polio is therefore based on preventing infection by immunizing every child until transmission stops.

Sanofi's vaccines division has provided both the oral and the injectable-inactivated polio vaccines (OPV and IPV) since they were discovered in the 1950s and 1960s, protecting millions of children from this debilitating disease.

Today Sanofi Pasteur supports the introduction of IPV in every country as part of the Global Polio Eradication Initiative (GPEI) polio endgame strategy. In addition to OPV campaigns, the WHO's committee on immunization policy, the Strategic Advisory Group of Experts (SAGE), recommended in April 2013 that all countries introduce at least one dose of IPV in routine polio immunization programs to mitigate the risk of circulating vaccine-derived poliovirus.

Sanofi Pasteur has confirmed its commitment to support this global health strategy with the expansion of production capacities of IPV in France by dedicating significant industrial investments over five years (2011 to 2016), with the aim of achieving an annual production capacity of 300 million doses. In the meantime we will also provide 1.7 billion doses of OPV from 2013 to 2017.

We are committed to providing affordable IPV and have developed a tiered pricing framework to guarantee the lowest possible price for the poorest countries and affordable pricing for all others.

As a result of vaccination, polio cases have been reduced by 99% over 20 years, saving millions of children from paralysis. Today only a few countries are still affected by polio, although the virus has recently reappeared in Syria. The GPEI has set the goal of eradicating the disease completely by 2018. Reaching this objective will make polio the second infectious disease in history to be eradicated. The first was smallpox, officially declared eradicated in 1979.

MORE in our Download Center

- [Access To Vaccines factsheet](#)

POLIO FACTS

2.5 billion children vaccinated against polio since 1988

99% decrease in polio cases worldwide since 1988

India declared polio free in early 2014

As of end 2013, polio remains endemic in **Afghanistan, Nigeria, and Pakistan** and the virus has recently reappeared in **Syria**

Sanofi has committed to providing

1.7 billion

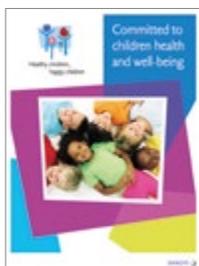
doses of OPV from 2013 to 2017



Photo credit: Franck Parisot

“Wiping out polio for good is in sight and Sanofi Pasteur intends to remain an active contributor to achieve zero polio. We believe that the introduction of IPV in routine polio immunization will consolidate the tremendous progress achieved over the last decades and ensure a polio-free world for the future.”
Olivier Charmeil, President and CEO, Sanofi Pasteur

Pediatric care in emerging markets



Children under age 18 account for nearly one-third of the global population, and Sanofi is committed to protecting and improving their health. The **Healthy Children,**

Happy Children initiative is designed to pool our pediatric resources across all Sanofi divisions and brands. Initially focused on countries where children make up a large portion of the population, i.e. developing and emerging markets, this project has three goals:

- develop a portfolio of drugs adapted to children's needs;
- strengthen the training of healthcare professionals about pediatric diseases; and
- provide information and education for the general public and families, on health issues such as prevention of malaria and management of pain and fever. This leads us to develop innovative tools, such as smartphone applications, to help patients and their families manage their health.

MORE on the [Sanofi Paediatrics website](#)

- [Healthy Children, Happy Children brochure](#)

Manufacturing our products locally

Sanofi has established 37 factories in emerging and developing countries. For example, the anti-malarial ASAQ Winthrop® is manufactured in a factory in Casablanca, Morocco, close to the region most affected by malaria. It has been certified a "Good Manufacturing Practices" site by the WHO. In 2013, this site produced 80 million doses of our anti-malarial treatment, which were exported to 26 sub-Saharan African countries.

Our vaccines branch, Sanofi Pasteur, has major local manufacturing projects in Argentina, Brazil, China, India, Mexico, and Thailand.



Photo credit: Sanofi Russia

Launching a "fill and pack" insulin production at Sanofi's Vostok plant, Russia

In June 2013, we launched the fill and pack insulin production plant at Vostok, located in the Orel region of Russia. This is the first facility in this country to produce analogue insulin, meeting the same quality standards as Sanofi's products manufactured at our plant in Frankfurt, Germany.

According to the International Diabetes Federation, diabetes affects 12.6 million people in Russia, and we are upholding our commitment to Russian patients by building this plant close to their needs.

Our plant in Vostok is now operating as a modern high-tech plant in accordance with Good Manufacturing Practices (GMP). It is fully equipped to ensure the sterile production of liquid forms of insulin, and is a major production site for insulin pens. Thanks to our highly trained personnel and our production capacity of 30 million insulin pens per year at full capacity, we are able to provide quality treatments for patients and meet the Russian market's insulin needs.

Affordability – ensure affordable treatment provision

Even when patients have access to adequate care and medicines, cost can create a substantial obstacle to maintaining good health and managing diseases. A large proportion of patients worldwide must bear a substantial economic burden stemming from the direct and indirect costs of illness and healthcare. Ensuring affordable treatment provision is one of the key factors to expanding access to medicines.

Tiered pricing

Thanks to our tiered pricing policy, through which our anti-malarial drug Coarsucam/Artesunate-Amodiaquine Winthrop (ASAQ Winthrop®) is made available in malaria endemic countries, 80 million units of ASAQ Winthrop® were sold in 2013, using a preferential pricing policy including no profit – no loss (compared to 73 million units in 2012 and 51.4 million units in 2011).

THE SANOFI ACCESS TO MEDICINES DEPARTMENT

We created a dedicated Access to Medicines (ATM) Department to improve access to healthcare for patients most in need in resource-poor countries. ATM focuses on combating diseases where we have extensive experience and recognized expertise:

- malaria;
- tuberculosis;
- neglected tropical diseases (NTDs: sleeping sickness, leishmaniasis, Chagas disease, Buruli ulcer); and
- epilepsy and mental disorders.

Our ATM approach works on several levels at once:

- tiered pricing to make our medicines affordable for the poorest patients;
- tailored solutions to meet the needs of communities, working alongside local partners;
- information, education, and communication programs for healthcare professionals, communities, and patients;
- R&D to provide drugs adapted to the needs of targeted populations and to anticipate future needs; and
- producing quality medicines close to the communities that need them.

 **MORE** in our Download Center

- [Fighting Malaria factsheet](#)
- [Fighting Tuberculosis factsheet](#)
- [Fighting Neglected Tropical Diseases factsheet](#)
- [Participating in Collaborative Efforts to Promote Access to Healthcare factsheet](#)

Sanofi generics provide quality, affordable products

Generic drugs are an integral part of our Access to healthcare strategy, since producing quality and affordable products is a way to promote access to care. For several years, Sanofi has adopted an approach based on the development of our generic portfolio (including auto-generics) and strategic acquisitions to reinforce our presence in the generics market as we continuously expand our activity through targeted regional approaches.

Through Zentiva, which has become a cornerstone of our generics division, we are developing, producing, and marketing our portfolio of affordable, quality generic products in Europe, Africa, and the Middle East.

The acquisition of Genfar S.A. in Colombia reinforces our position in Latin America along with Medley and Kendrick, leading generics manufacturers respectively in Brazil and in Mexico. In Japan, we have signed an agreement with Nichi-Iko Pharmaceutical Co. Ltd. In Goa, India, we run a research center for the development of generics solutions.

To ensure affordable medicines are available for people living with HIV/AIDS in South Africa, we entered into an agreement in 2012 with Hetero, an Indian generics manufacturer, for the production of generic anti-retrovirals. This supports the South African government's goal of 80% local anti-retroviral production.

In Nigeria and other sub-Saharan countries, our agreement with Medreich India Ltd. will allow Sanofi to expand our portfolio of quality generic products at affordable prices in key therapeutic areas, such as anti-infectives, pain and anti-inflammatory, anti-malarial, and vitamin products.

Sanofi Patient Connection™ continues to provide support to patients in the United States



In developed countries, patients may have difficulties accessing medical treatment due to inadequate healthcare coverage and financial barriers. In order to meet patients' needs more effectively, Sanofi U.S. launched, in 2012, an integrated patient support program called Sanofi Patient Connection™. It is designed to assist patients and healthcare professionals with a wide variety of services across the U.S. product portfolio including biosurgery, cardiovascular, diabetes, general therapeutics, oncology, specialty care, transplant, and vaccines.

In 2013, the Sanofi Patient Connection™ assisted **over 210,000 patients** and supported over 54,000 healthcare providers

Sanofi Patient Connection™ provides three main types of patient support:

- Reimbursement Connection: helps patients to determine if they qualify for a prescription drug insurance benefit, by offering the following services: insurance verification services, claims management and appeal assistance, coding and billing assistance, etc.
- Patient Assistance Connection: the Sanofi Foundation for North America makes it possible to provide free prescription drugs to patients who do not have insurance coverage and who meet program financial eligibility requirements.

- Resource Connection: offers a unique service that allows program counselors to work with both patients and providers to determine if Sanofi Patient Connection™ alternative support services may be available for their healthcare needs.

MORE online

- [Sanofi Foundation for North America](#)
- [Sanofi U.S. website](#)

Genzyme co-sponsors fund to cover cost of diagnostic testing for U.S. patients with undiagnosed conditions

In the United States, Genzyme, a Sanofi company, has created a fund for people with undiagnosed medical conditions, who sometimes must wait for years before receiving an accurate diagnosis. Genzyme and the National Organization for Rare Disorders (NORD), a nonprofit organization, teamed up to develop this fund, which helps pay for standard diagnostic testing for people who cannot afford basic medical tests to be eligible to participate in the Undiagnosed Disease Program run by the U.S. National Institutes of Health.

The Genzyme/NORD Undiagnosed Diseases Fund is sponsored in part by Genzyme employees who run in the Boston marathon to raise financial backing for patients and families affected by rare diseases.

Through Genzyme, we are able to address the unique needs of patients living with rare diseases in both developed and developing countries. For over 30 years, Genzyme has pioneered the development and delivery of therapies for patients affected by rare and debilitating diseases, including multiple sclerosis.

RARE DISEASE FACTS

A disease is considered rare when it affects a very small percentage of the population, generally fewer than **one in 2,000 people** (although different countries use different cut-off points)

350 million people worldwide suffer from rare diseases

(Source: Global Genes Project)

MORE in our Download Center

- [Discovering and Treating Rare Diseases factsheet](#)

Quality care and patient support – raise awareness and promote proper use

Patient support often takes the form of patient education and innovative programs to empower patients, facilitate compliance, and promote the proper use of medicines. It also entails contributing to training for healthcare professionals and caregivers. Last but not least, supporting patients and care provision means forging valuable partnerships with our many different stakeholders, both public and private, in order to tackle the complex challenges posed by access to healthcare.

DIABETES FACTS

Diabetes, a modern epidemic

Nearly 500,000 children below age 15 have type 1 diabetes, of whom more than 50% live in developing countries

382 million people have diabetes in 2013; by 2035 this is expected to rise to 592 million

The number of people with type 2 diabetes is **increasing** in every country

80% of people with diabetes live in low- and middle-income countries

Diabetes is most prevalent in people **40 to 59 years of age**

Source: The International Diabetes Federation

Pilot programs to educate children about diabetes at school

Diabetes at School in Turkey



Photo credit: Sanofi, Turkey

We organized an ambitious project to raise awareness among children and teachers about type 1 diabetes, childhood obesity, and healthy eating habits in Turkish schools. Our aim is to go beyond building awareness and actually improve diabetes management in collaboration with teachers. This program is part of the National Diabetes Program led by the Turkish Ministry of Health, the Ministry of Education, and the Pediatric Endocrinology and Diabetes Association. In 2013, as an outcome of the Diabetes at School program, the Ministry of Education published a revised “Circular on Diabetic Children” to extend its scope to school administrators, teachers, parents, and school bus drivers so that they work in close cooperation in order to protect the health of diabetic pupils.

Since 2010, the program has reached:

over **7.5 million** children

over **580,000** teachers

over **560,000** parents

KiDS project in India



Kids and Diabetes in Schools (KiDS) project is coordinated by the International Diabetes Federation (IDF) in partnership with the Public Health Foundation India, and Health Related Information Dissemination Amongst Youth and

sponsored by Sanofi. The project was launched in India by our CEO, Christopher Viehbach and Sir Michael Hirst, President of the IDF during a 2013 visit to Mumbai. According to IDF’s Diabetes Atlas, diabetes is a major public health challenge in India, which is ranked number two globally for the number of people with the disease. An estimated one child in five with type 1 diabetes is Indian.

For children with type 1 diabetes, KiDS aims to foster a safe and supportive school environment to manage their diabetes and fight discrimination. It also teaches children about healthy eating habits and the importance of exercise to curb the increasing burden of type 2 diabetes.

Through a KiDS information pack created by the project partners, children, teachers and parents all receive information on managing diabetes in schools and where possible preventing the development of type 2 diabetes.

Preparations are underway to implement KiDS in Brazil as a second country before it is rolled out to other countries.



Photo credits: Gil Corre

Fighting childhood cancer in low-resource countries: My Child Matters

More than 250,000 children are affected by cancer each year, and for some 100,000 it is fatal. Childhood cancer cases can be better cured if prompt and essential treatment is accessible. Yet the proportion of children who survive cancer in low-resource countries is just 20% to 40%, compared to 80% in developed countries.¹

To fight childhood cancer and improve survival in low- and middle-income countries, in 2006 the Sanofi Espoir Foundation created My Child Matters as a sustainable

cooperation with its partners, the Union for International Cancer Control (UICC), the St Jude Children's Research hospital, and other international childhood cancer organizations.

The program focuses on:

- decentralization to bring childhood cancer care closer to patients' homes;
- early diagnosis through family awareness and caregivers' training for timely detection of signs and symptoms of cancer;
- palliative care to improve quality of life by reducing suffering for the large number of children with cancers too advanced to cure; and
- population-based childhood cancer registries to understand regional disease burden and guide future health policies.

Since 2006, 45 projects have received support in 33 countries thanks to the Sanofi Espoir Foundation's investment of €7.2 million to date. A total of 14 projects were ongoing in 22 countries in Asia, Africa, and Latin America in 2013.

¹ Source: SIOP – UICC



“A program is a success when it delivers real benefits in improving access to healthcare for the world's poorest people, while at the same time reinforcing the care chain and influencing health policy. The My Child Matters partnership has largely demonstrated its

capacity to move things forward, for example, in the Philippine Children's Medical Center, where the two-year survival rate for leukemia has improved from 16% to 68% and where treatment for the poorest communities is now supported by the government.”

Caty Forget, Managing Director, Sanofi Espoir Foundation

38,700 children
receiving care and 9,700 healthcare
professionals trained since 2006

MORE online

- [International Childhood Cancer Day](#)
- [Video - My Child Matters](#)

SANOFI ESPOIR FOUNDATION



The Sanofi Espoir Foundation was founded in 2010 by Sanofi to leverage more than 15 years of commitment to international solidarity. It is dedicated to helping reduce healthcare inequalities, particularly among the world's most needy communities, as part of its social responsibility agenda. Its actions revolve around three major objectives: controlling childhood cancer, fighting against maternal and neonatal mortality, and supporting access to healthcare for the world's poorest populations.

Sanofi Espoir Foundation budget

€33.7 million over five years

Sanofi Espoir Foundation projects in 2013

58 development aid programs

38 main partners

41 recipient countries

9 countries received aid in response to humanitarian emergencies

Medicines and vaccines donations in 2013

312,000 boxes of medicines

538,000 doses of vaccines

2.85 million beneficiaries in 14 countries (13 of them developing countries)

MORE online

- [Sanofi Espoir Foundation website](#)
- [Sanofi Espoir activity reports](#)

MORE in our Download Center

- [Employee volunteering factsheet](#)
- [Local economic development factsheet](#)



Photo credit: Adek Berry

Finding solutions for mental health challenges in low-revenue countries

Mental disorders and epilepsy affect a similar proportion of people in all countries, regardless of their level of wealth. Patients in resource-poor countries, however, often do not receive appropriate care due to low medical resources stigmatization and prejudices. Through our Access to Medicines Department, we have partnered with the World Association of Social Psychiatry to strengthen our initiatives through awareness campaigns, patient education, training of professionals, medical equipment provision and a tiered pricing policy regarding essential medicines. We expanded pilot projects launched in 2008 to address mental health challenges in low-revenue countries, for example, in Mauritania and Morocco. In January 2013, Sanofi signed a partnership with the Health Ministry in Madagascar to help reduce the morbidity and premature mortality related to mental health disorders. Sanofi is also pursuing a similar partnership with the Ministry of Healthcare of Armenia.

Partnering with patient advocates and groups

Another way that Sanofi translates its commitment toward access to healthcare into reality is by partnering with patient advocates and groups all over the world on mutual priorities that benefit patients.

Taking local needs of patient communities and different cultures into account, we partner with patient advocates and groups to enhance:

- **patient engagement in their health** – to help people take more control of their health through better prevention, and disease management;
- **patient engagement in access and policy** – to help provide patients with effective, affordable, and sustainable solutions and to help ensure that patient needs are reflected in policy decisions; and
- **patient engagement in medical innovation** – to bring deeper patient insights, encourage a supportive environment for innovation, and accelerate new collaboration models that deliver innovative solutions which address true unmet patient needs.

All these aspects are well aligned and contribute to the Group's overall efforts on access to healthcare.

When working together with patient advocates and groups, our behavior is characterized by the spirit of partnership, mutual respect and trust, openness, and transparency, with an overarching commitment to bring benefits to patients and their families in a sustainable fashion.

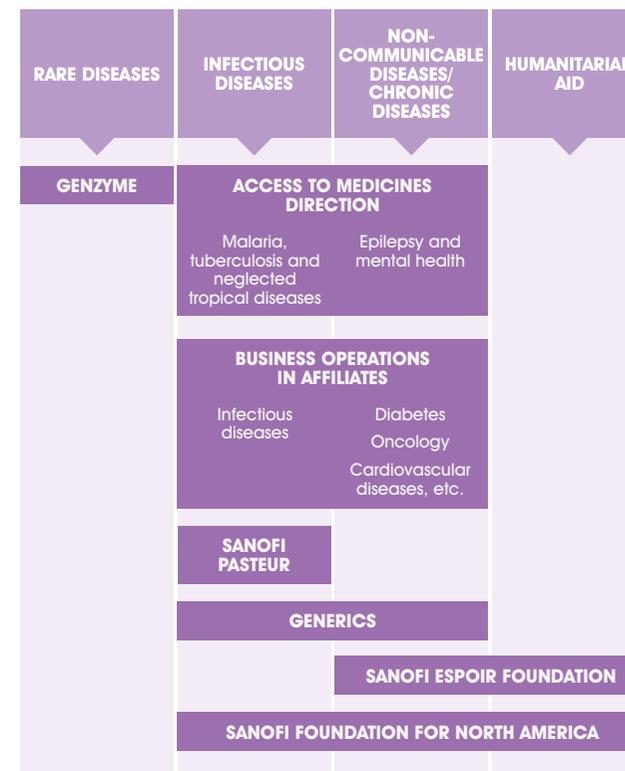
MORE in our Download Center

- [Partnering with Patient Advocates and Groups factsheet](#)
- [List of Patient Associations Supported by Sanofi 2013, 2012 factsheet\(s\)](#)

Longstanding expertise

Sanofi benefits from longstanding expertise in several disease areas. Our organization enables us to provide adapted health solutions to the patients in the countries where we operate.

SANOFI'S ORGANIZATION TO CONTRIBUTE TO THE ACCESS TO HEALTHCARE CHALLENGE



MORE in our Download Center

- [Fighting epilepsy and mental illness factsheet](#)

AN OVERVIEW OF OUR INITIATIVES AND THE VALUE THEY BRING TO PATIENTS

We carry out a variety of integrated initiatives that create value for the patient along the life course. Many of them impact several areas at once, and therefore correspond to more than one link in the value chain.

For the sake of simplicity, we may connect them to one specific area, while in reality most of our initiatives touch upon multiple areas to improve access to healthcare. This table shows the full impact and value of a sampling of our initiatives.

	1 WELLNESS AWARENESS PREVENTION	2 SCREENING DIAGNOSIS	3 TREATMENT	4 CARE AND DISEASE MANAGEMENT
 innovation	<ul style="list-style-type: none"> Dengue vaccine Schoolchildren against malaria 	<ul style="list-style-type: none"> Dengue vaccine 	<ul style="list-style-type: none"> Neglected Tropical Diseases WIPO Re:Search 	<ul style="list-style-type: none"> Diabetes at School
 Availability	<ul style="list-style-type: none"> Dengue vaccine Polio Sleeping sickness 	<ul style="list-style-type: none"> Sleeping sickness 	<ul style="list-style-type: none"> Neglected Tropical Diseases Healthy Children, Happy Children Local manufacturing Insulin plant, Russia 	
 Affordability	<ul style="list-style-type: none"> Polio 	<ul style="list-style-type: none"> Genzyme U.S. 	<ul style="list-style-type: none"> ASAQ tiered pricing Generics StarBem Sanofi Patient Connection 	<ul style="list-style-type: none"> StarBem
 Quality care & patient support	<ul style="list-style-type: none"> Schoolchildren against malaria Sleeping sickness My Child Matters Mental health StarBem 	<ul style="list-style-type: none"> Sleeping sickness My Child Matters Mental health StarBem 	<ul style="list-style-type: none"> Healthy Children, Happy Children StarBem Sanofi Patient Connection™ 	<ul style="list-style-type: none"> Healthy Children, Happy Children Diabetes at school My Child Matters Mental health StarBem Sanofi Patient Connection™

Working with other pharmaceutical companies to improve global health outcomes: the Guiding Principles on Access to Healthcare

Business for Social Responsibility (BSR) brought together leaders in our industry to develop guidelines for a concerted approach to reducing the global burden of disease and improving global health outcomes. The **Guiding Principles on Access to Healthcare** were developed by BSR's Healthcare Working Group and have secured signatures from the CEOs of 13 companies, including Sanofi. These guiding principles provide the framework for working together to develop new approaches to expanding access to healthcare together.

 **MORE** online

- www.bsr.org

We value the right to health

Access to medicines and to vaccines is a fundamental right and an essential element of access to healthcare. Sanofi values the right to health for everyone, as defined in the International Covenant on Economic, Social and Cultural Rights.



 **MORE** in our Download Center

- [Human Rights in our Activities Guide](#)

PATIENT PATIENT SAFETY



Photo credit: Pierre-Oliver Callede, Capa Pictures



Photo credit: Tom Grill, Photographer Choice, Getty Images

Tapping into social media to report adverse events

The year 2013 witnessed significant advances in social media, big data, and their impact on pharmacovigilance. Social media regulations have begun to address the needs of the pharmaceutical industry. At European level, regulatory agencies have released explicit instructions on the nature of online adverse event reporting, and the Food and Drug Administration (FDA) is working on the completion of social media guidance. In 2013, the Pharmacovigilance Department engaged in research projects in collaboration with external providers to develop methodologies for assessing digital media content (big data) as a complementary source for safety signal detection and analysis. Sanofi is a leading participant in a European public-private initiative within the framework of the Innovative Medicines Initiative. The Web Adverse Events project aims at harnessing the data created by Internet users and leveraging emerging technologies for pharmacovigilance. The specific aim is to develop methodologies for assessing digital media content, data mining algorithms, and mobile phone applications for inputting adverse drug reaction reports to optimize detection of emerging adverse events in connection with medicines and medical devices.

KEY ISSUES

Relevant stages of our value chain → SEE p17



- Safety and efficacy



- Quality of raw materials supplied



- Meeting statutory and regulatory requirements

- Fighting counterfeit drugs



- Meeting statutory and regulatory requirements



- Product safety and risk monitoring (pharmacovigilance)

- Safe use of products

- Safety of animal health products

- Managing product safety alerts

- Monitoring adverse events associated with the use of medicines

- Fighting counterfeit drugs

Our challenge

Sanofi provides medicines, vaccines, and innovative therapeutic solutions to patients and consumers across the globe. Ensuring their safety is one of the most critical challenges we face each day.

OUR PROGRESS

KEY ✓ Completed → In progress ✗ Not completed

Our objectives	2013 progress and actions	Status
Ensure that all employees understand and embrace the fundamentals of quality, regardless of their contribution to regulated activities	Quality fundamentals e-learning module designed and ready for roll-out	→
Achieve a Best in Class management of preventive and corrective action plans (CAPA) through the deployment of a unique inspection management and CAPA tool across all entities and sites	New inspection database designed and ready for roll-out. CAPA module deployed to 67 manufacturing sites (53%)	→
Ensure the continuous improvement of the oversight of pharmacovigilance data sources	Convergence of all pharmacovigilance systems into the Application for Worldwide Adverse Reaction Evaluation (AWARE) global safety database Engagement in research projects to develop methodologies for assessing digital media content (big data) as a complementary source for safety signal detection and analysis	→
Ensure that all employees are aware of counterfeit risks and issue an alert when they observe something suspicious	50 sites participated in the Anti-Counterfeit Day E-learning modules (general and specific) have been designed and launched New e-learning for medical sales representatives in progress	→
Improve sampling, analysis, and data collection of counterfeit Sanofi products	More than 5,000 entries were recorded by the Central Anti-Counterfeit Laboratory in order to detect counterfeit products	→
Develop partnerships to better collaborate with enforcement authorities (police, customs, etc.)	More than 8,000 public agents (MOH, customs, police, judges, etc.) were trained on Sanofi product recognition and/or alerted to the dangers of pharmaceutical counterfeiting worldwide	→

OTHER INITIATIVES



p38

Genzyme shows strong quality performance



p39

"Fake medicines, real danger"

Strategic approach

Patient safety is the primary focus of our quality and pharmacovigilance teams. Our approach involves guaranteeing quality at each phase of a product's life cycle, from the earliest steps of development to the distribution of products to sales channels: this is the responsibility of Sanofi's quality organization.

The Pharmacovigilance Department ensures that the overall benefits of our products outweigh any potential risks once they have been made available to patients. Lastly, because we are concerned about the threat to patient safety posed by counterfeit medicines, Sanofi is involved in assisting enforcement authorities to effectively combat counterfeit drugs.

GLOBAL QUALITY ORGANIZATION

Sanofi's Global Quality organization implements a harmonized quality management approach across all the Group's operations (development, manufacturing, distribution, and marketing) and geographies and ensures compliance with company and regulatory requirements and expectations.

PHARMACOVIGILANCE

Pharmacovigilance is the process we use to monitor the safety of our products. It consists of evaluating the benefit/risk profile of a medicinal product during its entire life cycle. This includes the day-to-day monitoring of all reported adverse events associated with our products.

Quality systems ensure regulatory compliance

Sanofi's product quality approach is designed to ensure we provide safe and effective products that are developed, manufactured, distributed, and marketed in compliance with regulatory requirements worldwide. Sanofi's quality systems cover our entire product portfolio: prescription medicines, vaccines, consumer health products, generics, medical devices, and animal health products. Our quality systems are under the responsibility of the Global Chief Quality Officer who has direct access to the CEO.

MORE in our [Download Center](#)

- [Quality Management Systems factsheet](#)

Our commitment to patient safety and product quality appears in Sanofi's Global Quality Policy, which has been translated into **26 languages** and is distributed to employees in all countries where we operate. Sanofi's Global Quality Audit program provides for periodic assessments of all our internal and external sites and coordinates the company's readiness for inspections by regulatory authorities, one of the pillars of our quality system.

MORE in our [Download Center](#)

- [Quality Policy](#)

Managing quality-related risks

We rely on our quality risk management organization to facilitate effective decision-making and to build public authorities' confidence in our ability to address any potential issues that may arise.

Sanofi has a mature quality risk management system in place, based on a widely deployed escalation process of quality events and an alert management system that is interconnected with other Sanofi functions (R&D, Medical Affairs, Industrial Affairs, etc.). As of 2013, we started including external sources to our emerging risks surveillance.

One of the challenges of managing quality-related issues is ensuring the continuity of supplies.

MORE in our [Download Center](#)

- [Continuity of Activities and Supplies factsheet](#)

Monitoring our suppliers' quality performance

We pay close attention to third parties that provide services, raw materials, and products used for our activities that are subject to strict guidelines and regulations. All materials, equipment, and services (including transport) that may have an impact on product quality are purchased from approved sources according to pre-defined criteria, and they are tested upon reception at our plants, as appropriate. We audit third parties on a regular basis.

Our dedicated system for monitoring product quality defects reported by patients and healthcare professionals leads to the rapid analysis of complaints and the implementation of corrective and preventive actions where appropriate.

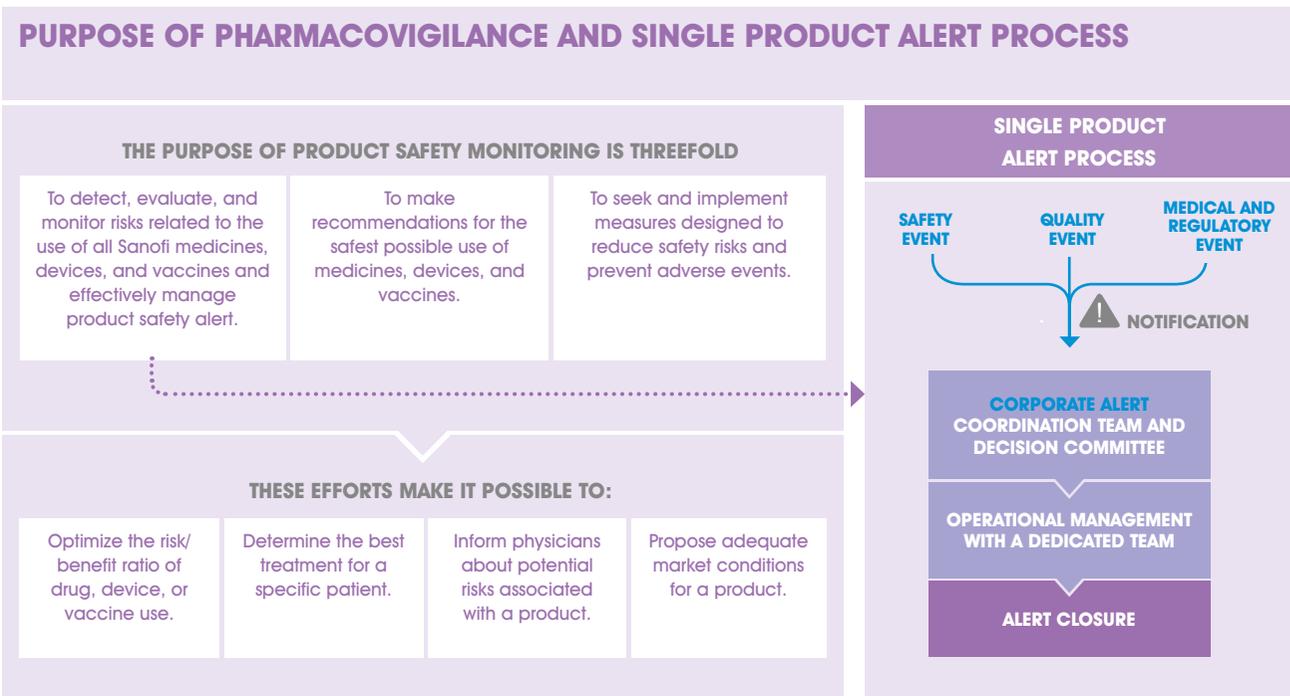
Pharmacovigilance monitors product safety to protect the patient

Our pharmacovigilance teams monitor product safety and are able to adjust the risk/benefit profile of our products: prescription medicines, vaccines, consumer health products, generics, medical devices and animal health products. Pharmacovigilance helps determine the best conditions of use of treatments, and provides physicians with information about potential risks associated with a product.

A dedicated department centralizing our pharmacovigilance expertise

Sanofi's Global Pharmacovigilance & Epidemiology (GPE) Department is responsible for pharmacovigilance. As one of our centers for medical and clinical expertise, it detects, evaluates, and monitors potential risks related to the use of all our products on a continuous basis. It works closely with healthcare professionals, health authorities, and the patient community to reduce safety risks and prevent adverse events for patients. The GPE Department issues recommendations designed to ensure the safest possible use of medicines. In the event of an identified safety risk, quality event, medical, or regulatory event that requires rapid action to protect patients, a worldwide product alert process is activated. The risk, if any, is always managed in collaboration with the relevant public authorities.

Sanofi has a separate pharmacovigilance system to ensure the safety of animal health products as they involve different skills and processes.



Quality inspections and audits

In 2013, we continued to enhance our manufacturing operations and quality systems in line with health authority requirements. As part of our goal to continuously instill a sustainable compliance culture in line with regulatory requirements and to prepare for regulatory inspections, we performed 235 internal quality audits.

In addition, over 450 external audits were conducted by Sanofi to monitor the quality of active pharmaceutical ingredients and excipients manufactured by our suppliers and services provided by subcontractors at every step of the supply chain.

INSPECTIONS	2012	2013
Number of regulatory inspections	262	262
Pharmacovigilance	11	5
Clinical research (Good Clinical Practices)	77	99 ¹
Pre-clinical research (Good Laboratory Practices)	3	6
Manufacturing and distribution sites (Good Manufacturing Practices/Good Distribution Practices)	171	136
Affiliates	NC	16
Number of inspections resulting in regulatory action from health authorities	4	3²

AUDITS	2012	2013
Number of external quality audits of manufacturers or suppliers	466	458
Suppliers of active pharmaceutical ingredients (API)	242	246
Contract Manufacturing Organization (CMO)	197	190
Contract Research Organization (CRO)	27	22
Number of internal quality audits	238	235
Total number of recalls	51	56
Number of class 1 recalls ³	1	1 ⁴
Number of class 2 recalls ⁵	21	34
% of customer complaints treated in due time⁶ (45 calendar days maximum to close a complaint)	63.6%	54.3%

Inspections of manufacturing and distribution sites in 2013

Our manufacturing and distribution sites are inspected by health authorities on a regular basis. In 2013, Sanofi underwent 136 inspections worldwide at 112 manufacturing and distribution sites (Good Manufacturing Practices/Good Distribution Practices), for a total of 262 inspections.

Half of the 136 inspections conducted in 2013 were performed in Europe, where most of our manufacturing and distribution sites are located. Inspections of the sites located in North America represented 22% of the inspections performed in 2013.

QUALITY INSPECTIONS IN 2013, BY REGION⁷ (%)

Manufacturing and distribution sites



1 Including two inspections on the Animal Health perimeter.

2 In 2013, follow-up inspections of the manufacturing sites of Marcy l'Étoile and Toronto took place in June and September. Significant progress of the quality systems was acknowledged by the FDA during these inspections; however, the improvement plan to close the warning letter is still ongoing. In Q3 2013, Sanofi Pasteur decided to develop a program of strengthening and acceleration of its plan of improvement.

3 Class 1 recall: defects that are potentially life threatening or could cause risk to health – EMA definition.

4 One class 1 recall in 2013 of two batches of transport media included in cartilage biopsy kits associated with the manufacturing process of MACI® (matrix applied characterized autologous cultured chondrocytes) following the identification of bacterial contamination in two unused bottles of the transport media.

5 Class 2 recall: defects that could cause illness or mistreatment, but are not Class 1 – EMA definition.

6 On the scope of Sanofi Pharma and Genzyme only in 2012. In 2013 the scope has been extended to Sanofi Pasteur and Merial.

7 See Definition of regions on [page 107](#).

Internal and external quality audits in 2013

In 2013, Sanofi performed 235 **internal** quality audits worldwide.

Our internal entities are regularly audited by a dedicated independent audit team against applicable international and local regulations, taking into account a defined risk-based approach audit plan.

In addition, Sanofi conducted 246 audits of **Active Pharmaceutical Ingredients (API) Suppliers** and 190 audits of **Contract Manufacturing Organizations (CMO)**¹ worldwide.

The frequency of audits is determined using a risk-based analysis in compliance with current regulatory approaches.

INTERNAL QUALITY AUDITS IN 2013, BY ACTIVITY (%)

- Manufacturing and distribution sites
- Affiliates (e.g., commercial, regulatory activities, etc.)
- Global processes and systems (e.g., computerized systems)
- Other (e.g., regulatory inspection readiness audits)



AUDITS OF API SUPPLIERS IN 2013, BY REGION² (%)

- North America
- Latin America
- Europe
- Africa & Middle East
- Asia Pacific-Japan



AUDITS OF CMO IN 2013, BY REGION² (%)

- North America :
- Latin America
- Europe
- Africa & Middle East
- Asia Pacific-Japan



Taking an active part in the fight against counterfeit drugs

Safeguarding the integrity and traceability of our products and being a solid partner in the global fight against counterfeit drugs are an essential part of ensuring patient safety, and Sanofi has adopted a comprehensive approach to the fight against counterfeit drugs. Externally, we cooperate with enforcement authorities and professional organizations in many countries. Internally, since 2008, we have run our own dedicated anti-counterfeit laboratory, LCAC, a major initiative in our industry.

At the Sanofi Central Anti-Counterfeit Laboratory (LCAC), which opened in 2008 in Tours, France, a dedicated team of specialists uses state-of-the-art technologies to analyze suspect product samples found on the market, as well as packaging and product inserts. In 2013, over **5,000** entries were recorded by the LCAC in order to detect counterfeit products.

A wide range of in-house and external initiatives

In the fight against counterfeit drugs, we actively support initiatives by public authorities to guarantee high standards of drug quality and safety, in particular by:

- working closely with local authorities and professional organizations to educate the public and raise awareness about this phenomenon, which is growing, especially on the Internet, and the potential risk for people's health;
- cooperating with police officers, customs officials, health authorities and other pharma companies to seize potentially harmful products, and to shut down clandestine production facilities and illegal websites that sell counterfeit drugs;
- securing the supply chain and developing innovative, high-tech solutions to safeguard the integrity of our products and prevent falsification; and
- coordinating Sanofi's corporate and local actions through a dedicated in-house organization that brings together experts from many areas of our company: Industrial Affairs, Quality, Security, Legal, Cybercrime and Communications, as well as Medical and Regulatory teams.

MORE in our Download Center

- [Fighting Counterfeit Medicines Position Paper](#)
- [Fighting Counterfeit Medicines factsheet](#)

¹ Contract Manufacturing Organization (CMO) definition: Third-party company performing manufacturing or partial manufacturing of products ordered by Sanofi (e.g., manufacturing, packaging, testing, release)

² See Definition of regions on [page 107](#).

Highlights

Quality

Genzyme shows strong quality performance despite challenging conditions



Genzyme began 2013 under conditions of constrained supply and process challenges

at its Allston site (U.S.), at the peak of integration activities with the Group. The Sanofi quality integration process was well organized, and Allston met all milestone commitments due in 2013 of the Consent Decree opened in 2010 with the FDA. This is a major accomplishment considering that the site operates at a full production level and is simultaneously undergoing major facility renovations.

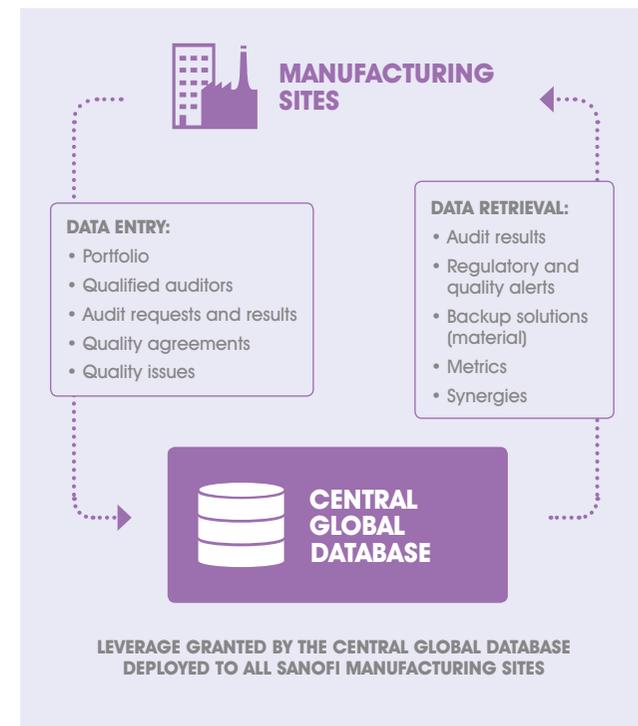
A global database deployed worldwide to manage quality-related data from suppliers and subcontractors

As part of our global quality approach, we monitor the quality of raw materials, products, and services provided by outside third parties, which is essential to ensure the safety of our products for human and veterinary use.

One of our strategic tools is a central global database created in 2011 to manage information related to these companies. After being progressively implemented worldwide since its launch, the database is being continuously updated by 800 users in 271 entities, including our 112 manufacturing sites. The information it contains is assessed on a regular basis, which allows us to identify areas for improvement and actions that may be required to mitigate risks in connection with suppliers, subcontractors and service providers.

This database is one of the tools used by Sanofi to ensure consistency in approach across all entities with respect to the management of third parties. It is also used to identify synergies when it comes to audit needs: 66% of third parties audited in 2013 are used by more than one entity. Thanks to more than 500 qualified auditors based everywhere in the world, it is also possible to assign the audits to a local auditor, thereby avoiding long-distance travel: 29% of the audits performed in 2013 were conducted by a local auditor on behalf of another entity.

CENTRAL GLOBAL DATABASE



Pharmacovigilance

Our global safety database is up and running

The convergence of all pharmacovigilance systems into the AWARE global safety database, to collect adverse event reporting in connection with all Sanofi products for human use in a single platform, was successfully achieved in November 2013. Thanks to two years of hard work by an international team of over 100 Sanofi employees, each of our company entities, and in particular Genzyme and Sanofi Pasteur, have adopted a single case processing workflow using AWARE, resulting in greater efficiency.

Sharing pharmacovigilance best practice worldwide

In 2013, our Pharmacovigilance Department, GPE, met with health agencies in various countries to share industry-wide best practice and help these agencies develop their own national pharmacovigilance systems. For the third time, GPE was involved in the annual French-speaking sub-Saharan Pharmacovigilance Training program organized under the auspices of regional health agencies. GPE was also an invited speaker at the first African Society of Pharmacovigilance congress, held in Morocco.

Fighting counterfeit drugs

“Fake medicines, real danger” website and “travel tips” application



To raise public awareness about the dangers of counterfeit medicines, Sanofi created a new website dedicated to counterfeit medicines as part of a broader communications campaign. This website provides the public with general information and advice. At the same time, we introduced a “travel tips” mobile application to provide recommendations and information to travelers. This easy-to-use application features an educational quiz to help people understand how to protect themselves from the dangers of fake medicines.



Photo credit: Aubert/image'In

MORE online
• [Video - Fake medicines](#)

Protocol of Intent on medicinal products between Sanofi Ukraine and Ukraine agency

On June 18, 2013, in Kiev, the State Administration of Ukraine on Medicinal Products and Sanofi Ukraine signed a one-year Protocol of Intent to fight counterfeit pharmaceutical products. As the first public-private initiative of its kind in Ukraine, this marks an unprecedented step and brings new impetus to the fight against counterfeit medicines.



ETHICS

Acting responsibly and ethically provides the basis for our day-to-day work and our relations with patients, healthcare professionals, Sanofi employees, and our many other stakeholders.

- p41 [ETHICS IN R&D](#)
- p47 [BUSINESS ETHICS](#)
- p52 [RESPONSIBLE PROCUREMENT](#)

Introduction

Our approach

Patient

Ethics

People

Planet

Performance

Photo credit: Pierre-Oliver Callede, Capa Pictures

ETHICS

ETHICS IN R&D



Photo credit: Christian Fleury



Photo credit: Marizilda Cruppe, Capa Pictures

Sanofi Bioethics Committee's informed consent initiative

Guaranteeing respect for the principle of free and informed consent by all study participants is one of the foundations of ethical conduct in clinical trials. In 2013, the Sanofi Bioethics Committee launched an initiative focused specifically on improving Sanofi's informed consent process. The hoped-for outcome is harmonization and greater consistency in Sanofi's clinical study documents and, most importantly, materials and processes that are easier for potential participants to understand.

Within the scope of this project, the Bioethics Committee drew up a list of 11 key factors to improve the informed consent process, with an emphasis on:

- the difference between study participation and medical care: the study investigator must explain the experimental nature of a clinical study and communicate that the purpose of a clinical study is to demonstrate how a treatment may be improved for all patients, while standard medical care is designed to treat a single individual;
- alternatives to study participation: this is particularly important in situations where standard healthcare is costly and enrollment in the study means the patient will receive healthcare free of charge. It is essential for potential participants to be able to weigh the pros and cons (not only financial) of trial participation; and
- trial participants' post-study access to the tested medicine or vaccine: Sanofi only performs clinical studies in countries where we intend to make the tested product available, in line with the BSR Guiding Principles on Access to Healthcare, signed by Sanofi's CEO in May 2013.

KEY ISSUES

Relevant stage of our value chain → SEE p17



- Protection of participants in clinical trials
- Informed consent of participants in clinical trials
- Disclosure and sharing of clinical trials results
- Advancing bioethics
- Animal protection

Our challenge

We are committed to conducting clinical trials worldwide by applying the most stringent quality standards and making a particular effort to protect trial subjects who may be vulnerable for any reason.

OUR PROGRESS

KEY ✓ Completed → In progress ✗ Not completed

Our objectives	2013 progress and actions	Status
Implement global policies to address emerging bioethical issues in R&D	The Bioethics Committee released new policies on: <ul style="list-style-type: none"> • Animal protection • Use of Human Embryonic Stem Cells • Clinical data sharing 	→
Implement the five principles for Responsible Clinical Trial Data Sharing jointly endorsed by the Pharmaceutical Research and Manufacturers of America (PhRMA) and the European Federation of Pharmaceutical Industries and Associations (EFPIA)	Public commitment to the five principles for Responsible Clinical Trial Data Sharing	→
Improve the management of preventive and corrective action plans resulting from our audits of clinical trials	Include our clinical trials audit database in our common quality database	→

OTHER INITIATIVES



Photo credit: Pierre-Oliver Callede, Capa Pictures

p44

Our commitment to expand access to clinical trial data



Photo credit: Gil Corre

p45

Knowledge sharing: European fellowships help scientists organize clinical trials in sub-Saharan Africa

Strategic approach

Clinical trials are essential to ensure that new treatments are effective and well tolerated by patients. Health authorities require such studies as a mandatory part of the approval process for any new drug or medicinal product. They also may be carried out after the marketing of drugs, in particular for the development of new indications.

To guarantee ethics in clinical trials, we submit the trial protocol to local health authorities and to an independent ethics committee and we rely on the policies prepared by our own Bioethics Committee. Clinical trials sponsored by Sanofi comply with international standards and are subject to inspections by health authorities, as well as our own internal clinical audits. Furthermore, we have established systems to detect potential deviations and misconduct by clinical investigators. In the interest of transparency, we are willing to disclose appropriate information about our study protocols and results.

Protecting the rights, safety, and integrity of participants in clinical trials

Sanofi's in-house guide Human Rights in our Activities was published in 2013 to ensure that human rights are soundly integrated into every aspect of our business, including the conduct of clinical trials. Respect for human rights in drug development and research requires confirming that all research participants have provided genuine individual informed consent, and that their fundamental rights, such as the right to information on benefits and risks prior to giving consent, are respected and protected.



MORE in our Download Center

- [Human Rights in our Activities Guide](#)

Independent ethics committee review

Information about a clinical trial is submitted on an ongoing basis to local health authorities and an independent ethics committee (at least one per country where the trial is conducted), which carefully examines the trial protocol and procedures. Sanofi will only initiate clinical trials that have received a favorable assessment by the ethics committee and by health authorities. The ethics committee monitors the trial on a regular basis to ensure that participants' safety and welfare are protected. In addition, this committee, trial investigators, and participants are kept informed of any significant study-related events or issues that arise during the course of the trial. In countries without ethics committees, a French committee that includes stakeholders from the country in question must review the trial protocol and procedures before Sanofi initiates the trial.

Free and informed consent

Regardless of a trial's objective, it must be designed to protect the safety of participating subjects and guarantee that they give their consent based on clear, complete information that is written in an understandable, non-technical style. Sanofi assures that all subjects (or their legal representatives) enrolled in any clinical trial we conduct have given their free and informed consent to participate in the trial. Such consent must be obtained prior to any procedure or change in the procedure required by the study protocol and before any data is collected, especially for trial subjects who may be vulnerable for any reason.

AT A GLANCE: THE KEY REQUIREMENTS OF INFORMED CONSENT

The participant is at the center of the informed consent process.

Emphasis is placed on providing information that is relevant for the participant to decide whether or not to participate in the study.

Information is provided orally and in writing.

Materials are designed to ensure that all information is understandable by the participant.

Once informed, the participant is free to decide on participation in a study without incurring any prejudice.

Compliance with international standards

Our worldwide approach to clinical research helps make it possible for us to address a wide variety of medical conditions. All our clinical trials are conducted with the aim of collecting relevant and reliable data according to strict international standards and applicable local law. Everywhere in the world, we are subject to inspections by health authorities, and we perform internal audits of trials to ensure compliance with rules of ethics and applicable law. Employees working on clinical trials receive training on a regular basis about adhering to international standards and regulations.

Internal clinical audits

Also on a worldwide basis, we conduct internal audits of our clinical trials, associated systems, and subcontractors to ensure continuous improvement and compliance with our quality standards. Another factor in our audit strategy is readiness in the event of an inspection by health authorities. We determine our audit program based on an evaluation of potential risks associated with clinical research activities.

Within the scope of worldwide trials, we may outsource clinical operations to Clinical Research Organizations (CRO), whose compliance with Good Clinical Practices is overseen and monitored by our own teams. If non-compliance is detected, we notify the relevant managers, regulatory authorities, and ethics committees, and we participate in related risk mitigation plans when necessary.

Addressing the risk of clinical investigator misconduct

To limit the risk of potential misconduct by a clinical investigator, we utilize central data surveillance and on-site trial site monitoring, which allows early detection of signals that indicate potential deviations so that we can take prompt corrective and preventive actions. As a result, we have set up systems to detect, prioritize, assess, and mitigate potential risks caused by deviations.

In the event of a serious deviation (e.g., data fabrication, scientific misconduct, or serious non-compliance at investigator sites), various steps may be taken, depending on the severity of the situation. They may include an in-depth investigation by a cross-disciplinary panel or termination of the trial for that particular investigator site, and notification of the ethics committees and the health authorities.

Transparency

We believe that patients, healthcare professionals, and other stakeholders have a legitimate interest in clinical trials sponsored by Sanofi. We are committed to publicly disclosing appropriate information about our clinical study protocols and results.

MORE online

- www.clinicaltrials.gov

Sanofi Bioethics Committee

The Sanofi Bioethics Committee, which was created in 2010, studies emerging ethical issues brought about by advances in biology and medicine. The committee develops our positions on bioethics, which are one of the components of our research strategy.

In 2013, the Bioethics Committee developed new or updated policies concerning:

- animal protection;
- use of human embryonic stem cells; and
- clinical data sharing.

The members of the Bioethics Committee represent many different Sanofi perspectives: CSR, Compliance, Global Quality, Legal, Genzyme, Sanofi Pasteur, Medical Affairs, and Public Affairs.

MORE in our Download Center

- [Animal protection factsheet](#)
- [Clinical trials factsheet](#)

Highlights



Photo credit: Pierre-Oliver Callede, Capa Pictures

Our commitment to expand access to clinical trial data benefits patients and the research community

Sharing data from clinical trials can speed up the discovery of new treatments and improve patient care by enabling researchers to build effectively on findings from other researchers' studies. Starting in 2014, in line with the five principles for clinical data sharing, endorsed by the Pharmaceutical Research and Manufacturers of America (PhRMA) and the European Federation of Pharmaceutical Industries and Associations (EFPIA), we will expand access to information related to our clinical trials where appropriate and will share data from clinical trials filed with regulators in the U.S. and Europe. We have committed to making data and related documents, including Clinical Study Report (CSR) synopses, available to the public. To facilitate requests and access, we participate in a multi-company website for clinical data sharing (<https://clinicalstudydatarequest.com>), with a link available on the Sanofi website (www.sanofi.com). Product data will be listed on the website following both U.S. and EU regulatory approval for dossiers submitted after January 1, 2014.

Principles for trial data sharing

The five principles for responsible clinical trial data sharing, endorsed by the Pharmaceutical Research and Manufacturers of America (PhRMA) and the European Federation of Pharmaceutical Industries and Associations (EFPIA), are:

- enhancing data sharing with researchers;
- enhancing public access to clinical study information;
- sharing results with patients who participate in clinical trials;
- certifying procedures for sharing clinical trial information; and
- reaffirming commitments to publish clinical trial results.



Photo credit: Gil Corre

Knowledge sharing: European fellowships help scientists organize clinical trials in sub-Saharan Africa

Sanofi has been a driving force in the **European & Developing Countries Clinical Trials Partnership (EDCTP)**, an international alliance to promote technology transfer, training, and capacity building. This program provides an opportunity for African clinical researchers to learn very specific skills for the design, conduct, and analysis of clinical trials that meet the highest international standards. As members of EFPIA, we are one of the European vaccine manufacturers that will host researchers from scientists in sub-Saharan Africa during a two-year fellowship.

This program was launched with the 2013 signature of a Memorandum of Understanding between EDCTP and the research-based drug companies in Europe (EFPIA). EDCTP focuses on clinical trials of drugs, vaccines and diagnostics for HIV/AIDS, tuberculosis, and malaria. The initiative was developed in cooperation with the European Commission's Directorate-General for Research and Innovation.

MORE online

- [Video - Debate on access to quality medicines and healthcare services in the resource-restricted countries](#)
- [Do patients benefit from the highest ethical principles? Debates documents](#)
- [European & Developing Countries Clinical Trials Partnership website](#)

Key figures

Overview of clinical trials in 2013

In 2013, we obtained the following approvals: Aubagio® and Lemtrada™ for multiple sclerosis in the EU, Lyxumia® for diabetes in the EU and Japan, Zaltrap® for colorectal cancer in the EU, Kynamro® for hypercholesterolemia in the U.S., the Fluzone® QIV flu vaccine in the U.S., and the Hexyon®/Hexacima® vaccine in the EU.

For vaccines, the conclusion of trials on our dengue vaccine has focused on the Asia Pacific region where additional trials were conducted. Trials in Europe and North America focused mainly on the flu vaccine.

For our pharma activities, the robust late-stage pipeline led to an overall increase in participants with key trials for U300 basal insulin, Lyxumia® (lixisenatide), Aubagio®, Lemtrada™, PCSK9 (hypercholesterolemia), Sarilumab (rheumatoid arthritis) and Dupilumab (Asthma).



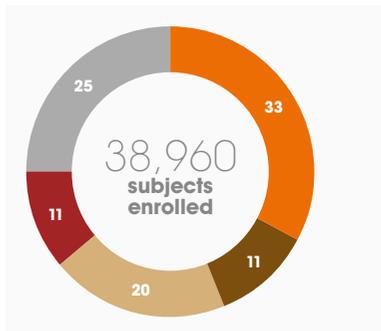
Photo credit: Nathaniel Welch, Redux-REA

“We believe that making clinical trial data and results available to patients and researchers in a responsible manner helps advance science and medicine, enhances public health, and builds trust in pharmaceutical drug development.”

Paul Chew,
Chief Medical Officer, Sanofi

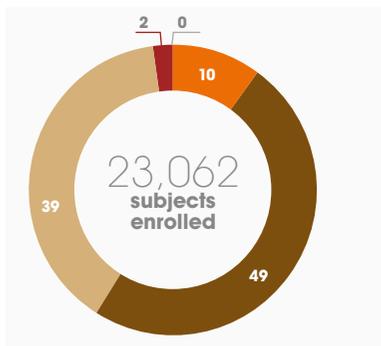
SANOFI PHARMA AND GENZYME CLINICAL TRIALS 2013, BY REGION¹ (%)

- Europe
- North America
- Asia Pacific-Japan
- Latin America
- Africa & Middle East



SANOFI PASTEUR VACCINES CLINICAL TRIALS 2013, BY REGION¹ (%)

- Europe
- North America
- Asia Pacific-Japan
- Latin America
- Africa & Middle East



¹ See Definition of regions on page 107

Monitoring clinical trial investigators for potential misconduct

For Sanofi-sponsored clinical trials in 2013; no cases of potential misconduct prompted involvement by Sanofi's Global Risk Management Committee via the Rapid Quality Notification Investigations process.

There were 40 situations that required in-depth investigations, of which:

- 12 stemmed from allegations of scientific misconduct and/or malpractice;
- whereas 28 cases were related to potential serious non-compliance; and
- 9 of the 40 cases led to agency notifications. Corrective and preventive actions were taken rapidly to avoid major or critical impact.

271 clinical trials

Conducted in 2013

200 Sanofi Pharma and Genzyme
71 Sanofi Pasteur

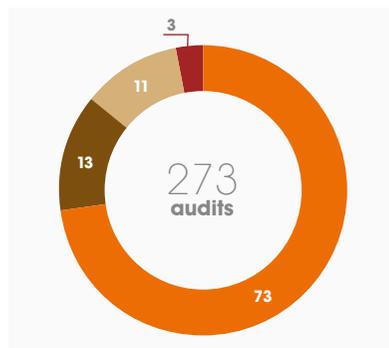
2013 clinical trial audits

In 2013, Sanofi conducted 273 audits for our clinical trial activities and related systems and suppliers, with a strong focus on investigator site audits.

In 2013, Sanofi conducted 198 investigator site audits. Approximately 27% took place in developing countries or emerging markets, in line with the geographic distribution of our clinical trials.

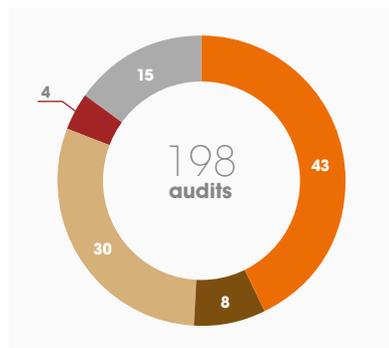
CLINICAL TRIAL AUDITS IN 2013, BY CATEGORY (%)

- Investigator site
- System
- CRO
- Other unplanned



INVESTIGATOR SITE AUDITS IN 2013, BY REGION¹ (%)

- North America
- Latin America
- Europe
- Africa & Middle East
- Asia Pacific-Japan

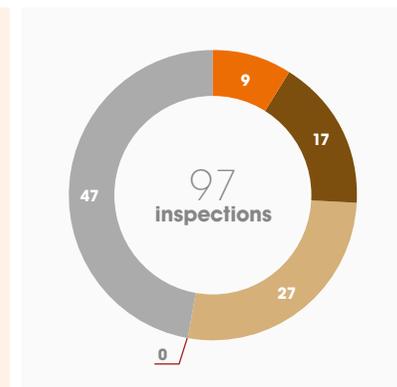


Inspections

Within the perimeter of R&D/Pharma, Genzyme, and Sanofi Pasteur, none of the inspections in 2013 had critical outcomes resulting in regulatory action from health authorities (such as a warning letter, significant disruption of product supply or registration submission, or impact on marketing authorization approval status).

INSPECTIONS BY REGULATORY HEALTH AUTHORITIES IN 2013, BY REGION¹ (%)

- North America
- Latin America
- Europe
- Africa & Middle East
- Asia Pacific-Japan



¹ See Definition of regions on page 107

ETHICS BUSINESS ETHICS



Photo credit: Denis Felix

Code of Ethics

Training employees about ethical conduct

As end of 2013, over 97,000 employees have received training in the Sanofi Code of Ethics. Since 2012, an e-library with 47 courses covering eight topics, including anti-bribery, has been made available to all employees via the Global Compliance intranet. A total of 13 courses on anti-bribery and anti-corruption issues are now available in various formats, which range from introductory materials to reinforced knowledge, in up to 17 languages. The Global Compliance intranet also features other tools, including short videos and face-to-face training kits.

KEY ISSUES

Relevant stages of our value chain → SEE p17



- Providing accurate and reliable information
- Corruption and anti-competitive behavior
- Responsible lobbying and advocacy

Our challenge

As a global healthcare leader working in over 100 countries worldwide, we have a responsibility to behave with integrity and transparency, and to respect the highest ethical standards in all our business dealings.

OUR PROGRESS

KEY ✓ Completed → In progress ✗ Not completed

Our objectives	2013 progress and actions	Status
Improve our medical information system for handling medical inquiries	Mapping of all activities, products, and needs Completed selection of IT system Finalized decision on phased approach for writing content Initial content written in second quarter 2014	→
Launch new IS tool for review and approval of promotional materials	Authorization in 2013 Implementation in 2014	→
Maintain an effective compliance program	Continuously raise awareness of our Code of Ethics	→
	Ensure readiness with new transparency requirements in our relationships with healthcare	→

OTHER INITIATIVES



p50

Contributing to cross-industry initiatives against corruption: RESIST



p50

Guidance for employees who interact with healthcare professionals



Photo credit: Denis Felix

p51

2013 audits of affiliates: no critical findings

Strategic approach

Each day, as we seek to protect the interests of patients and communities while preserving our reputation and the interests of our shareholders, we aim to respect high standards of ethics and integrity in our business practices. As one of the largest pharmaceutical companies in the world, we also need to be in the front line in the fight against corruption, which is not only a deterrent to economic development and international business, but is especially damaging in emerging countries – our largest market – because it undermines fair competition and damages public trust.

How we implement our approach

Our approach to ethical conduct in business is based on measures and initiatives designed to earn and preserve trust in Sanofi. Our strategy focuses on establishing and enforcing clear rules that are consistent with the legislative framework and are aligned with the industry's best practices, while seeking to go beyond regulatory compliance through our efforts toward transparency, accountability, and disclosure. To prevent potential violations and non-compliance, we have established robust internal systems.

We play a role in policy debate

We wish to be involved in policy debate about public health issues that affect our business, to the extent appropriate and consistent with applicable law. We therefore engage in sustainable interactions with legislators and other stakeholders to work toward the common goal of improving access to the best medicines and healthcare products. At the same time, we seek to safeguard incentives for research and innovation. All our lobbying activities are conducted in compliance with the Group's Code of Ethics, the Group's Responsible Lobbying Policy, as well as lobbying and advocacy laws and regulations where we do business.

MORE in our Download Center

- [Responsible lobbying factsheet](#)

We comply with regulations in our relations with healthcare professionals and patient associations

We engage healthcare professionals for their expertise in many different areas – from asking them to lead training programs to soliciting feedback about how our products will be received by patients.

In our dealings with physicians, healthcare organizations, and patient associations, we comply with applicable laws and regulations, including anti-corruption laws.

We maintain an effective compliance organization

A key component of our approach to business integrity is ensuring consistent compliance with applicable laws, regulations, industry standards, and our own internal rules. Sanofi's Global Compliance Department works, at every level of the Company to build processes and create an environment that is propitious to instill ethical values through the Group. The Chief Compliance Officer meets periodically with the Audit Committee and/or the Board of Directors. Regional and local compliance officers are in place in order to make sure all compliance requirements and related trainings are applied in their area of responsibility in a consistent and uniform manner. The Global Compliance team and a network of compliance officers at regional and country level convey the messages contained in the Group's rules and training programs.

The Executive Compliance Committee, which is chaired by the CEO, was created to facilitate and oversee all aspects of Sanofi's compliance program. The Committee plays an executive role to recommend actions and review the implemented actions, sustain the effectiveness of compliance programs within the Group, and foster a continued commitment to Group values. The senior VP CSR is a member of the Executive Compliance Committee.

MORE in our Download Center

- [Prevention of conflict of interest factsheet](#)

We practice transparency to build trust

We are committed to carrying out our business activities in compliance with strict standards of ethics and transparency, which is a key factor in developing trust-based relationships with our stakeholders, the public and, more importantly, patients. We publish information about our relations with both healthcare professionals and patients associations, including disclosure of financial and non-financial interactions in various countries. Transparency is governed primarily by professional codes of conduct, in particular by EFPIA (Europe), as well as, for example, codes in Australia, Canada and, more recently, Japan.

MORE on local Sanofi websites

[Payments made to healthcare professionals, 2013:](#)

- [France](#)
- [UK](#)
- [US](#)



Photo credit: Franck Parisot

“We feel that it is vital that all Sanofi employees be informed and be aware of their responsibilities for the publication of financial information related to their working relationships with these stakeholders.”

**Antonio Tataranni,
VP Global Medical Operations,
On behalf of Sanofi's Transparency
Initiative task force**

We promote our products using scientifically proven results

In the marketing of our products, we are committed to providing accurate, complete, and reliable information to physicians, pharmacists, and other healthcare professionals. Our overarching concern is ensuring patient safety and the proper use of our products. All our promotional materials are based on scientifically proven results and undergo an internal review process in order to ensure they are objective and fair, and comply with applicable legal standards.

To ensure respect for ethics in our marketing practices, Sanofi adheres to the codes governing our industry in Europe (EFPIA), the United States (PhRMA), and worldwide (IFPMA), as well as our own internal codes governing promotional activities.

We take part in the fight against corruption

One of the roles of our compliance organization is to coordinate Sanofi's participation in the fight against corruption, alongside other multinational companies. Across our organization, we lay the groundwork to interact responsibly and ethically with third parties by establishing clear rules and make sure they are effectively enforced.

In all countries where the Group does business, we rely on measures and tools that have been in place for several years. To increase vigilance about compliance with internal practices set out in the Sanofi Code of Ethics, we have established a warning system to facilitate internal controls in the areas of finance, accounting, banking, and fighting corruption and anti-competitive practices.

MORE in our Download Center

- [Fighting corruption factsheet](#)

Highlights

Contributing to cross-industry initiatives against corruption



Sanofi is willing to contribute to leveling the playing field by supporting international anti-corruption initiatives originating in the private sector, such as those developed by the International Chamber of Commerce (ICC). Among the practical tools proposed by the ICC, Sanofi is an active supporter of a training tool known as RESIST (Resisting Extortions and Solicitations in International Transactions). The ICC has contributed to developing this tool in cooperation with the World Economic Forum, the UN Global Compact, and Transparency International. It is used to train company employees on how to prevent bribery and how to respond in a safe, ethical, and efficient way in the event of attempted bribery. RESIST is based on 21 real-life scenarios of solicitation and extortion demands. Sanofi was involved in the translation of this tool into French and has actively participated in the creation of an e-learning version of RESIST, available on the ICC website:

MORE online

- <http://www.iccwbo.org/products-and-services/fighting-commercial-crime/resist/>



Guidance for employees who interact with healthcare professionals

In 2013, we updated our brochure covering interactions with external experts. The Sanofi standards for external experts' participation at scientific events brochure covers, among other issues:

- necessary conditions for attending a scientific event;
- hospitality rules in connection with all scientific events; and
- conditions concerning compensation when an expert is required to provide a service for which Sanofi has a legitimate need.

We encourage our employees who have dealings with external experts to provide them with a copy of the brochure. It not only guides employees, but it also provides a way for us to share our standards and values with external experts. Compliance with our standards and rules allows us to build sustainable relations with outside experts, which ultimately enhances their image and reputation as well as ours.

MORE in our Download Center

- [Standards for external experts' participation at scientific events - brochure](#)

Adapting fees to local conditions for the compensation of healthcare professionals

In anticipation of public disclosure of our financial interactions, for example, expert committees, consultants and speakers, with healthcare professionals, in 2012 the Group adopted a harmonized methodology to be used by each country to determine local fee grids, with information available on the Sanofi intranet. Since 2013, affiliates have been applying the fee grids, which are designed to ensure that compensation is based on fair market value in the country where experts practice.

Monitoring our promotional materials and scientific publications

Our internal directive on good scientific information and marketing practices was updated in line with the revised IFPMA Code of Practice (2012). The revised directive also takes into account the specific requirements of consumer healthcare promotion.

As a consequence of the updated directive, new standard operating procedures were published for corporate-level approval of promotional materials and for the management of complaints in connection with Sanofi's promotional activities.

In 2013, employee training about responsible marketing included face-to-face sessions, as well as the release of e-learning materials about educational and promotional items.

Following the introduction of a new policy and process for the management and validation of scientific publications worldwide, a streamlined process across Sanofi's different entities was set up. In 2013, we reviewed over 3,600 publications.

Since July 5, 2011, the scientific information division of Sanofi France has voluntarily sought and received ISO 9001 certification for the "dissemination of quality scientific information in response to healthcare professional requests." In 2013, we successfully renewed certification.

All the promotional materials developed by Sanofi are reviewed by the medical and/or regulatory affairs division at the global or country level as relevant. A single, shared IT tool will be implemented in 2014 (all the authorizations were obtained in 2013) to ease this process.

REVIEWED MATERIALS IN NUMBER OF REVIEWS PRIOR TO USE IN 2013	2012	2013
Promotional materials	1,492	1,860
Digital projects	156	164
Communication material	178	235
Scientific events	19 scientific congresses	31 scientific congresses
Materials for booth or symposia in international congresses	8 events	8 events



Photo credit: Denis Felix

2013 audits of affiliates

In 2013, Sanofi conducted 19 internal audits of our affiliates' compliance with the approval procedures for promotional materials (PM). Audit result analysis shows a downward trend in the number of observations related to promotional material management compared to the past two years. In 2013, there were no critical findings and 25% of PM-related findings were rated as major. Our primary action plans have focused on:

- PM review and approval process documentation;
- management of company sponsored websites; and
- local quality documents defining the PM management process.

2013 evaluating pharmaceutical sales visit presentations

In France, 2013 marked the beginning of a new three-year cycle of implementation of the Pharmaceutical Sales Charter, mainly through the simulation of sales visits. For this first year, we have undertaken 315 validations of sales visit simulations: 146 were deemed compliant while 169 were deemed compliant with minor adjustments. No non-compliant simulations were identified. In the U.S., approximately 5,000 sales visit presentations were reviewed by local Medical Affairs.

MORE in our Download Center

- [Internal Audit and Control factsheet](#)
- [Prevention of conflicts of interest factsheet](#)
- [Protection of personal data factsheet](#)

ETHICS

RESPONSIBLE PROCUREMENT



Photo credit: Andi Tambunan, Capa Pictures



Photo credit: P. Bagein

Maintaining balanced, sustainable business relations with suppliers

In April 2013, Sanofi France received the Responsible Supplier Relations Label, which recognizes balanced, sustainable business relations between companies and their suppliers. This is the first national label in the field of responsible procurement and is attributed for a period of three years. We are the first healthcare company to receive this award.

KEY ISSUES

Relevant stages of our value chain → SEE p17



- Re-use of used equipment and instruments



- Monitoring of suppliers' CSR performances
- Ensuring continuity of supply
- Purchasing environmentally friendly products and services
- Encouraging supplier diversity



- Purchasing environmentally friendly products and services
- Reducing energy consumption



- Responsible procurement of promotional products

Our challenge

Responsible procurement represents a priority challenge that we address by seeking to create value while employing innovative sourcing strategies to promote supplier diversity and support our CSR performance.

OUR PROGRESS

KEY ✓ Completed → In progress ✗ Not completed

Our objectives	2013 progress and actions	Status
Raise awareness among buyers and suppliers of the Group's CSR principles	More than 100 buyers have access to the responsible procurement platform and are involved in new methodology in 2013	✓
	Develop a specific website for our suppliers in 2014	→
Monitor our supplier's CSR performance and fully embed CSR into a Procurement Risk Management model by selecting goods and services in compliance with CSR standards	Decentralize the Responsible Procurement collaborative platform at regional level	✓
	Assign annual performance objectives to regional heads of procurement in relation to our suppliers' compliance	✓
	Monitor and report on the performance of our evaluation campaigns	→
Contribute to the Group's environmental performance	Develop strategic thinking on how to go beyond the current responsible procurement program	→
	Contribution to defining the Group's energy strategy	✓
	Implementation of the ESABAY platform	✓

OTHER INITIATIVES



p55

Fine-tuning our approach to CSR procurement risk management



Photo credit: Christian Fleury, Capa Pictures

p55

Promoting supplier diversity and SMEs in the United States



Photo credit: Eric Larrayadieu, Interlinks Images

p56

Preserving the environment by giving unused assets a second life



Photo credit: Romain Baltz

p57

Partnerships to reduce our energy and carbon footprint

Strategic approach

Sanofi is committed to applying CSR principles in our procurement activities by selecting goods and services that are produced and provided in compliance with demanding environmental, social, and ethical principles.



Photo credit: Marthe Lemelle

“By subscribing to the United Nations Global Compact, Sanofi has pledged to support and apply fundamental principles in the areas of human rights, labor and working conditions, environmental protection, and anti-corruption.”

Jean-Phillipe Collin,
Chief Procurement Officer

Our responsible procurement strategy is an integral part of Sanofi's supply chain. We carefully monitor not only the quality of raw materials that go into making our products, but also the practices of our suppliers.

What do we expect of our suppliers?

We expect our suppliers to meet the standards set out in the Sanofi Suppliers' Code of Conduct, and their compliance may be a decisive factor in their commercial relationships with Sanofi. Our procurement organization aims to be increasingly transparent in the evaluation of our suppliers' CSR performance and we seek to communicate effectively with our suppliers so they will take our CSR principles and standards on board.

In addition, Sanofi appointed an internal ombudsman, independent of the Procurement Function, who is in charge of facilitating the resolution of work-related differences between the Group and our suppliers with neutrality, impartiality, and confidentiality.



The Suppliers' Code of Conduct was developed to ensure that all suppliers are aware of the Group's CSR principles. It is based on the UN Global Compact, International Labour Organization conventions, and our own Code of Ethics, and sets out the standards we expect suppliers to comply with in order to:

- respect human rights and labor practices;
- protect workers' health and safety;
- preserve the environment; and
- combat corruption, fraud and bribery in accordance with ethical standards.

Over €13 billion

The value of goods and services Sanofi purchased in 2013 in 80 countries.

How do we implement our approach?

Our approach is coordinated by the Sanofi Procurement Function, which is in charge of the Company's supplier relations. Since 2007, it has developed a responsible procurement program based on international CSR standards, as well as a robust methodology and program for the large-scale and targeted evaluation of our suppliers' CSR performance. It also involves raising awareness and training our teams on the issues around responsible procurement.

We evaluate our suppliers' CSR performance and related risks

CSR is taken into account as an integral part of suppliers' overall performance, and it represents an essential step in the ongoing selection and management process of suppliers and subcontractors. We have implemented a specific approach to managing procurement-related risks by concentrating the leadership of supplier evaluation closer to where these risks reside.

We seek to buy environmentally friendly goods and services

Sanofi is committed to procure and use energy in an efficient, cost-effective, and environmentally responsible way, in line with our company-wide strategy to reduce energy consumption and promote efficiency programs. The procurement team lends its support to all energy initiatives and in 2012 set up the Sanofi Energy Observatory.

➤ Related content in this report

- [Page 83](#) Energy and carbon footprint

We promote supplier diversity and encourage the development of small- and medium-sized enterprises (SMEs)

Supplier diversity helps drive our success as a diversified global healthcare leader. Some key procurement categories are eligible for a local procurement focus. We try to encourage and benefit from innovative suppliers.

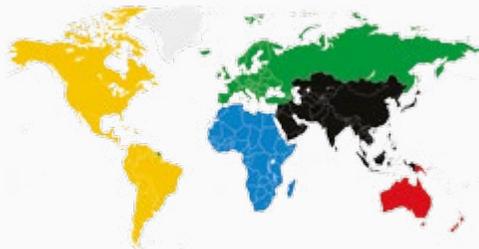
Purchases from independent SMEs accounted for more than 13% of our total spend in France in 2012.

➤ MORE in our Download Center

- [Responsible procurement factsheet](#)
- [Sanofi Supplier's code of conduct](#)
- [Code of Ethics](#)
- [Human Rights in our Activities Guide](#)

Highlights

Through our procurement initiatives, we seek to promote social responsibility among our suppliers and judiciously manage procurement-related risks. Many of our programs are designed to make more efficient use of the planet's resources, promote supplier diversity, and support small- and medium-sized enterprises.



Fine-tuning our approach to CSR procurement risk management

In 2013, we changed the governance of our CSR procurement risk management approach by shifting the leadership of supplier evaluation closer to where the risks reside. Seven regional risk coordinators have been given the responsibility of supplier monitoring within each procurement region. Specific objectives were assigned to each region in order to improve and streamline the evaluation campaign. The corporate procurement team continues to be in charge of defining the strategy, coordinating the approach, sharing best practices, and reporting on progress, while offering its support to the regional risk coordinators.



Photo credit: Christian Fleury, Capa Pictures

Promoting supplier diversity and SMEs in the United States

We believe that supplier diversity is critical to our success as a company because it represents a clear statement of respect for the resourcefulness of individuals, regardless of their background or their company's size. Supplier diversity is also an important way of supporting the local economies where our major sites are located.

In the United States, Sanofi has been dedicated to ensuring that opportunities are available to small, minority-owned, women-owned businesses, HubZone, disabled business enterprises, service-disabled and veteran-owned businesses and lesbian, gay, bisexual and transgender (LGBT) businesses. This initiative advises suppliers that they have opportunities to participate in Sanofi U.S. total purchases.

We dedicate resources to supplier development through sponsorships, mentoring initiatives, workshop participation, advocacy group leadership, and on-site programs. Throughout the year, procurement buyers and stakeholders are invited to various events to meet and secure new potential sources for our supply chain at various diversity and small business events across the country.

- In 2013, Sanofi spent hundreds of millions of dollars with small and diverse businesses.
- We were recognized as one of the Top 10 Veteran Friendly Companies by *Vetpreneur Magazine*.
- In November 2013, we hosted a networking and workshop opportunity for women owned businesses entitled How to Do Business with Big Pharma at our Bridgewater, New Jersey (U.S.) site.



“I come to work every day at Sanofi with a purpose, and that really is to help deliver safe, effective, and innovative products to those who need them. The savings and value that my team and I are able to generate can be used by Sanofi directly to re-invest in additional products and new R&D.”

Jennifer Culhane, Procurement Head of Raw Materials (Swiftwater, Pennsylvania, U.S.)

MORE online

- [Video - Meet Jennifer Culhane, Procurement Head of raw materials at Sanofi](#)



Photo credit: Eric Larrayadiou, Interlinks Images

Preserving the environment by giving unused assets a second life

The Procurement Function has set up an internal online forum to facilitate the recycling of used equipment and instruments that still have life in them. In September 2010, this ESABAY initiative was launched with the support of the R&D and IS departments to give our European R&D sites an opportunity to share scientific instruments. Today, it has been expanded to include Industrial Affairs for equipment categories related to manufacturing, packaging, handling, bulk/compounding, and utilities.

The initiative is based on a single, shared IS solution to encourage optimal use of idle assets by posting availability on our intranet, so that other Sanofi teams can make use of the equipment. Listings are accessible to all employees and no specific training or account creation is necessary to take part in the program. Equipment and instruments are posted for at least one month before being donated or discarded.

By the end of 2013, the tool was available for all Sanofi activities and entities (vaccines, generics, animal healthcare, etc.), including recently acquired businesses. Currently, 95 sites participate in the program, and an average of 250/300 pieces of equipment are listed in the database. About 10% of the proposed assets are reallocated internally; the remaining ones are sold or scrapped.

Not only does re-using generate cost savings and eliminate the need for storage; it also allows our sites to recycle equipment or extend its period of use, which respects the environment.

Supplier evaluations in 2013

As of January 31, 2014, 59% of the suppliers that were evaluated as part of the 2013 campaign met our CSR requirements. Our objective is to evaluate 80% of our total expenditures with the suppliers we consider at risk.

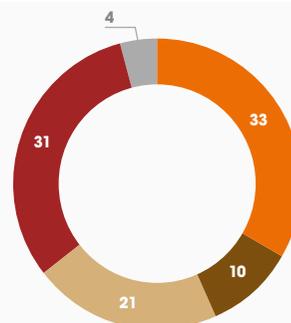
MORE in our Download Center

- [Responsible procurement factsheet](#)

	2011	2012	2013
Number of suppliers			
CSR evaluated	45	185	105 ¹
Met our CSR requirement as %	67	70	59
Number of buyers			
Trained to the Responsible Procurement Platform	-	-	106
Involved with the Responsible Procurement Platform	-	94	109
Number of Sanofi users			
Registered on the Responsible Procurement Platform	-	100	202

DISTRIBUTION OF SUPPLIERS IN 2013, BY PROCUREMENT ACTIVITY (%)

- Common spend
- CAPEX and maintenance
- COGS and distribution
- Marketing and sales
- Scientific and clinical



Common spends: fleet and travels, energy and waste, IS, real estate and site services, consulting, HR and insurance

Cost of Goods Sold (COGS) and distribution: raw materials, packaging and devices, subcontracting, licenses and supply chain

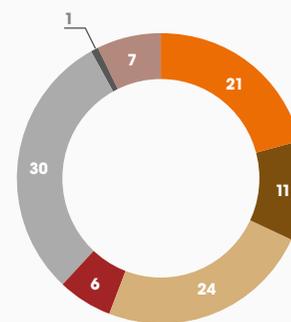
Marketing and sales: communication agencies, events and media, market research, promotional items

Manufacturing Capital Expenditure (CAPEX) and maintenance: civil works, manufacturing equipment, spare parts and industrial maintenance

Scientific and clinical: clinical, laboratory equipment, research materials and subcontracting

DISTRIBUTION OF SUPPLIERS ENROLLED IN THE 2013 SUPPLIER EVALUATION CAMPAIGN, BY REGION* (%)

- Africa
- Asia Pacific
- Eastern
- France
- Latin America
- North America
- Western



*See Definition of regions on [page 107](#)



Photo credit: Romain Baltz

Initiatives to reduce our energy consumption and carbon footprint

Since 2012, the Sanofi Energy Observatory has been up and running to provide an energy market intelligence process that gives us access to energy price forecasts and identifies relevant risks and opportunities, such as renewable energies attached to local markets. Working in collaboration with our Industrial Affairs Division, the Procurement Function is pursuing our strategic partnerships with two key energy partners: Schneider for energy management initiatives and Cofely GDF SUEZ to speed up worldwide the implementation of our energy projects. The initiative with Cofely is designed to provide high-energy efficient installations with a performance guarantee.

➔ **Related content in this report**

- [Page 83](#) Energy and carbon footprint

¹ On January 31, 2014. The 2013 campaign is still ongoing.



PEOPLE

We care about the well-being and professional development of all Sanofi employees, the key to our business performance.

- p59 [HEALTH AND SAFETY](#)
- p67 [DIVERSITY](#)
- p75 [WORKFORCE DEVELOPMENT](#)

Introduction

Our approach

Patient

Ethics

People

Planet

Performance

PEOPLE HEALTH AND SAFETY



Photo credit: Eric Larrayadiou, Interlinks Images



Photo credit: Frederique Parrot

Recognizing professionalism in occupational hygiene training

Some 120 employees from Brazil, China, France, and other countries from Asia and Europe, attended the internationally recognized W201 training program supervised by the Occupational Hygiene Training Association (OHTA). This represents a total of 57 sites worldwide having at least one trained hygienist. A total of 70 people received certification through an exam from the British Occupational Hygiene Society (BOHS). By year-end 2013, 28 people in China and France had been trained in the control of hazardous substances (W505). In addition, web conferences on ergonomics, noise prevention, chemical risk assessment, and other occupational hygiene topics were organized throughout the year.

KEY ISSUES

Relevant stages of our value chain → [SEE p17](#)



- Labor conditions for employees and contractors working on site



- Exposure to physical and chemical risks



- Psychosocial wellbeing of employees

- Employee wellness and disease prevention

- Ergonomics

Sanofi is in line with the principles of human rights at work to which we commit to guarantee occupational health and safety.



MORE in our Download Center

- [Human Rights in our Activities Guide](#)

Our challenge

The men and women of Sanofi are the real drivers of our business performance, and their well-being is essential to our success. We are committed to ensuring the health and safety of all our employees and independent contractors.

OUR PROGRESS

KEY Completed In progress Not completed

Our objectives	2013 progress and actions	Status
2010–2015: achieve a 30% reduction in total lost time injury frequency rate (LTIFR)	<ul style="list-style-type: none"> • Training managers about the human dimension of safety • New audits and guidelines to improve independent contractors' safety • Ensuring greater consistency in measures to prevent severe injuries • Preventing potentially serious injuries • In 2013, there was a 23.8% decrease in our lost time injury frequency rate compared to 2010 	
2010–2015: achieve a 15% reduction in motor vehicle accident rate	<ul style="list-style-type: none"> • Support from senior management about the importance of safe driving • Versatile training programs to improve road safety worldwide • In 2013, Sanofi's motor vehicle accident rate was reduced by 10.5% compared to 2010 	
2011–2016: achieve a 15% reduction in recognized musculoskeletal disorders	<ul style="list-style-type: none"> • Programs for employees to prevent musculoskeletal disorders (MSDs) and implementation of a specific working group with key medical doctors (KMDs) • Ergonomics training • In 2013, the number of recognized musculoskeletal disorders cases was reduced by 54% compared to 2010 	
Ensure the physical and mental health of employees	<ul style="list-style-type: none"> • Occupational hygiene training • Biosafety and biosecurity training • Employee wellness and disease prevention • Psychosocial risk prevention initiatives 	

OTHER INITIATIVES



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Training managers about the human dimension of safety



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Safe driving: A message from the top



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Psychosocial risk prevention

Strategic approach

We care about our employees' health and safety, and we know it is an essential component in the success of our business. Limiting the occurrence of diseases and injuries has a direct positive impact on productivity and costs by avoiding repeated absences, rising medical expenses and insurance premiums.

To provide a safe environment and healthy conditions for our workforce as well as outside contractors, we implement measures designed to limit the risk of disease and injury that cause pain and suffering and affect employees' quality of life. We take a preventive approach by seeking to avoid accidents and minimize exposure to hazardous agents. At the same time, we focus on stress management and employee fitness programs to encourage individuals to improve their own health and well-being.

Safety in the workplace

Creating a safe working environment is first and foremost a matter of reducing workplace accidents and injuries to the lowest possible level. Our safety approach includes:

- conducting risk assessments as of the initial phases of our activities;
- applying risk minimization methods in all situations, for all processes and projects;
- using the hazard vetting method each time manufacturing or equipment is scaled up;
- focusing on organizational and human factors in safety management;
- providing continuous employee awareness and training about prevention and protection systems;
- providing support for managers while taking specific steps to ensure the safety of independent contractors;
- making constant progress on our road safety record with the support of the **Sanofi Road Safety Committee**; and
- developing initiatives to improve employees' security during business travel by providing dedicated training sessions.

Road safety

Sanofi's Road Safety Committee determines our global road safety program by analyzing worldwide road safety results and setting objectives for our affiliates. Each site then implements a program to address its specific road and motor vehicle safety issues, based on the committee's guidance and its own risk assessments. Proven success factors to improve road safety include: strong support from management, sufficient resource allocation, clear objectives, and regular reviews. Fleet safety and driver training programs are also important, as are the accurate reporting and analysis of all motor vehicle accidents and work-related injuries.

For all Sanofi employees including independent contractors and temporary employees, the most frequent injuries that occurred at Sanofi in 2013 were related to fall-slip-trips, which represent around 40% of our global injuries, ergonomics-related injuries and motor vehicle accidents, which represent around 20% each of Sanofi's lost time injuries.

Our approach is built on a solid foundation, Sanofi's Health, Safety and Environment (HSE) management system.

 **MORE** in our **Download Center**

- [HSE management system factsheet](#)
- [HSE Policy](#)

Health and well-being in the workplace

Ensuring the physical and mental health of each employee consists of minimizing exposure to chemical, biological, and physical risk factors and taking measures to enhance employees' well-being at work. It also involves occupational hygiene assessments and engineering technologies to protect employees' health. Our approach to health in the workplace is based on:

- identifying and evaluating occupational hazards;
- organizing assessments of work situations and employee medical surveillance; and
- developing methodologies for risk prevention and the protection of employees at their workstations.

Our proactive initiatives also include health programs and ways to share best practice among our key medical doctors, who provide leadership for the network of occupational physicians working at Sanofi sites around the globe.

Where appropriate, we use biomonitoring technologies to track occupational exposure and improve knowledge of chemical agents and their effects. Training sessions organized for employees and managers are designed to enhance well-being at work. We also rely on the guidance of two important in-house expert groups, the **COVALIS committee** and **TRIBIO committee**.

TRIBIO COMMITTEE

The TRIBIO committee is in charge of classifying all biological agents to which Sanofi employees may be exposed by looking at several criteria: pathogenicity, biological stability, means of transmission, infection routes, and the existence of preventive measures or effective treatment. Employees receive information and training about the types of risks and prevention, personal protective equipment, and personal hygiene. Each site implements dedicated occupational hygiene programs based on company standards and local regulations, with an emphasis on collective protection measures, as opposed to relying exclusively on personal protective equipment.

COVALIS COMMITTEE

The COVALIS committee is a multidisciplinary team of physicians, toxicologists, chemists, and occupational hygienists. These experts are in charge of characterizing the hazards associated with specific substances by evaluating their pharmacological and toxicological properties and establishing workplace exposure limits. Our central Industrial Hygiene Laboratory is responsible for developing methods and performing sample analysis of active ingredients (APIs). This laboratory is located in France and is available for Sanofi sites worldwide.

Highlights

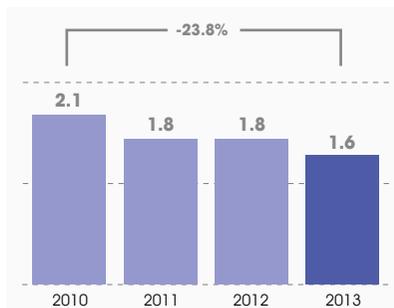
Safety

We maintain a safe working environment for our employees and seek to reduce as far as possible the occurrence of workplace accidents by monitoring injury rates and developing a wide range of initiatives.

Overall lost time injury frequency rate

Sanofi's lost time injury frequency rate (LTIFR) decreased by 23.8% from 2010 to 2013 thanks to ongoing monitoring of our activities and the development of the learning-experience process. For temporary employees, the rate fell by over 50%. Temporary employees at Sanofi benefit from the same health and safety conditions as other employees. Despite the very favorable overall performance, two fatalities of Sanofi employees unfortunately occurred in 2013 after three years without a fatal accident.

LOST TIME INJURY FREQUENCY RATE (LTIFR)¹ FOR TOTAL SANOFI EMPLOYEES



LOST TIME INJURY FREQUENCY RATE (LTIFR) ¹	2010	2011	2012	2013	Variation 2010-2013
Research and development	1.5	1.0	1.3	1.2	-20.0%
Industrial affairs	2.1	1.7	1.4	1.4	-33.3%
Meriel	-	2.6	2.3	2.2	-
Genzyme	-	-	3.0	1.3	-
Global operations	2.1	2.1	2.1	1.6	-23.8%
Vaccines	2.4	1.3	1.7	2.1	-12.5%
Support functions	1.8	1.4	1.5	0.7	-61.1%
Total Sanofi	2.1	1.8	1.8	1.6	-23.8%
Temporary employees ²	2.4	2.2	1.9	1.1	-54.2%

Severity rate trend for Sanofi employees

Sanofi elected not to publish the severity rate according to criteria defined by French regulations. The severity rate is calculated solely on the number of lost days, which does not make it possible to appreciate the actual severity of accidents from an international perspective (given that systems differ due to local regulations). However, Sanofi defined criteria for the potential severity of occupational accidents in 2013, so that we can now better target the types of actions to be implemented, such as, for an in-depth analysis of these incidents that will take into account human and organizational factors. Our ultimate aim is to concentrate on improved preventive initiatives in connection with potentially serious injuries, rather than reacting after accidents occur.

50%
Our severity rate decreased from 2012 to 2013 and decreased by more than 50% from 2006 to 2013



Photo credit: Adam Wiseman, Capa pictures

Training managers about the human dimension of safety

In 2013, we continued to offer our Human Organizational Management of Safety (HOMS) training sessions at Sanofi's industrial activities and R&D sites in France, attended by 135 managers. HOMS training is designed to bring the human dimension of safety management into sharper focus. It takes an innovative approach by looking at parameters such as working conditions, individual differences, and how closely employees follow recommendations. In 2013, managers took away the key message that "human error is a consequence and not a cause."

This HOMS training is part of the Support Function Academies.

MORE in our Download Center
• [Employee Development factsheet](#)

¹ Number of occupational-related lost time injuries per one million hours worked. These data are consolidated for all Group functions. Frequency rates of previous years have been adjusted in 2013 based on the following factors: eliminating injuries dismissed by regulatory authorities, including injuries reported late, and changes in the scope of reporting.

² Not consolidated in Sanofi total LTIFR

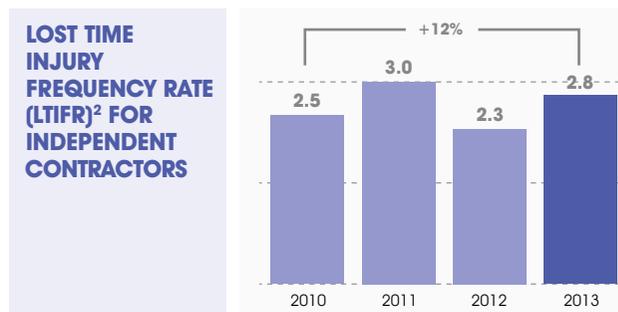
New audits and guidelines to improve independent contractors' safety

Because Sanofi is committed to ensuring the safety of any individual working at one of our sites, the severity of recent accidents involving contractors alerted us to a need to take action. HSE teams from Industrial Affairs performed a retrospective analysis of the work performed by outside firms at our sites, identifying potential gaps, shortcomings, or situations where additional monitoring may be recommended. On the basis of this information, they developed a program of HSE inspections to address this situation.

For hazardous situations, such as work involving heavy machinery, heights, and exposure to chemical or biological agents, we have established ten guidelines and tracking sheets for auditors to use during site visits. Worldwide, by late 2013 a total of 92% of the 75 industrial sites targeted by this program had been reviewed. Following each visit, a report and an action plan were issued with sites' input. In 2014, a final global report will be issued and each site will implement its action plan over the course of the year.

Lost time injury frequency rate for independent contractors

The lost time injury frequency rate for independent contractors increased by 12% between 2010 and 2013. The increase from 2010 to 2011 was primarily due to the integration of a major acquisition with a higher LTIFR than Sanofi's rate. Following two fatal accidents in 2012, no fatalities occurred in 2013. Our LTIFR figures are very low (in comparison with the national data in France¹), therefore few accidents have a high impact on the LTIFR at Group level. The 0.5 increase observed between 2012 and 2013 represents an increase of ten accidents (to compare with around 20,000 full-time equivalent contractors) in the world. Audits, guidelines and other new measures such as the integration of the potentially serious injury indicators will help to further improve the safety of independent contractors in the coming years.



Preventing Potentially Serious Injuries (PSIs)

Improved monitoring and analysis of PSIs

In 2013, we developed a scope and a process to track incidents that could cause potentially irreversible damage due to an injury, based on eight types of circumstances: work on electrical current, work in confined spaces, falling objects, projected objects or impact with mobile equipment, exposure to hazardous substances (chemical, biological or hot/cold components), fire or explosion, falling from height, and contact with moving machine parts and road accidents.

Monitoring PSIs makes it possible to develop a strategy to improve the preventive, protective, and recovery barriers related to identified precursors of serious events. It is also important to learn from an in-depth analysis of such events, including associated human and organizational factors. Our new process has been in place since January 1, 2014.

Ensuring greater consistency in measures to prevent serious injuries involving machinery

Serious injuries, such as the loss of fingers or limbs, often involve moving machinery. An analysis of the cause of severe accidents at Sanofi sites worldwide revealed a lack of consistency for protective measures, which tend to be determined by local regulations. In response, a guide was issued at all sites to ensure they will apply the same methods to identify risks, evaluate protective measures, and develop action plans. The guide addresses different types of machinery and gives illustrations of good safety practices and what *not* to do.

¹ To find out more on the national data available on the LTIFR in France: <http://www.inrs.fr/accueil/header/actualites/statistiques-ATMP-2011.html>

² Number of occupational-related lost time injuries per one million hours worked. These data are consolidated for all Group functions. Frequency rates of previous years have been adjusted in 2013 based on the following factors: eliminating injuries dismissed by regulatory authorities, including injuries reported late, and changes in the scope of reporting.

Promoting road safety



Photo credit: Romain Quéré, Fotolia

Safe driving: a message from the top

In 2013, a video featuring Christopher Viehbacher, CEO of Sanofi, conveyed a strong message to all employees about the importance of road safety. Available in several languages, the film emphasizes the importance of training and communications when it comes to safe driving practices.

Versatile training programs aim to improve road safety records worldwide

Our “training the trainers” programs were especially robust in India and Mexico. Within Global Operations, these two affiliates account for a majority of lost time motor vehicle accidents.

- In **India**, 2,200 members of the sales force took part. For drivers of motorcycles, scooters, and mopeds, a mandatory helmet rule decreased the lost time injury accident rate by more than 40% between 2012 and 2013.
- In **Mexico**, 850 sales force employees who drive automobiles were trained.
- In **Russia and Pakistan**, 20 trainers learned how to cascade the approach among their sales forces starting in 2014.
- In **Vietnam and Australia**, 200 medical sales representatives underwent training.

In addition, we offer online training options for employees worldwide, including driving evaluations and e-learning modules in their own language. A total of 800 medical sales representatives used these modules in **Algeria, Belgium, Finland, France (Meriel), Norway, the Netherlands, the UK, Switzerland, and Vietnam**. We also developed a road safety e-learning program available in **the U.S., China, and Hungary**. In 2013, the Road Safety Champions award went to our affiliates in **Australia, Bangladesh, Finland, the Philippines, Ukraine, and the United States**. This distinction is conferred annually by the Sanofi Road Safety Committee.

MORE in our **Download Center**

- [Eco-driving leaflet](#)

Almost **3,300**
Number of Sanofi employees provided with in-house road safety training, in 2013, primarily medical sales representatives

MOTOR VEHICLE ACCIDENTS (MVA) INVOLVING MEDICAL SALES REPRESENTATIVES

The decrease in the total number of motor vehicle accidents is greater than the decrease in the number of medical sales representative vehicles. The 10.5% reduction in the motor vehicle accident rate is due to improved driving behavior, thanks to both communications and training initiatives. Despite an increase in the number of motorcycles in line with growing activity in emerging markets, this accident rate has been continuously reduced since 2011.

	2010	2011	2012	2013	Variation 2010–2013
Number of motor vehicle accidents ¹	6,120	6,283	5,636	4,903	-19.9%
Total number of medical sales representatives vehicles including:	26,832	25,335	24,847	24,089	-10.2%
• Total number of motorcycles	2,699	2,756	3,259	3,837	42.2%
Motor vehicle accident rate in percentage	22.8	24.8	22.7	20.4	-10.5%
Motor vehicle-related lost time injury frequency rate ²	1.3	1.3	1.7	1.2	-7.7 %
Fatalities	0	0	0	0	-

¹ 2010–2013 figures have been adjusted to include motorcycle accidents.

² Number of occupational related lost time injuries per one million hours worked.

Health and well-being in the workplace

Our broad range of initiatives to ensure employees' health and well-being includes monitoring occupational diseases, providing training for occupational hygienists and biosafety officers, and developing programs to prevent psychosocial risks and encourage healthy lifestyles.

Occupational diseases

Musculoskeletal disorders (MSDs) were the number one cause of occupational diseases at Sanofi last year. Our efforts to step up preventive measures not only help protect our employees' health, but also make a substantial financial impact. Indeed, in France, the average cost of an MSD is estimated to be over €21,000 (source: French National Health Insurance Fund for Employees).

In 2013, musculoskeletal disorders accounted for 96% of recognized occupational diseases at Sanofi, representing a 54% decrease in 2013 compared with 2011, which may be attributed to the implementation of preventive measures. We seek to remove or reduce the source of MSDs by making adjustments to workstation ergonomics, and by modifying activities, intensity, and exposure times. In 2013, we carried out ergonomic assessments at certain sites in France, China (Hangzhou), Canada, and the United States for a total of over 1,050 assessments worldwide. We also provide information and training to our employees in France, Canada and the United States about MSD risks and how to limit them. Ergonomics training will be extended in 2014.

In addition, we organized a range of programs, such as a "learning from experience" (LEX) day on musculoskeletal disorders. These also include specific seminars for key medical doctors about health topics as a whole, including upper limb disorders, reproductive health risk assessment, and work-related stress. We set up working groups to address issues ranging from psychosocial risk assessment to reporting occupational diseases and shift work.

NUMBER OF RECOGNIZED OCCUPATIONAL DISEASES¹



CAUSE OF THE DISEASE	Category of disease	2011	2012	2013
Chemical agent	Respiratory disease	0	1	1
	Skin disease	1	0	0
	Cancer of malignant blood disease	1	0	0
	Other illnesses caused by chemical agents	0	0	0
Physical agent	Upper limb disorder (musculoskeletal disorders)	52	61	22
	Neck, back, lower limb disorder (musculoskeletal disorders)	5	6	4
	Ear disorder	0	0	0
	Other diseases caused by a physical agent	0	0	0
	Disease caused by a biological agent	0	1	0
Other	Nervous breakdown	0	1	0
	Anxiety disorder	0	0	0
Total		59 cases	70 cases	27 cases

Biosafety and biosecurity training

According to the Group HSE requirements, a certified biosafety officer has to be appointed at all Sanofi facilities where hazardous biological agents are handled to manage the biosafety and biosecurity risks. Our biosafety expert training program, developed in 2012, enrolled its first participants in 2013 for six months of classes. A total of 18 new biosafety officers were trained in the U.S. and France. Plans are underway to expand the program in 2014 to Asia, South America, and beyond. This program will also be introduced to "back-up" biosafety officers. In addition, a total of 54 employees worldwide received training about the fundamentals of biosafety through one-day classroom training sessions.

Employee wellness and disease prevention

In 2012, Sanofi initiated our Employee Wellness and Prevention Program to promote healthy habits among employees by focusing on three pillars: a balanced diet, regular physical activity, and prevention of non-communicable diseases. In-house experts and external partners take part in all initiatives, which are based on good practices and World Health Organization (WHO) recommendations.

The pilot fitness program at La Boétie (France) and Shanghai (China), launched in 2013, will be introduced at other Sanofi sites worldwide, beginning in 2014. A wellness program has been running for several years in the United States with the support of an external partner.

¹ Occupational diseases presented here refer to recognized cases by regulatory authorities each year.

EMPLOYEE WELLNESS AND DISEASE PREVENTION PROGRAMS

In 2013, our occupational physicians oversaw the implementation of programs adapted to the local culture for employees at several Sanofi sites worldwide.



PSYCHOSOCIAL RISK PREVENTION PROGRAMS

We have established psychosocial risk prevention programs worldwide, targeting the factors that contribute to psychosocial risks.



★ **IRELAND:** Genzyme Waterford received "Gold" in the "Active@Work Award" program.
★ **MEXICO:** recognized as a health-conscious company by the government of Mexico City and The Workplace Wellness Council.

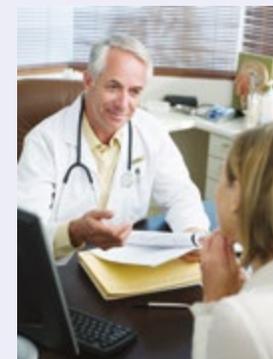


Photo credit: OJO Images/ Getty Images

Psychosocial risk prevention

At all our French sites, we continue to address psychosocial risks through projects coordinated by the Workplace Health Committee. At the end of 2013, 96% of our French sites had a stress observatory to monitor stress levels among employees. One of our current priorities

concerns primary prevention targeting the factors that contribute to psychosocial risks. In early 2014, the HSE management will establish an international standard for quality of life in the workplace, developed with our global medical coordinators. We continue to focus on the impact on human and personal factors in change management to ensure lasting job performance and health for all Sanofi employees.

Sanofi has established psychosocial risk prevention programs in many countries worldwide.

PEOPLE DIVERSITY



Photo credit: Patrick Wack, Capa Pictures



Photo credit: Robin Hutchinson, Sanofi US

Caption: Our employees help drive us to achieve our diversity goals. USA – Employee Resource Group “Advance”: Aileen and Richard (Sales, Diabetes)

Resource groups encourage personal and professional development

Employee Resource Groups (ERGs) in the U.S. provide opportunities to bring together employees who share a common background or similar interests and needs. In addition to the powerful impact on business, ERGs provide a forum for support and information. They spur personal and professional development. To date, five such groups have been created:

- ADVANCE champions diversity and seeks to create an inclusive environment for all employees with an emphasis of under-represented employee groups, including the lesbian, gay, bisexual and transgender (LGBT) community;
- VETS (VETERAN Transition Support) aims at offering transition and support for reemployment for soldiers, giving care about post-traumatic stress disorders and support to families;
- ParentsConnect seeks to give balance to working parents and access to useful resources;
- WISE (Women Inspiring Sanofi Excellence) is designed to be a catalyst for women to reach their full leadership potential; and
- launched in 2013, DiabetesConnect provides resources and support to employees affected by Diabetes.

KEY ISSUES

Relevant stages of our value chain → SEE p17



- Under-represented employee groups



- Gender balance



- Work-life balance

- Supporting employees who are parents

- Recruiting employees with disabilities

Our challenge

Our multicultural workforce in more than 100 countries is a rich source of talent, innovation, and competitiveness. We embrace diversity as an opportunity to develop creative solutions to better address the needs of patients and our other stakeholders.

OUR PROGRESS

KEY ✓ Completed → In progress ✗ Not completed

Our objectives	2013 progress and actions	Status
Continue to uphold Sanofi's commitment to promoting diversity	Diversity training programs worldwide for Diversity Delegates by Region 40 teleconferences with the network	→
Promote gender balance	Women's Leadership Council External and internal events Development programs Women's network Participation at The Women's Forum for the Economy and Society (Brazil, France, Myanmar)	✓ ¹
Giving voice to under-represented groups	In the U.S., the Diversity Inclusion Council was created in 2012. To date, under its direction, five employee resource groups have been created	→
Make progress in terms of recruitment, job retention, awareness and communication, accessibility to information, and premises for people with disabilities	Met the goals set by the Disability Agreement in France, which was renewed in 2013 Encourage further initiatives throughout our affiliates Recruiting and retaining employees with disabilities at Sanofi worldwide Awareness on international day of persons with disabilities	→

¹ To be renewed in 2014

OTHER INITIATIVES



Photo credit: Rodolfo Gallegos

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Diversity committees



Photo credit: Sezayi Erken, Capa Pictures

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Sanofi's Gender Balance White Paper



Photo credit: Cultura/Corbis

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Promoting work-life balance



Photo credit: Robin Hutchinson, Sanofi US

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Brazil – employees with disabilities

Strategic approach

Why is the diversity of our workforce so important to us?

Supporting diversity helps individuals feel confident and empowers them to reach their professional potential. We value differences, professional and personal, because they create the rich diversity of our workforce. We are convinced that diversity is essential for business success, for the communities we serve and, naturally, for all employees.

Our approach focuses on developing numerous initiatives in line with our convictions, for example to encourage gender balance and champion women's advancement in the business. We establish measures to recruit and retain individuals with disabilities, one of our priorities for 15 years. To reach across the generations and encourage future professionals, we organize a variety of internship and apprenticeship programs. We also support our employees who are parents and seek ways to provide flexible working arrangements to help all employees balance personal and professional obligations.

Each individual has the power to make an impact. The **Diversity Department**, along with Human Resources, our networks and affiliates, oversees a range of initiatives to promote diversity and actively encourage all employees to contribute to productive dialogue and activities that build an inclusive culture at Sanofi, in line with the principles of human rights at work to which we adhere, prohibiting all forms of discrimination in the workplace. See our new in-house guide, Human rights in our activities.



MORE in our Download Center

- [Human Rights Guide](#)

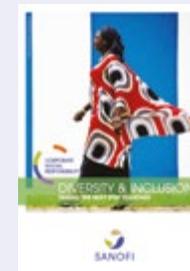
Diversity policy

We created a dedicated **Diversity Department** in 2007, which reports to the Senior Vice President CSR. The Sanofi **Diversity Policy**, issued in 2013, is designed to promote diversity in the broadest sense possible. It outlines the framework and principles governing non-discrimination, equal opportunity, and respect for individuals. Sanofi prohibits all forms of unlawful discrimination and complies with international standards and applicable local laws in the area of human rights and labor law.

The Diversity Policy is based on:

- non-discrimination, integrated into our human resources processes;
- equal treatment and equal opportunity for all;
- awareness and training for employees adapted to local environments;
- follow-up and updates of the policy's orientations and priorities on a yearly basis;
- an established procedure for employees to report complaints; and
- a network of 96 diversity delegates active in 92 countries.

Diversity awareness



In 2013, we organized a training program for diversity delegates focused on ways to develop an inclusive culture. The program will be rolled out, region by region, in 2014. With the support of our diversity delegates, a comprehensive Diversity and Inclusion Report was issued in April 2014. It presents business

cases, commitments, key challenges, and a wide range of best practices implemented by our affiliates.

MORE in our Download Center

- [Code of Ethics](#)
- [Sanofi Social Charter](#)
- [Diversity Report](#)

Highlights

Diversity governance

For the effective implementation of our Diversity Policy, we create councils, committees and other governance bodies that play a key role in ensuring that diversity is successfully embedded across all Sanofi entities worldwide.

Diversity committees

Diversity councils at Sanofi in the U.S. and in Australia/ New Zealand champion diversity among the workforce and integrate this important issue into every area of the business.

- In 2013, our Mexican affiliate created a diversity committee to:
- develop a diversity policy based on national and international standards;
- perform an assessment of the Mexican affiliate regarding diversity in all areas; and
- devise and implement strategies to promote diversity based on corporate initiatives.

Photo credit: Rodolfo Gallegos

Claudia (HR, Diversity Delegate), Alma (Genzyme Dir Assist.), Jorge (Compliance), Rocio (Sales Force), Adrian (Internal Control), Juan Manuel (Sales), Veronica (Procurement), Lucia (Customer Service), Evelina (Medley Dir Ass.), Myriam (Legal), Jaqueline (Excellence & Development), Karla (Product Manager, Sanofi Pasteur)



A platform to foster equal opportunity in Germany

“Living and working at Sanofi” is a diversity platform developed to promote equal opportunities for women and men. It also addresses issues such as care for family members, disability, equal pay, work–life balance, and parenthood. This initiative aims to shape an inclusive culture for the benefit of all employees and the Company.

Diversity training programs worldwide

All year long, we seek to improve employee awareness by organizing communication campaigns for various occasions across our affiliates, such as on International Women’s Day and the French week devoted to the employment of individuals with disability. In 2013, we spearheaded several training initiatives in line with local needs:

- affiliates in 18 countries organized diversity training for about 3,100 employees;
- in **Turkey**, 82 employees from Zentiva (our generics branch) attended disability training to raise awareness, understand stereotypes and improve communications;
- in the **Czech Republic**, 248 Zentiva employees took training about working on multicultural teams;
- in the **U.S.**, diversity and inclusion awareness e-learning is mandatory for all employees; and
- in **France**, the scope of training was expanded: sessions about religion at work were organized as well as diversity and non-discrimination training.

Diversity initiatives

Our policy addresses the broad range of issues and topics that diversity encompasses, providing a framework to foster diversity in all its many dimensions.

Gender balance is embedded in Sanofi's values and strategy

Studies show a strong correlation between a company's performance and having a balanced proportion of women and men across the organization. Our CEO, Christopher Viehbacher, continuously challenges the Executive Committee to look at the female talent in the Company, identify where there may be obstacles and work on improving the gender balance pool for top positions. Increasing female talent has been included in the bonus objectives of the Executive Committee.

Changes to the Board of Directors in 2013

The composition of the Sanofi Board of Directors changed over the course of the year. Fabienne Lecorvaisier was appointed as a Director during the General Meeting of Shareholders of May 3, 2013. This appointment responds to the Board's intention to increase the percentage of women on the Board and strengthen certain areas of competency. This appointment brings the number of female directors to four, or 25% of all members.

Women's Leadership Council

Our Women's Leadership Council (WLC) monitors progress and promotes best practice and innovative initiatives designed to enhance gender balance. The Council is made up of members of the Sanofi Executive Committee, the Global Leadership Team, and senior management.

We are aware that gender balance is critical to our business success, and we organize initiatives both internally and externally to promote awareness of this issue and to attract the next generation of talented women.



¹ The definition of "manager" changed in 2012, from a hierarchical definition to one that indicates direct reports, which explains the discrepancy in the 2011 and 2012 figures.



Photo credit: Sezayi Erken, Capa Pictures

Sanofi Gender Balance White Paper

A Sanofi Gender Balance White Paper was issued in 2013. Based on in-house research and external benchmarking, this position paper includes a four-point action plan: set-up objectives and measure progress, talent identification and development, shift mindset management and company culture. It received the endorsement of the Sanofi Executive Committee and the Women's Leadership Council.

In-house initiatives

- **Women's networks** are growing across the Company. To name but a few: WiSP (Women in Sanofi Pasteur), which has expanded to 55 countries, the European Sanofi Women's network, and the Australia/New Zealand network (Swanz). "Speed networking" meetings with senior managers involved more than 100 women participants within the Group.
- **Catalyzer**, our first corporate international mentoring program, is designed to accelerate the preparation of the next generation of female leaders. In 2013, 23 high-potential women completed the pilot program. They received guidance and sponsoring from senior executives to build professional networks and career development plans as aspiring female leaders. A second cohort is planned for 2014.

Women in Sanofi Pasteur (WiSP) social network recognized for supporting equality in the workplace

The understanding that gender balance drives a company's business performance is gaining ground. In 2013, the Women in Sanofi Pasteur (WiSP) movement was awarded the Gender Parity prize by the French executive employment association (APEC). Today this social network brings together over 2,400 members in 55 countries.

External events in 2013

The Women's Forum for the Economy and Society in Deauville, France, was attended by 28 Sanofi delegates from several countries and members of the Women's Leadership Council (WLC).

The Women's Forum in Brazil received the support of Sanofi's Brazilian subsidiary for the second time.

Sanofi's CEO, Chris Viehbacher, took part in the first Women's Forum in Myanmar.

- For the seventh consecutive year, Sanofi sponsored the *Trajectoires HEC au féminin* prize (HEC Business School for Women Excelling in their Career) in France.
- At the initiative of Sanofi Pasteur, 20 companies have joined the Global Alliance for gender balance in companies. Supported by the French Minister of Women's Rights, the alliance shares best practice, and develops innovative action plans to improve gender balance, especially at the executive level.



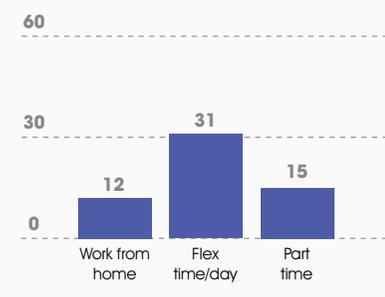
Photo credit: Cultura/Corbis

Promoting work-life balance

Managing work accountabilities and career aspirations while respecting personal responsibilities and diverse lifestyle choices opens the door to initiatives promoting work-life integration. To help employees successfully juggle the demands of their professional and personal lives, Sanofi affiliates in 48 countries established initiatives designed to increase workplace flexibility and improve work-life balance. Today, Sanofi employees in 12 countries have a range of teleworking options such as U.S., Germany, France, and Czech Republic.

IMPROVING WORK-LIFE BALANCE

(NUMBER OF COUNTRIES)



2013 data collected from 60 countries or MCO (Multicounty office, in December 2013)

Enabling employees to work from home

In France, we entered into an agreement in June 2012 with employee representative organizations about working from home. By late 2013, some 2,420 employees had elected to work from home one or two days per week. To aid the transition to tele-working, eligible employees and their managers receive guidelines, training, and e-learning modules.

In 18 months,
almost **9%**
of the Sanofi employees in France
have chosen to work from home



In the Czech Republic, Zentiva was recognized as a Family-Friendly Company. This award recognizes favorable conditions in the workplace to achieve work-life balance, equal opportunities for men and women, and evaluates other assessment criteria.

In the Czech Republic, Zentiva (our generics branch) was recognized as a Family-Friendly Company

Supporting employees who are parents

Sanofi is committed to our employees who are parents and is aware of the challenge of managing work accountabilities and career aspirations while taking into account parenthood and its responsibilities.

In **Brazil**, we extended maternity and paternity leave to go beyond legal requirements, respectively, from 4 to 6 months for maternity leave and from 5 to 10 days for paternity leave.

Brazil – parenthood



Photo credit: Sanofi, Brazil

“Being able to stay with this gift since his first days of life is one of the best thrills and opportunities a father can have.”

Raphael, Brand Manager, CHC – Brazil

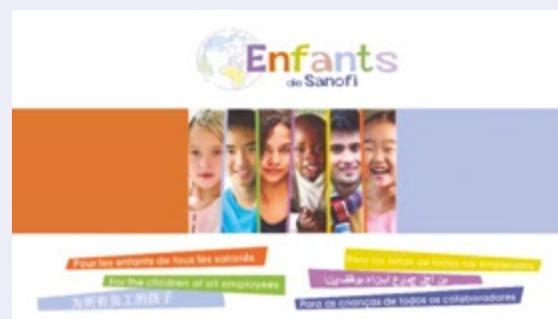


“Enfants de Sanofi” is a non-profit association created to help employees’ children from birth to age 25. It provides

support for children who are experiencing hardships, such as health problems, difficulties in their studies, and social or family troubles. This association provides individual support to families and also organizes collective initiatives at many Sanofi affiliates worldwide with a focus on vaccination, dental care, vision testing, and educational programs.

MORE on the Sanofi website

- [Enfants de Sanofi brochure](#)



In 2013, Enfants de Sanofi received **202** individual request forms from families in **34** countries. It also organized collective actions in **12** countries for **3,400** children: vaccination, check-ups, nutrition awareness, fitness and bullying at school.

Recruiting and retaining employees with disabilities

Sanofi seeks to comply with the goals set by the UN Convention on the Rights of Persons with Disabilities, namely to eliminate discrimination and exclusion and create a working environment that values diversity.

We are committed to employing qualified individuals with disabilities, with the aim of making progress in terms of recruitment, job retention, awareness and communication, accessibility to information and premises, partnerships, and outsourcing to sheltered workplaces.

Sanofi celebrates the International Day of Persons with Disabilities to raise awareness and encourage further initiatives throughout our affiliates, in accordance with local cultures and regulations.

MORE online

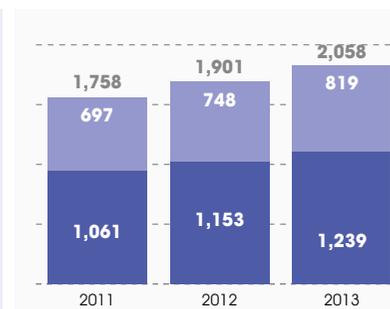
- [Video - International Day of Persons with Disabilities](#)



EMPLOYEES WITH DISABILITIES IN THE SANOFI WORKFORCE

(NUMBER)

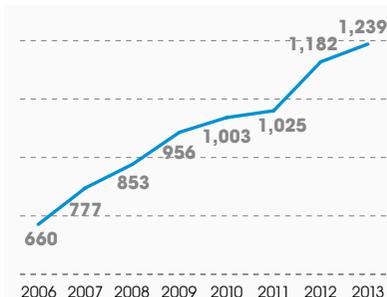
- Rest of the world
- France



Creating an inclusive environment for workers with disabilities

In **France**, the third agreement on job retention and recruitment of workers with disabilities was signed in 2013 and approved by the Ministry of Labor for the period 2013–2016. The agreement contains measures that apply to all employees, regardless of their disability, and encourages work-study contracts.

NUMBER OF EMPLOYEES WITH DISABILITIES IN THE FRENCH WORKFORCE SINCE 2006
(NUMBER)



In **Germany**, Sanofi is committed to employing qualified individuals with disabilities close to the legal target of 5%. The total number of employees with disabilities in Germany is 378 (representing 4.9% of the total workforce).

Programs foster experience-sharing across the generations

Sanofi welcomes less-experienced people through our internship programs worldwide, which allow them to acquire know-how and experience in the business world. In 2013, a total of 1,145 interns took part in work-study programs at our **French sites**, and we welcomed 443 apprentices in **Germany**.

In **France**, we give back to the local community in Lyon through initiatives such as Job & Cité Stadium. To help young people gain experience, Sanofi Pasteur participates in this annual recruitment fair at the local sports stadium, Gerland. In 2013, a total of 220 candidates from disadvantaged backgrounds took part in “speed recruiting” interviews. Sanofi Pasteur also participates in a mentoring program, Sport dans la ville, to help young people from the local community find jobs. Fifteen Sanofi Pasteur employees volunteer to provide guidance about job hunting, networking, and personal development.

MORE in our Download Center

- [Charte de mobilisation en faveur de développement de formations \(only in French\)](#)

In **Germany**, ten youngsters lacking the qualifications required for vocational training are given the chance to embark on a successful career as part of the Start Plus project supported by the IG BCE Union and Federal Association of Employers in the Chemical Industry. The program was implemented in November 2013.



Photo credit: Sanofi Germany

Germany – ten youngsters seized their second chance for a training spot
Dr Emmanuel Siregar with Marco Rosenlöcher (IG BCE), Birgit and Gisela from HR, Marion from Works Council, Andreas and Stefan (Provdavis) and the apprentices: Ali, Enise, Ibrahim, Jason Jerome, Junus, Mohamed-Hodaif, Nicolai, Onur, Patrick, Youssef

In **Finland**, a mentoring program was launched in 2013 to improve the transfer of know-how across the generations. Ten members of the management team volunteer to work with young employees in one-on-one sessions and workshops. The benefits for both mentors and mentees: personal development, improved leadership and listening skills, and better communications. This initiative helps prepare competent individuals to meet future needs, and plans are underway to expand the program to other Nordic countries.



Photo credit: Robin Hutchinson, Sanofi US

Caption: Claudia, Elaine and Leandre (Suzano plant)

Brazil – employees with disabilities

In Suzano, Brazil, the colleagues of 28 employees with hearing impairments volunteered to learn sign language so they can all communicate better. The total number of employees with disabilities in Brazil is 124 (representing 2.5% of the total workforce).

PEOPLE WORKFORCE DEVELOPMENT



Photo credit: P. Banczerowski, Capa Pictures



Photo credit: Adam Wiseman, Capa pictures

Working Better Together in R&D provides a fresh look at teamwork

We introduced this program to help R&D employees improve their skills to team up efficiently across a worldwide organization, because the success of R&D projects depends on wide-scale collaboration, often involving many different teams and helps them manage interfaces with external partners. The Working Better Together initiative encourages employees to share their ideas, practices, and concerns. It shows them ways to identify innovative solutions in a constantly changing environment. Since summer 2013, 8,200 R&D employees have had access to a new tool set that includes an online training module called My Individual Journey. Available on demand, this training module focuses on collaborative skills, innovation, problem solving, cross-cultural communication, and leadership skills. More topics will be added in line with our R&D strategy and feedback from users. Since its launch, the module has caught the attention of a steadily growing number of R&D employees.

KEY ISSUES

Relevant stages of our value chain → SEE p17



- Sustainable leadership for the future
- Development of skills and capabilities



- Embedding the Sanofi culture throughout the organization



Our challenge

We value the skills and talents of our diverse workforce. Our challenge is to successfully prepare each employee for the healthcare sector's rapidly changing environment while ensuring that Sanofi's attitudes and management principles are implemented effectively and consistently.

OUR PROGRESS

KEY Completed In progress Not completed

Our objectives	2013 progress and actions	Status
Build the next generation of Sanofi leaders	Training, coaching, mentoring, co-development and other programs Programs to promote global talent development	1
Develop employees' key capabilities and skills	Personalized training and development	
	Specialized pharmaceutical training	
	Support function training	
	Management training – leadership development offer at corporate level	2
	Management training – additional initiatives at local/function level	3
	Worldwide consolidation of meaningful indicators on the training initiatives to better pilot workforce development across the Company	
Implement a performance-driven organization	Strategic workforce planning	
Embed the Sanofi culture across the entire workforce	Bring Sanofi employer brand to life	

OTHER INITIATIVES



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We Are Sanofi videos: employees' voices bring our employer brand to life



p80

What can you expect from SaVIE?

1 ECL (Evolution Center for Leadership)
ECE (Evolution Center for Excellence)
IMPACT program

2 Corporate development programs

3 Industrial affairs training

Strategic approach

Why is workforce development so important to us?

Enhancing the skills and cultivating the potential of our workforce is essential to help employees remain motivated and pursue a fulfilling career in light of ongoing changes in our industry. For this reason, we introduced a forward-looking workforce development approach in 2013, designed to cultivate the most effective organization, the best talents and a strong, common culture.

To implement our approach, Human Resources teams focus on five strategic pillars:

- build the next generation of Sanofi leaders;
- develop employees' key capabilities and skills;
- improve our organization efficiency in a changing and challenging environment;
- implement a performance-driven organization; and
- embed the Sanofi culture across the entire workforce.

As we translate this strategy into action, we set our sights on building an organization where objectives, results, and rewards are closely aligned to drive performance, both at an individual and a collective level. Some parts of the organization began measuring employee engagement two years ago.

More than **55,000** employees (**50%** of our workforce) have been invited to participate in our employee engagement survey since 2012. Between 2012 and 2013, the response rate went from **80%** to **85%**.

Sanofi is also committed to the principles of human rights at work in our workforce development approach. See our new in-house guide, Human Rights in our Activities.



MORE in our Download Center

- [Human Rights in our Activities Guide](#)

For employees, we provide training... and much more

While personalized training and development programs set the tone and provide the foundation for our workforce development, complementary initiatives are equally important: coaching, mentoring, co-development, and other programs round our employee training. To build sustainable leadership for the future, our international job rotation programs give employees an opportunity to find out about different cultures and business environments.

A broad offering adapted to changing needs

Our new employee training programs reflect our continuing transformation. For example, we are developing new leadership development programs in line with Sanofi's increasing focus on consumer healthcare. In some areas of the globe – emerging markets in particular – we have increased our headcount to satisfy the demands of evolving demographics and improved access to care. At the same time, in certain mature markets, we have made adjustments mainly to the sales force and provided alternative professional options to employees.

Training programs in France

In 2013, we continued to invest extensively in employee training across the entire Company, both in terms of budget and number of people trained.

For example, the following figures were reported in France, where our workforce is largest:

EMPLOYEE TRAINING IN FRANCE IN 2013



Personalized training and development

Our approach is based on an annual review process for all employees and myriad types of training. Each employee is expected to meet with their manager at least once a year to discuss short- to medium-term actions, identify needs, and determine professional development goals. Together they should devise an action plan on the basis of this discussion, outlining the core and technical competencies to be enhanced, priorities, and a timetable for the completion of development activities, which may include new assignments, training, etc.

We are committed to the development of our human capital, and our various training programs are one of the ways we can meet this goal. Sanofi offers many options as part of a strategy to anticipate future developments in the healthcare sector. Programs aim to match, as closely as possible, specific local and regional needs while supporting the transformation of our organization.

Skills specific to the pharmaceutical sector

The Group organizes training to maintain and develop employee skills for regulated activities. For example, within Industrial Affairs, employees receive training on good manufacturing practices and good distribution practices. Designed to ensure compliance with regulations, this type of employee training is mandatory for relevant personnel and is subject to inspections by health authorities. At each Sanofi industrial and R&D site, employees receive training about new developments and regulatory requirements impacting their jobs. R&D training programs, particularly for good clinical practices and good laboratory practices, are subject to inspections.

More generally, at each stage of our value chain activities, very specific knowledge and technical skills are required of our employees. For example, cutting-edge scientific knowledge is required of our researchers, while employees working on development of our products need medical, biological, and statistical skills. Up-to-date operational proficiency is essential for those working at our production plants, and medical as well as regulatory expertise is indispensable for our affiliates worldwide.

Because the pharmaceutical sector relies on technological progress to assist in providing tomorrow's medicines, we organize training programs for employees to acquire new technical skills as we migrate some of our research and industrial facilities to biopharmaceuticals activities.

In **France**, Campus Biotech has enabled over 700 employees to receive specialized biotech training since its launch in 2008. Programs range from short training sessions (one to five days) to specialized in-depth training (100 hours). In addition, Campus Biotech Education enables participants to earn a certificate of professional qualification (CQP) recognized by French pharmaceutical companies in line with the Group's transformation.

Support function training

For the smooth convergence of all these activities, the Sanofi support functions are increasingly relied upon as a source of expertise and advice. Since 2011, we have been operating the Support Function Academies to help prepare each function to fulfill its role as an essential strategic partner. Training enables employees in these areas to develop a new approach to their jobs, with a strong emphasis on forging business relationships. Each support function academy is sponsored by the global head of the relevant function: Legal, HSE, Communications, Human Resources, Finance, and Procurement.

WHAT ARE THE ACADEMIES' OBJECTIVES?



Over **1,100**
employees were provided with
**30 unique training programs by our
Support Functions Academies in 2013**

Highlights

Employee training

To improve management training and interaction between corporate teams and regional teams, our leadership development offer continued to provide a global framework for managers from diverse geographic horizons and from all our functions.

Management training

At the corporate level, in 2013 a number of programs were introduced for executives, senior leaders and best talents.

- More than 220 employees have participated in **Impact**, which supports the development of effective communication skills to enhance executive leaders' ability to communicate more effectively about Sanofi's strategy to both internal and external audiences.
- **The Evolution Center for Leadership** provided an opportunity for over 130 employees with high potential to receive feedback to identify their strengths and areas for improvement, followed by the definition of individual career development plans.

At the level of regions and functions, local human resources departments introduced new initiatives to build the skills required to work in a specific region, function, or activity.

- In **Latin America**, our new consumer healthcare (CHC) university organized sessions for two groups of 25 employees in 2013. Participants who completed the course obtained certification of their up-to-date knowledge of brand management marketing for CHC products.

 **MORE** in our Download Center

- [Working with schools and universities factsheet](#)

- In the **Intercontinental Region**, development projects were implemented for middle managers. For example, in Eurasia, the Accelerated Leadership Development Journey for Emerging Talents program helped develop leadership and managerial skills, enhance education, build networks, foster synergies, innovation, and strategic thinking. It also gives visibility to our talents and represents an excellent retention tool in dynamic labor markets.

LEAD 360°

Since 2011 more than 1,300 managers have taken part in LEAD 360°, either as part of a development program or for an individual development initiative. LEAD 360° enables participants to receive feedback from various stakeholders they are working with and helps them increase and better manage the development of their leadership competencies. This program is also used to assess the areas requiring improvement for a team in terms of their ways of working together.

 **MORE** in our Download Center

- [Employee development factsheet](#)

Industrial Affairs training

For new site directors, an integration path program was introduced in 2013 to provide six to nine months of training about leadership, communications, finance, and many other topics. Each new site director receives support from a mentor for the duration of the program.

A meeting for young talents organized in June 2013, "Imagine your future differently" brought together more than 90 participants from all over Europe for an introduction to industrial affairs' fundamentals and its diverse business lines. They were encouraged to take responsibility for their careers and to seize every opportunity offered to them.

Industrial affairs has also provided training for **more than 1,000 employees** worldwide (e-learning available on the intranet) and during specific workshops on sites about LEAN methodology in order to improve performance in terms of safety, quality, costs, and time. Many initiatives were implemented immediately.

Other ways to develop our workforce

We want to strengthen our employer brand recognition to attract talented individuals worldwide.

We believe a motivated workforce contributes to better productivity, increasing our capacity to innovate with a positive impact on the business.

Some areas of the Company have decided to conduct an employee engagement survey.

Why do we measure employee engagement?

In 2013, we invited over 22,000 employees to participate in our engagement survey. We use employees' responses to establish priorities and develop action plans, which are then implemented as locally as possible to ensure a tangible impact. Priorities for action are determined according to what makes most sense for each business area. Interestingly, communication is one of the priority areas that appears consistently in respondents' answers.

The survey has included over 50% of our workforce (more than 55,000 employees) since it was introduced in 2012. Going forward, next year's objective is to organize a new wave of surveys for business areas that took part in the first wave, which will help identify changes over time and determine where action plans need to be updated.

We Are Sanofi videos: employees' voices bring our employer brand to life

MORE online

- [Video - We are Sanofi](#)

As a global company employing 110,000 people worldwide, Sanofi wishes to cultivate a powerful employer brand to attract skilled individuals in high-growth emerging markets while maintaining strong visibility as an employer in more mature markets. In support of this goal, in 2013 we introduced We Are Sanofi, made up of nine videos featuring Sanofi employees from across the globe. The videos capture the motivation and diverse talents of our employees, and make our employer brand more tangible. Viewers unfamiliar with Sanofi are offered a glimpse of our corporate culture and spirit, while employees gain broader insight into the many people, functions, and businesses that comprise Sanofi.



“I think I have saved lives just by being at Sanofi.”

Amy Ndao Fall,
Business Development
Manager, Senegal



“What I try to bring to innovative projects is constant questioning.”

Vojislav Surlan, Diabetes
Devices Development Project
Manager, Germany

In Brazil, Sanofi is one of the best places to start a career

For the second year in a row, Sanofi was recognized as one of the best companies to start a career in Brazil, according to Voce S.A. magazine. Findings were based on research among young employees working for a selection of 35 companies.

Retaining talented individuals by offering an international business experience

Sanofi's international job rotation programs are designed to attract, engage, and help retain talented individuals by providing exposure to different business contexts and cultures. These global programs, coordinated at the corporate level, are open to all activities and functions. They contribute to building sustainable leadership for Sanofi.

Sanofi Early Executive Development (SEED): this program for emerging markets is open to high-potential graduates of top-tier schools who have five to ten years' professional experience. Participants are selected internally or recruited externally and are sent on four assignments in different countries over a two-year period. The program accepted seven participants in 2013.

Short Term Work Assignment (SWAP): intended for more junior Sanofi talents, this program is based on job rotation between emerging and mature markets. Each assignment lasts six months and is designed to help prepare participants to reach the next step in their career as managers. In 2013, 30 assignments were initiated.

International Sanofi: Volunteer Program (SaVIE)

Sanofi and Sanofi Pasteur continue to offer 12- to 24-month assignments abroad with our affiliates worldwide through the SaVIE program, which is open to candidates from the European Union. In 2013, 133 program participants began their assignments. Sanofi hired 30% of all participants whose assignments ended in 2013. We remain the company offering the highest number of SaVIE assignments per year in the healthcare industry. For 2014, we intend to maintain our large offer.

What can you expect from SaVIE?

In 2013, we created two films to showcase testimonies of our SaVIE programs.



“I believe the SaVIE is a big step in your career. It is like an itinerary that allows you to achieve even bigger goals in the future.”

Sergio Garcia Galrez,
Internal Auditor



“We expect from the SaVIEs that they are eager to discover the world of Sanofi. The activities that you can do during this SaVIE program are very, very different. They are as diverse as Sanofi is.”

Sven Sommerlatte, VP Global
Talent and Organisational
Development

MORE on the Sanofi website

- [Working at Sanofi/SaVIE](#)

Strategic workforce planning

Strategic workforce planning has been introduced as a new lever to better anticipate future capability needs and take proactive action to fulfill these needs. The approach produces data for fact-based decision-making by business leaders, resulting in improved productivity in both the short term and long term.

In 2013, it was applied to the Commercial Operations workforce in France and Italy, as well as Industrial Operations in the U.S., providing the country leaders with a dynamic analysis of the evolution of the workforce and its capabilities compared to the business needs.

The objectives for 2014 are to make this approach sustainable and to significantly and coherently expand it to other parts of the Company (different lines of business and geographies). It will contribute to more flexible and effective organizations, allowing them to match individual competencies to the right job.

MORE in our Download Center

- [Local Economic development factsheet](#)
- [Compensation and Employee benefits factsheet](#)
- [Employee Representation and Information factsheet](#)
- [Employee Volunteering factsheet](#)



PLANET

As a global healthcare leader, we live up to our responsibility to help protect life on the planet by limiting the environmental impact of our activities.

- p83** [ENERGY AND CARBON FOOTPRINT](#)
- p90** [WATER MANAGEMENT](#)
- p96** [PHARMACEUTICALS IN THE ENVIRONMENT](#)

Introduction

Our approach

Patient

Ethics

People

Planet

Performance

Photo credit: Bertrand Celces

PLANET

ENERGY AND CARBON FOOTPRINT



Photo credit: Alexis Chezieres, Capa Pictures



Photo credit: Sanofi Pasteur US

The Swiftwater Pipeline Project helps reduce direct CO₂ emissions

To reduce sulfur oxide (SO_x) and CO₂ emissions from combustion installations, we often opt for using natural gas where feasible. Utilizing a natural gas distributor, we undertook an ambitious project to build a gas pipeline to service our Swiftwater site, the largest contributor to carbon emissions in the Group (7% of Sanofi's facilities scope 1+2 emissions).

The project consisted of piping natural gas supply to the Swiftwater site and then piping gas to the two utility buildings on site and converting the existing boilers to burn natural gas. The installation was commissioned early in 2013 and the boiler houses have been operating fully since April, using natural gas.

The expected impact of using natural gas instead of light fuel oil represents an annual decrease in CO₂ emissions amounting to 10,000 tons/year at this site, beginning in 2014. The emissions reduction already achieved in 2013 is around 7,000 tons of CO₂ emissions.

In addition, the SO_x emissions from this site accounted for 50% of the Group's total SO_x emissions in 2011 (23 tons of SO_x of a total 46 tons).

This gas pipeline project not only ensures Sanofi business continuity and cost of goods savings (around €5.4 million), it also contributes to the Swiftwater community by providing access to the resource for their benefit. The overall saving is estimated at around €25 million over three years.

The project also eliminates the environmental risks associated with transporting fuel to the site by road (over 500 truckloads) and the on-site offloading and transfer of more than 15 million liters of oil annually.

SOURCE OF OUR TOTAL GREENHOUSE GAS EMISSIONS



Relevant stages of our value chain → SEE p17



Our challenge

Reducing our carbon footprint and finding innovative ways to optimize the energy performance of all our business activities is an essential part of our responsibility to act against climate change and protect life on the planet.

OUR PROGRESS

KEY ✓ Completed → In progress ✗ Not completed

Our objectives	2013 progress and actions	Status
2010–2020: achieve a 20% reduction in the combined scope 1 and scope 2 CO ₂ emissions for industrial and R&D sites	<ul style="list-style-type: none"> Strategic partnerships with energy sector leaders Renewable energy projects at our sites in India New energy targets developed by North American Energy Team Swiftwater pipeline project Recognition for Sanofi's energy management programs Promotion of green buildings Decrease in emissions from the transport of medicines <p>In 2013, our energy consumption and combined scope 1 and scope 2 emissions decreased respectively by 8.7% and 11% compared to 2010</p>	→
2013: publish scope 3 emissions	<ul style="list-style-type: none"> Published partial scope 3 emissions since 2012 Improved calculation methods for scope 3 emissions with the support of an external contractor for publication in 2014 	→
2012–2015: achieve a 10% reduction in vehicle fleet fuel consumption	<ul style="list-style-type: none"> Continued our vehicle policy Increased the number of eco-driving sessions <p>In 2013, fuel consumption by medical sales teams remained stable (-0.5%) compared to 2012</p>	→
2014: adopt a Green Building Charter	<ul style="list-style-type: none"> Develop a green building charter 	→

OTHER INITIATIVES



Photo credit: Romain Baltz

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Our strategic partnerships with energy sector leaders: Schneider Electric and Cofely GDF SUEZ



Photo credit: Sanofi

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The North American Energy Team pilots a regional approach



Photo credit: Sanofi India

p87

Sites in India innovate with renewable energy projects

Strategic approach

Although the pharmaceutical industry as a whole is regarded as a minor contributor to greenhouse gas emissions when compared to other sectors¹, Sanofi believes that reducing our carbon footprint and using energy responsibly are part of our mission to help protect life on the planet and act on climate change.

MORE in our Download Center

- [Protection of the atmosphere factsheet](#)

We seek to optimize our energy consumption and energy security for all our business activities. We require energy primarily for:

- the production of active ingredients;
- formulation, filling and packaging of pharmaceuticals and vaccines;
- heating and air conditioning for pharmaceutical plants;
- transporting medicines; and
- business travel by sales representatives and other employees.

For all these activities, we consume ready-to-use sources of energy (petrol for cars, natural gas, etc.) as well as transformed purchased energy (electricity, steam, etc.).

We base our approach to responsible energy use on the Sanofi Health, Safety & Environment (HSE) Policy. Our energy strategy is defined through close cooperation by our HSE Department, Procurement Department, and energy management specialists from Industrial Affairs, R&D and other operational units.

MORE in our Download Center

- [HSE Policy](#)
- [Health, Safety and Environment Management System](#)

Our responsible energy approach focuses on the three pillars of the energy/climate challenge, expressed as the E3 model:

- Energy usage
- Energy spending
- Emissions of greenhouse gases.

➤ **Related content in this report**

- [Page 50](#) Responsible procurement

Consuming less energy and reducing CO₂ emissions

To reduce our carbon footprint and limit our energy consumption, we have developed a three-fold strategy:

- extensive measuring of the relevant indicators for the three pillars described above;
- initiatives to consume less energy (energy efficiency); and
- initiatives to consume differently (changing the energy mix).

Our initiatives focus on:

- improving the energy efficiency and yields of equipment and facilities;
- relying on alternative sources of energy;
- making our buildings and facilities more environmentally friendly;
- limiting CO₂ emissions due to the transport of medicines by increasingly using maritime and railway shipment instead of air freight and road transportation; and
- reducing the environmental impact of business travel and employee commuting by encouraging the use of eco-friendly means of transportation, developing a car policy and promoting green meetings.

Our energy governance

We rely on the Sanofi Energy Network to effectively implement the Strategic Program in order to bring savings and reduce CO₂ emissions. The Energy Network is made up of central experts and energy site managers, including representatives from Procurement, Engineering, HSE and support functions. They are in charge of challenging global energy solutions and innovations according to the Long Range Plan monitoring performance.

The Sanofi Climate Change Committee, created in 2005, is composed of business units energy leaders from the Industrial network, R&D and corporate leaders from CSR, HSE and Procurement. The Committee members share best practice and knowledge on energy optimization initiatives implemented in the various businesses, and makes recommendations applicable to the entire Sanofi footprint.

¹ Source: Global 500 Climate Change Report 2013. According to this report put out by the Carbon Disclosure Project (CDP), the emissions of the healthcare sector companies assessed represents 0.8% of total Global 500 emissions: <https://www.cdp.net/CDPResults/CDP-Global-500-Climate-Change-Report-2013.pdf> (p. 28)

Highlights

Greater energy efficiency at our sites is doubly important, because it leads to cost savings and protects the environment by reducing CO₂ emissions.



Photo credit: Romain Baltz

Our strategic partnerships with energy leaders

The aim of the partnerships is to speed-up the Energy Program in an innovative way by leveraging very early opportunities. Key partnerships have been forged in recent years with **Schneider Electric** and **GDF SUEZ Cofely**. This partnerships process is now open to most of the Sanofi sites worldwide. Within this partnership, Schneider Electric is providing expertise in market trend evaluation, energy management and a detailed assessment of projects. The partnership agreement covers such major technologies as Heat Ventilation and Air Conditioning (HVAC), thermal processes and cooling systems, cogeneration, and renewables.

The **GDF SUEZ/Cofely Partnership** is focused on optimizing existing facilities, project implementation and services. Through the GDF SUEZ/Cofely Partnership, we have access to a wide range of technologies and resources that deliver reduced lead time for projects, and high energy performance through a long-term contract.

A substantial drop in our energy consumption

In 2013, Sanofi's energy consumption was reduced by 8.7% compared to 2010. The primary factors contributing to this decrease were our energy efficiency initiatives, the continued reorganization of research and development entities, and the conversion of chemical production to biopharmaceuticals.

In 2013, renewable energy consumption amounted to 8.8% of our total energy consumption (compared with 7.7% in 2012). Our renewable energy consumption includes:

- the consumption of thermal fluids from renewable sources (geothermal energy);
- biomass consumption for heat generation;
- the share of electricity consumed at 19 of our French sites, guaranteed by our supplier to be renewable (25%); and
- the share of electricity from renewable sources based on the energy mix where the Group operates.

ENERGY CONSUMPTION (IN GIGAJOULES)

	2010	2011	2012	2013	Variation 2010-2013
Natural gas/liquefied petroleum gas	9,377,801	8,924,221	8,784,847	8,694,304	-7.3%
Electricity	7,232,317	7,182,570	6,902,393	6,854,282	-5.2%
Coal	77,400	77,400	66,202	59,572	-23.0%
Liquid hydrocarbon fuel (excluding car fleets)	886,950	833,746	859,690	464,979	-47.6%
Renewable fuels ¹	0	0	7,231	18,513	-
Other (steam, thermal fluids, etc.)	1,756,551	1,610,272	1,541,673	1,563,842	-11.0%
Total ²	19,331,019	18,628,209	18,162,036	17,655,492	-8.7%



Photo credit: Marthe Lemelle

“Thanks to the global footprint of Sanofi and GDF SUEZ, this innovative partnership enables us to improve our competitiveness and achieve our environmental objectives.”

Christopher Viehbacher, CEO of Sanofi

8.7%

reduction in our energy consumption from 2010 to 2013

Recognition for Sanofi's energy management programs

In 2013, Sanofi was listed on the 2013 CDP Carbon Disclosure Leadership Index Global 500, achieving a CDP Disclosure Score of 97 (performance A-). This ranking distinguishes our management of energy demand and greenhouse gas emissions at our sites and globally. Also in 2013, two of our French sites received ISO 50001 certification for their energy management systems, bringing to seven the number of Sanofi sites that are ISO 50001 certified (two in France and five in Germany). In 2012, Sanofi was included on the CDLI SBF250, an index for French companies.

1 Renewable fuels are only relevant for biomass, biofuel, hydrogen, and other renewable fuels purchased and burnt on-site.

2 These figures do not include energy used by cars.

Fuel consumption by our medical sales fleet

Three categories of fuel (liquefied petroleum gas, diesel, and gasoline) are included in the medical sales fleet's fuel consumption.

	2012	2013	Variation 2010–2013
Medical sales fleet fuel consumption (GJ Higher Heating Value)	2,202,517	2,189,697	-0.5%
Total number of medical sales representatives vehicles including motorcycles	24,847	24,089	-0.3%
Distance traveled (km)	738,846,961	739,477,409	<0.001%
Normalized consumption (liters/100km)	8.12	8.06	-0.7%

In 2013, fuel consumption by medical sales representatives remained relatively stable compared with 2012, which may be attributed to our ongoing efforts to improve the Group's vehicle fleet as well as a constant number of medical sales representatives. Increasing the number of eco-driving sessions will help us reach our goal to reduce fuel consumption from medical sales by 10% by 2015.

MORE in our Download Center

- [Energy and Carbon footprint factsheet](#)

Related content in this report

- [Page 59](#) Health and safety



The North American Energy Team pilots a regional approach

Since 2012, all our U.S. and Canadian sites have been working together to reduce CO₂ emissions while taking into account regional differences in energy supplies and the energy market. The collective efforts of the North American Energy Team led to four major developments in 2013:

- launch of the Energy Awareness Training Program, so that all employees can take part in the reduction of emissions;
- creation of a heating, ventilation and air conditioning policy for administrative buildings, including night and day hours and temperature standards;
- building a common Energy Conservation Measure Platform to share and consolidate all future initiatives; and
- development of an Energy Program scorecard that works as an energy program action planning tool for sites, while also providing feedback for common areas of improvement on which the North American Team will focus its efforts.



Sites in India innovate with renewable energy projects

In India, where the energy supply is unreliable and electricity production generates substantial CO₂ emissions, we have undertaken innovative projects at two Sanofi sites following a renewable energy survey in 2012.

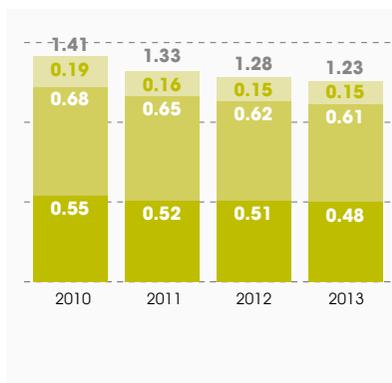
- At the **Goa** pharmaceutical site, we installed a second biomass boiler (the first boiler began operating in 2012). Combined with an absorption chiller, this improvement makes it possible to achieve 100% renewable heat production while decreasing electricity consumption. Since 2011, the Goa site has achieved 1,000 tons of CO₂ equivalent (tCO₂e) emission reduction. This exemplary project generated more than 11,000 man-days employment in rural India for farmers to collect and produce biomass.
- Our Pharmaceutical and Chemistry site in **Ankleshwar** built a 2 megawatt-hours (MWh) off-site windmill, to produce a significant portion (about 30%) of the electricity required to meet annual production needs. The wind power will be generated at a wind farm near the sea, at 600km away from the site, and will be wheeled to the site through the state grid. This project is expected to generate 4,700MWh of renewable electricity annually, which should lead to a reduction in the site's CO₂ emissions of around 4,472tCO₂e. The anticipated power generation is worth €300,000 per year with a six-year payback period.

Limiting our CO₂ emissions

In 2013, direct and indirect CO₂ emissions (not including vehicle fleets) were respectively 12% and 10% lower than in 2010, representing a combined (direct and indirect emissions) reduction of 11% overall. This decrease reflects Sanofi's efforts to limit energy consumption and to choose energy sources that emit fewer greenhouse gases. Compared with 2010, CO₂ emissions from vehicles used by medical sales representatives decreased by 24% in 2013 (on a comparable basis). Since 2012 the workforce has stabilized. Greenhouse gas emissions based on distance traveled decreased by 196g/km on average (compared with 198g/km in 2012).

CO₂ EMISSIONS (MILLION TONS CO₂ EQUIVALENT TCO₂E)

- Fossil fuels (direct – scope 1)
- Production of electricity and other energies (indirect – scope 2)
- Medical sales fleet vehicles (estimated)



CO₂ EMISSIONS (TCO₂E)

	2010	2011	2012	2013	Variation 2010–2013
Fossil fuels (direct – scope 1)	545,114	518,435	512,048	479,511	-12.0%
Production of electricity and other energies (indirect – scope 2)	677,549	654,112	623,157	608,058	-10.3%
Medical sales fleet vehicles (estimated)	191,613	164,400	145,984	145,101	-24.3%

Scope 3 CO₂ emissions

For the first time in our 2012 CSR report, we were able to provide partial scope 3 CO₂ emissions data for six categories based on the Greenhouse Gas Protocol recommendations. In 2013, the Sanofi Environmental Direction was able to expand their calculation to cover 14 categories of scope 3 emissions. Moreover, in order to report on robust figures in our next CSR Report, the Environmental Direction has introduced a new calculation method with the support of an external expert contractor. Findings from this work will be presented in 2014. The 2013 Scope 3 emissions shown here were calculated based on the same assumptions as in 2012.

MORE in our Download Center

- [CO₂ emissions Scope 3 factsheet](#)

SCOPE 3 EMISSIONS FACTS

The Greenhouse Gas Protocol defines scope 3 emissions as “Other indirect emissions, such as the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by the reporting entity, electricity-related activities (e.g., T&D losses) not covered in scope 2, outsourced activities, waste disposal, etc.”

CATEGORY OF SCOPE 3 CO₂ EMISSIONS (TCO₂E)

CATEGORY OF SCOPE 3 CO ₂ EMISSIONS (TCO ₂ E)	2013
1. Purchased goods and services (limited to packaging materials and solvents)	1,336,896
2. Capital goods	337,750
3. Fuel and energy-related activities	125,951
4. Upstream transportation (including transport of medicines ¹)	187,974
5. Waste generated by operations	227,412
6. Business travel	210,000
7. Employee commuting	135,140
8. Upstream leased assets	Not applicable
9. Downstream transportation and distribution	Not yet available
10. Processing of sold products	Not yet available
11. Use of sold products (limited to packaging materials)	6,311
12. End-of-life treatment of sold products	153,717
13. Downstream leased assets	Not applicable
14. Franchises	985
15. Investments	2,000

¹ This figure does not include Genzyme, Meril and administrative buildings.

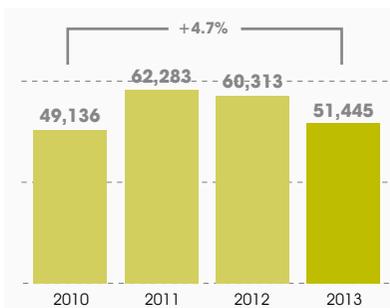
The transport of medicines: shrinking our carbon footprint

CO₂ emissions from the transport of medicines are part of scope 3 emissions and are therefore reported in the scope 3 table in the “downstream transportation and distribution” category.

The significant difference in CO₂ emissions published in our 2012 and 2013 CSR reports is due to updated emissions factors (long-distance flights emissions factors having decreased significantly). Figures for the 2010–2013 period were consequently recalculated to integrate these new emissions factors.

In 2013, CO₂ emissions from the transport of medicines amounted to 51,445 tons of CO₂, representing a decrease by 14.7% compared to 2012.

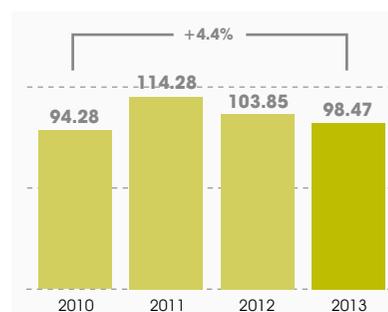
CO₂ EMISSIONS FROM THE TRANSPORT OF MEDICINES¹ (TCO₂E)



¹ Represents CO₂ emissions due to the transport of our products from manufacturing sites to distribution centers, wholesalers, third-party customers, etc. Those figures do not include Merial and Genzyme.

Sanofi seeks to use maritime shipping for all intercontinental product flows. In 2013, the quantity of medicines transported by barge represented 82% of the total weight of medicines shipped between continents by sea and by air.

CO₂ EMISSIONS PER TRANSPORTED PALLET (KG CO₂/PALLET)



Following inventory and supply issues in 2011 and 2012, which necessitated emergency air shipments (increasing our emissions per transported pallet), emission levels have returned to normal. The +4.4% variation may be explained by an increase in air shipments of medicines to emerging markets.

In 2013, the tons of medicines transported by air represented 7% of the total weight shipped worldwide. Road transportation, primarily for shipments between our European sites, accounted for 60% of the total weight for international shipments. Maritime shipments accounted for 33% of the total weight shipped. This figure should be compared with the weight of medicines transported by air, reflecting optimized loading of pallets and containers shipped by sea.

Sustainable Building@Sanofi: Our Green Building Charter

As part of our ongoing efforts to create and renovate facilities to make them more “eco-friendly,” in 2013, we developed a charter for our tertiary buildings, designed to foster social, environmental, and economic sustainability through 21 commitments. The goals addressed by the charter are:

- to provide our employees and stakeholders with healthy and comfortable workspaces;
- to limit the environmental footprint of our administrative buildings; and
- to integrate Sanofi’s buildings into the sustainable approaches of cities where we operate.

The charter also lists technical specifications that reflect our environmental commitments and set out appropriate action plans. With respect to Sanofi’s energy and carbon footprint, our commitments include:

- reducing energy consumption and greenhouse gas emissions from service buildings by using energy saving equipment and tools that accurately pilot consumption; and
- promoting low environmental impact energies, such as renewable energies, and seeking to purchase low environmental impact materials, including refrigerants.

We are pursuing our buildings certification process. In France, both our Massy and Toulouse R&D sites received *Haute Qualité Environnementale Opérations* certification in 2013.

MORE in our Download Center

- [Energy and Carbon footprint factsheet](#)

PLANET WATER MANAGEMENT



Photo credit: Gill Corre



Photo credit: Sanofi India

Recycling wastewater for use on-site in Ankleshwar, India

Greater autonomy in managing wastewater turned out to be a simple and effective way to significantly decrease discharge from our chemistry and pharmaceutical sites located at Ankleshwar (Gujarat). In 2012, we invested in an on-site Waste Water Treatment Plant (WWTP) adopting innovative technologies for reusing wastewater. Our new plant has been operational since May 2013, and we no longer rely on a third-party supplier to manage this part of the business.

Today, 80 to 90% of treated wastewater can be reused in the site's cooling towers. This project helps conserve natural resources in line with Indian regulatory requirements and a "zero discharge" target established by the local pollution control board.

Effluent is segregated and treated on the basis of specific characteristics using various methods of evaporation/condensation followed by biological treatment and filtration processes.

Thanks to these processes, overall degradation for chemical oxygen demand (COD) is over 98% and biological oxygen demand (BOD) is over 99%. The project's total cost amounted to around €3.15 million.

To treat wastewater discharged by its production facility, our Shanta (Hyderabad) vaccines affiliate set up a similar program using a bioreactor, activated carbon filters, and two-step reverse osmosis, followed by multi-effect evaporation generating salts. With a capacity of 100 m³/day, water recovery is up to 98.7%.

KEY ISSUES

Relevant stage of our value chain → SEE p17



- Wastewater discharge from chemistry and manufacturing sites
- Water consumption from chemistry and manufacturing sites
- Water scarcity and water stress areas

Sanofi is in line with the principles of human rights including the right to benefit from a healthy environment.



MORE in our Download Center

- [Human Rights in our Activities Guide](#)

Our challenge

As a global healthcare leader, Sanofi is aware of the critical challenge posed by the dwindling availability of vital freshwater resources. We are committed to managing water responsibly to help safeguard the health of individuals and communities.

OUR PROGRESS

KEY ✓ Completed → In progress ✗ Not completed

Our objectives	2013 progress and actions	Status
2010–2020: achieve a 25% reduction in water consumption	<ul style="list-style-type: none"> • Water savings initiatives at Sanofi sites: Val de Reuil (France), Occoyoacac (Mexico), Toronto (Canada), Swiftwater (U.S.), Vitry (France), Veres (Hungary) • Focus on water scarcity and water stress areas • Publication of Water Pharma Users' Guide • A 19.8% decrease in water consumption in 2013 compared with 2010 	→
Improve management of effluents from Sanofi sites	<ul style="list-style-type: none"> • Program to recycle wastewater for use on-site in Ankleshwar, India 	→

OTHER INITIATIVES



Photo credit: Sanofi

p94

Reverse osmosis in Mexico



Photo credit: Sanofi

p94

Water cooling in Canada



Photo credit: Sanofi

p94

Pilot program at Veres pharmaceuticals manufacturing site

Strategic approach

Why are we concerned?

As a healthcare company, we know that access to water is a vital question because safe drinking water and adequate sanitation facilities are critical to the health of individuals and communities.

Sanofi uses water in many of our industrial processes – in cooling systems during manufacturing, for fermentation and vaccine manufacturing, and in cleaning processes at all our production sites, which is a key quality concern. The areas of our businesses that account for most of our overall water consumption are chemistry and biochemistry sites.

What are we doing to bring about change?

We take steps to promote sustainable water management by reducing our water consumption, especially in water stress and water scarcity areas to preserve the availability of water resources. We also seek to limit our effluent discharge to preserve the quality of this resource.

➤ Related content in this report

- [Page 96](#) Pharmaceuticals in the environment

We develop innovative ways to reduce our water consumption

We have been implementing measures to reduce our water consumption at all our sites. We organize systematic assessments of any areas where water can potentially be saved, and we make our investment decisions accordingly.

We pay particular attention to sites in areas of water stress and water scarcity

As part of our global water management strategy, we focus particular attention on Sanofi sites located in areas of water stress and water scarcity in order to develop specific action plans to reduce water consumption at these sites. Since 2010, we have been using the World Business Council for Sustainable Development (WBCSD) Global Water Tool to determine which of our sites are located in areas of water scarcity.

We manage wastewater discharge responsibly

The management of wastewater effluents is covered by the Group's Health, Safety and Environment Policy and falls within the scope of our HSE management system.

➤ MORE in our Download Center

- [HSE Management System factsheet](#)
- [HSE Policy](#)

Industrial wastewater discharge comes from liquid effluents at:

- sites that manufacture active ingredients;
- sites that produce medicines and vaccines; and
- R&D laboratories and pilot plants.

Each site designs its own wastewater effluent management program based on environmental impact assessments and applicable statutory and regulatory requirements. These programs include characterizing potential pollutants and the implementation of processes to treat, monitor, and control such pollutants. We also focus on improving discharge treatment systems and on implementing systematic quality controls for effluents to help preserve the quality of surface water and prevent sub-soil and groundwater contamination.

➤ MORE in our Download Center

- [Soil and ground water protection factsheet](#)
- [Green Chemistry factsheet](#)
- [Waste management factsheet](#)
- [Biodiversity and Biopiracy factsheet](#)
- [Biodiversity and biopiracy-Position Paper](#)
- [CSR Biodiversity Guide](#)

➤ Related content in this report

- [Page 96](#) Pharmaceuticals in the environment

Freshwater resources constitute only about 2.5% of all available water on the planet today.

Source: UN Water¹

¹ UN Water is the United Nations coordination mechanism for all water-related issues: <http://www.unwater.org/statistics/en/>

Highlights

Reducing our water consumption

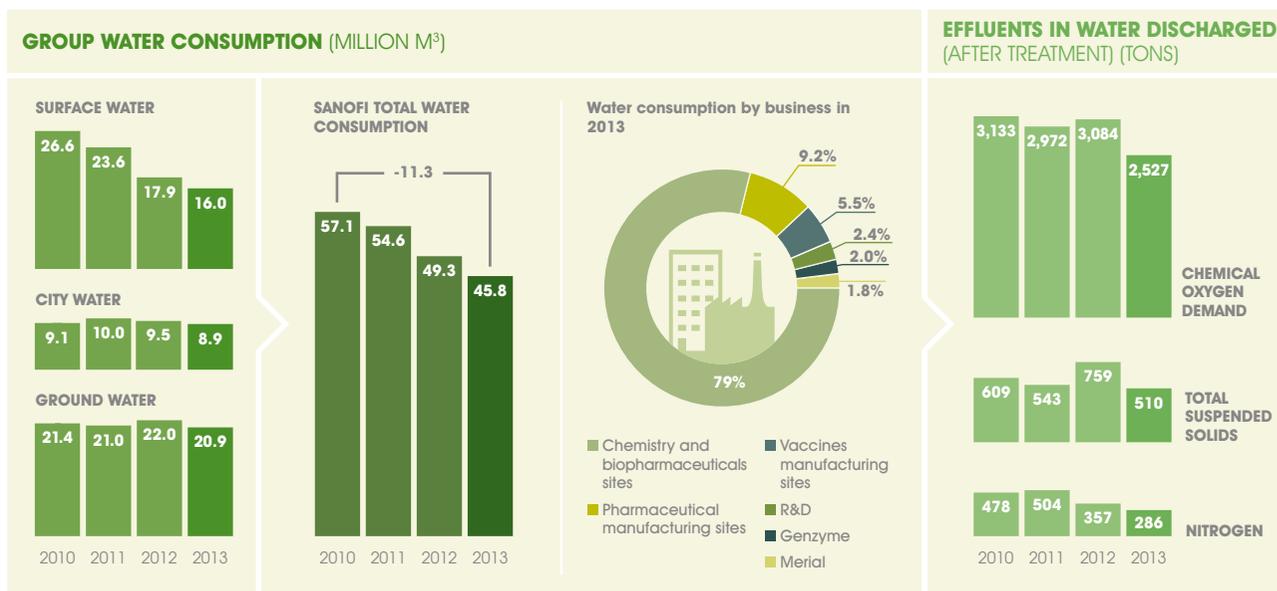
By 2013, we had reduced our water consumption by 19.8% in comparison to 2010 (reference year), thanks to targeted initiatives to reduce consumption (savings and recycling), as well as the continued restructuring of our chemical production facilities to biopharmaceuticals manufacturing.

19.8%

reduction in our water consumption
from 2010 to 2013

In contrast to a widespread business model in the pharmaceutical industry, Sanofi has rather high upstream integration for the production of active ingredients within our chemistry and biochemistry sites. They currently represent 10% of our industrial facilities and nearly 80% of Sanofi's total water consumption, with related loads. Together, the ten Sanofi sites that consume the most water represent over 75% of our global water consumption. Nine of the ten are home to chemistry/biochemistry activities.

Various Sanofi facilities organized initiatives to generate water savings in 2013. Although the overall drop in water consumption was in some instances minor, it led to a decrease in associated costs.



Water savings at the Vitry chemistry site

Our chemistry site at **Vitry (Paris, France)** implemented improved methods to monitor water used to cool ammonia-based chilling equipment. Potential savings in water use represent up to 0.5 million m³ per year.

In-house experts at Sanofi have created the **Water Pharma Users' Guide** especially for use in Sanofi production facilities. For example, at our factory in Dakar (Senegal), the guide is particularly useful because the city is facing a potential water shortage. At our vaccines site in Occoyoacac (Mexico), facility improvements have been made based on recommendations in the guide.

Initiatives at Sanofi Pasteur vaccines sites

In 2013 in **Val de Reuil (France)**, a new water savings project led to the optimization of purified water loops. Although the improvements represented only a small decrease in water consumption (less than 1000m³ per year), they prompted lower maintenance costs (savings of €10,000 annually).

In **Swiftwater, Pennsylvania (U.S.)**, a project was launched to adapt the protocol concerning production injectable water (WFI) to avoid water flushing. Together with savings of four million gallons (around 15,000m³) per year of water, related savings from lower steam and energy consumption led to total savings of over \$100,000 annually.



Photo credit: Sanofi

Water cooling in Canada

Our **Toronto (Canada)** production site has introduced a global water savings program. It is focused especially on cooling systems, as well as sump system optimization and other initiatives. Savings in water consumption amount to over 200,000m³ per year.



Photo credit: Sanofi

Pilot program at Veres pharmaceuticals manufacturing site

A pilot project at our **Veres (Hungary)** site introduced ways to use less water in processes to clean granulation equipment, leading to a 50% reduction in water consumption for these cleaning operations (savings of 350m³ per month). These improved processes will be shared with other pharmaceutical sites.



Photo credit: Sanofi

Reverse osmosis in Mexico

Our site at **Occoyoacac (Mexico)** focused on improving process water production using reverse osmosis by introducing a process in June to recover water from produced brine. The resulting monthly water savings (1,200m³) decreased the site's global water consumption by 22%. Although the site saw an increase in production of 7.14% in 2013, the related rise in water consumption was limited to 0.95%, thanks to a more efficient use of water per unit of production.

Focusing on sites located in water stress and water scarcity areas

To support our focus on Sanofi sites located in areas of water stress and water scarcity, we have adopted the World Business Council for Sustainable Development (WBCSD) Global Water Tool since 2010. This tool allows us to map our water use and determine which of our sites are located in areas of water scarcity in order to develop specific action plans. Based on 2012 data, we determined that:

- 45% of our sites are located in areas of water scarcity and water stress; and
- the percentage of water consumed by our sites located in such areas represents 62% of our global water consumption.

In line with the objective to reduce water consumption by 2020 across the Company, in-house experts in industrial affairs, business and engineering, among others, and representatives of Sanofi's Environmental Direction are devising a water strategy.

By 2025, it is estimated that 1.8 billion people will be living in regions with absolute water scarcity, and 2/3 of the global population could be living under conditions of water stress

Source: UN Water¹

WATER SCARCITY

When annual renewable water supplies drop below 1,000m³ per person, the population faces water scarcity, and when this level dips below 500m³, absolute scarcity

WATER STRESS

Water stress occurs in areas where annual water supplies drop below 1,700m³ per person

Managing wastewater discharge

Chemical oxygen demand (COD), total suspended solids (TSS), and nitrogen figures concern final water pollutant content after various treatment steps.

In 2013 compared to 2011, pollutant wastewater discharge has decreased by 15% for chemical oxygen demand (COD), 43% for nitrogen, and 6% for suspended solids, respectively. This decrease is related to limiting wastewater discharge by our sites as well as slower activity at the sites with the greatest impact. Moreover, failures at treatment plants and the relative biodegradability of products used by our sites (i.e., one product in comparison to another) may cause significant annual variations, such as that observed in 2012 for COD and suspended solids.

Depending on the type of production activities and also on available facilities, Sanofi sites discharge their water effluents into municipal wastewater treatment plants (WWTP) or treat their effluents on site before discharging into the environment. Most of our chemistry sites have their own wastewater treatment facility since they require dedicated technical solutions. In other cases, chemistry sites that do not have their own WWTP are connected to a shared industrial WWTP, or to a large city WWTP. Most of our facilities from other business are connected to neighboring city WWTP, which are able to handle the rather small effluent flows and loads. Very few have their own wastewater treatment facility, due to the fact that they are not close to a city WWTP.

¹ UN Water is the United Nations coordination mechanism for all water-related issues: <http://www.unwater.org/statistics/en/>

PLANET

PHARMACEUTICALS IN THE ENVIRONMENT



Photo credit: Eric Larrayadiou, Interlinks Images



Photo credit: Pierre-Oliver Callede, Capa Pictures

Quantifying trace levels of effluents from the production of 30 Sanofi products

Within the scope of this program, launched in 2012, Sanofi drew up an initial list of 30 compounds based on potential environmental hazard properties and annual production tonnage. The list includes compounds for the treatment of cardiovascular, inflammatory and central nervous system conditions as well as antibiotics and painkillers. We analyzed the effluents from chemistry sites where these compounds are produced using specific analytical methods devised by our Aramon, France, environmental laboratory to quantify the compounds at very low concentration levels. To date, 75% of relevant Sanofi chemical active pharmaceutical ingredient (API) plants worldwide have been reviewed and we have determined target values for 23% of the 30 selected compounds.

In 2013, we launched a pilot program at a pharmaceutical manufacturing site in collaboration with a leading water company, as we began to consider ways to adapt this initiative to pharmaceutical manufacturing sites.

In addition, we plan to test and compare different monitoring tools and strategies, as well as wastewater treatment technologies, to limit potential discharge of pharmaceuticals and other chemicals into the environment. Several advanced oxidation, adsorption or retention techniques are currently being implemented and/or tested at our sites. In line with risk assessments, we evaluate practices and technologies for risk reduction and mitigation, taking into account each site's specific characteristics.

KEY ISSUES

Relevant stages of our value chain → SEE p17



- Developing knowledge on the environmental fate of effects of our products



- Potential emissions of pharmaceuticals in the environment



- Potential emissions of pharmaceuticals in the environment



- Proper disposal of unused and expired medicines

- Potential environmental and health impacts

Our challenge

Pharmaceuticals found in the environment due to human activity, such as patients' use of medicines, raise concerns about their potential impact on human health and the planet. This is a challenge that Sanofi takes seriously.

OUR PROGRESS

KEY ✓ Completed → In progress ✗ Not completed

Our objectives	2013 progress and actions	Status
By 2015: Implement an effluent assessment plan at 100% of chemistry sites where 30 active pharmaceutical ingredients (APIs) are manufactured	<ul style="list-style-type: none"> • Effluents reviewed at chemistry sites and one pilot pharmaceutical site • Review completed of the effluents of 75% of chemistry sites where 30 selected APIs are manufactured • Updated monitoring of the environmental impact of our Vertolaye site in France 	→
	<ul style="list-style-type: none"> • Exploration of ways to adapt this initiative to pharmaceutical manufacturing sites 	→
Conduct voluntary environmental risk assessments for drugs already on the market	Voluntary environmental risk assessment completed for 26 marketed medicines	→
By 2015: Define environmental target values for the 30 selected APIs	Defined environmental targets for 23% of selected APIs	→
Develop our knowledge of pharmaceuticals impact in the environment	Take part in scientific research programs with Poitiers University, Montpellier University, Technion Institute of Technology, Al-Quds University, and Health and Environmental Sciences Institute (HESI) Animal Alternatives	→
Support programs to take back unused and expired medicines	<p>To date, we contributed to the implementation of take-back programs in Belgium, Brazil, Canada, Colombia, Ecuador, France, Greece, Mexico, Portugal, Saudi Arabia, Spain, and Taiwan</p> <ul style="list-style-type: none"> • Largest contributor to the Cyclamed take-back program in France • Support for Punto Azul take-back scheme in Colombia • Support for French program for the safe disposal of sharps (DASTRI) 	→

OTHER INITIATIVES



Photo credit: Sanofi Brazil

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The Punto Azul take-back scheme in Colombia



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A safe sharps disposal program in France: DASTRI



Photo credit: Sanofi Israel

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Managing the use of biological techniques for the treatment of wastewater



Photo credit: Sanofi

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Monitoring the environmental impacts of our sites: the Dore River (France)

Strategic approach

Sources of pharmaceuticals in the environment (PIE)

Trace amounts of pharmaceuticals may end up in the environment in various ways. When patients ingest medicines, pharmaceuticals are excreted or they are transformed by the body into metabolites, which may be released into the environment through sewers and sewage treatment plants.

Other sources of discharge include emissions from drug production plants and discharge resulting from the inappropriate disposal of unused medicines (e.g., by an end-user disposing of unused medicine directly into a sewage system).

What is Sanofi doing to address this challenge?

In light of growing public concern about pharmaceuticals in the environment and relatively limited knowledge, Sanofi has developed a multi-faceted approach in line with the Group's HSE Policy and requirements:

MORE in our Download Center

- [HSE Policy](#)
- [Health, Safety and Environmental Management System factsheet](#)

We are improving our knowledge of the environmental fate and potential impact of Sanofi products by conducting both mandatory and voluntary environmental risk assessments of new and marketed products under the guidance of an internal group of experts, the ECOVAL Committee.

The ECOVAL Committee addresses stakeholder concerns surrounding the potential impact of our products on the environment. Members include environmental experts and representatives of product stewardship, science and medical affairs, regulatory affairs, and other Sanofi departments. The committee's role is to:

- help Sanofi to protect the environment through the best possible knowledge on the environmental fate and effects of our products; and
- address external requests, in particular those linked to regulatory requirements, and to anticipate for the development of new requirements.

We are working in close collaboration with academia through public/private initiatives to develop general knowledge about PIE.

We are evaluating and limiting discharge from our manufacturing plants.

Related content in this report

- [Page 90](#) Water management

We are supporting take-back programs for unused medicines to facilitate their proper disposal. In addition, we provide guidance about how to dispose of medicines.

MORE in our Download Center

- [Disposal of unused medicines factsheet](#)

We provide all our affiliates with guidance on how to implement local take-back programs. We also issue recommendations for consumers about what to do with unused medicines. The Group has set up a system for commercial affiliates to share best practice regarding the implementation of take-back programs for unused medicines and provide local support for such initiatives.

The current state of research on the potential impact of PIE

In terms of potential impact on the environment, current studies suggest that short-term effects on aquatic ecosystems are unlikely, considering the low concentrations of pharmaceuticals found in water. Concerns, however, have been raised about potential long-term environmental effects, especially for certain classes of pharmaceutical products, such as hormonal substances and antibiotics.

Thanks to improved analytical methods, today it is possible to detect the presence of an increasing number of pharmaceuticals in the environment. Depending on the substances and where they are found, they may be present in very low concentrations – measured in nanograms or micrograms per liter – even in drinking water.

Further research is necessary to improve our understanding of the potential long-term effects on the environment and human health of such concentrations, in addition to more extensive research into the potential impact of combinations of pharmaceuticals, metabolites and other chemicals that may be present in low concentrations in the environment.

According to the World Health Organization (WHO)¹, current analyses of available data indicate a substantial margin of safety between the very low concentrations of pharmaceuticals that potentially could be consumed in drinking water and the minimum therapeutic doses, suggesting a very low risk to human health.

¹ WHO "Drinking Water" report in English: http://apps.who.int/iris/bitstream/10665/44630/1/9789241502085_eng.pdf

Highlights

Supporting initiatives to take back unused medicines

To date, we have contributed to the development and implementation of take-back programs for unused medicines by Sanofi affiliates in many countries, including Belgium, Brazil, Canada, Colombia, Ecuador, France, Greece, Mexico, Portugal, Saudi Arabia, Spain, and Taiwan.

We are the largest contributor to the Cyclamed take-back program

French patients are accustomed to returning unused medicines to their local pharmacies, which are required by law to collect unused and expired drugs. To preserve the environment and protect consumers' health, Cyclamed works with dispensing pharmacies, wholesalers, dispatchers, and drug companies to oversee the safe elimination of unused tablets, capsules, syrups, and ointments.

The Cyclamed program only collects take-back products from households (not waste from hospitals or healthcare professionals), which are put through a clean disposal process with energy recovery. This non-profit organization is financed entirely by drug manufacturers, based on the number of boxes they market. As one of the largest pharmaceutical companies in France, Sanofi makes a large financial contribution to the program. In 2012, a total of 14,271 tons of unused medicines were collected. In 2013, Sanofi's contribution amounted to €1,231,333.

MORE in our Download Center

- [Implementation of REACH legislation factsheet](#)
- [Green Chemistry factsheet](#)
- [Waste management factsheet](#)
- [Packaging factsheet](#)

MORE online

- <http://www.cyclamed.org/en>



Photo credit: Sanofi, Brazil

The Punto Azul take-back scheme in Colombia

The Punto Azul (Blue Point) program helps prevent the release of pharmaceuticals into the environment by providing an easy way to dispose of unused and expired medicines. This take-back program has set up collection points for used medicines across 15 Colombian states, representing 37% of the country's population. Developed by the National Association of Colombian Enterprises (ANDI), this program was launched in 2010 with 26 founding members, including Sanofi and Genzyme, and Genfar subsidiaries. It is 100% funded by manufacturers and importers of medicines.

To date, 592 containers have been installed in pharmacies and large supermarkets. Approximately 76 tons of used medicines have been collected since the program's inception, and this volume is expected to grow as the initiative is expanded to include more states, with a goal of 70% national coverage by 2017. The collected unused and expired medicines are incinerated by licensed operators.

The Ministry of Environment and Sustainable Development is organizing education and awareness-raising initiatives in connection with the Punto Azul program. Campaigns have already reached an estimated 38 million people.

This initiative follows the example of a pioneering program implemented in 2010 in Brazil and exclusively sponsored by our affiliate Medley. By year end 2013, 231 collection points have been set up at points of sale of Droga Raia, a major pharmacy chain in Brazil, thanks to which 22 tons of unused and/or expired medicines were collected in 2013. Consumers can go online to track the fate of their unused medicines that are incinerated. This experience significantly served as a basis for measuring the financial impact and logistics of such an initiative on a larger scale in the context of debates about the Brazilian solid waste policy.

A safe “sharps” disposal program in France

A new program called DASTRI was founded in late 2012 to help ensure the safe disposal of “sharps” (needles, lancets, infusion sets, etc.) after use by individual patients, primarily people with diabetes. Sanofi has been a driving force in this organization, alongside 40 other members: pharmaceutical companies, manufacturers and distributors of medical devices, etc. This initiative has three primary focuses:

- providing special “sharps” containers free of charge;
- collecting and disposing of the containers; and
- improving communication and awareness among all stakeholders.

DASTRI aims to collect an estimated 360 tons of “sharps.” Collection points will be set up every 15km, for a total of 15,000 points across France.

The organization complies with French regulatory requirements concerning manufacturers’ role in the responsible management of their products’ end-of-life cycle. Sanofi’s contribution represents 20% for a total annual cost of €10 million.

HOW THE FRENCH TAKE-BACK SCHEME DASTRI ORGANIZES THE COLLECTION AND DISPOSAL OF “SHARPS” IN FRANCE



Working in close collaboration with academia to learn more about PIE

Sanofi participates in scientific research to improve our understanding of pharmaceuticals in the environment (PIE).

- From 2008 to 2011, we took part in two scientific projects conducted by French universities:
 - **Poitiers University** analyzed the efficiency of various oxidative treatments (ozonation, H₂O₂/UV, chlorination) to remove pharmaceuticals from water. The results revealed differences in the efficiency of different oxidative treatments. For some compounds, an increase in toxicity was observed during and after treatment. These results confirm the need to assess other wastewater treatment technologies.
 - **Montpellier University** studied the environmental fate of some pharmaceuticals in coastal waters, with a particular focus on bioaccumulation in mollusks, which are used in biomonitoring programs. Results showed different bioconcentration profiles depending on the compounds. Further research is needed to better understand these processes in mollusks.

Findings from both projects were published in scientific journals and were presented at scientific meetings in 2012 and 2013.

- Since 2008, Sanofi has been an active participant in the work of the **Health and Environmental Sciences Institute (HESI)** Animal Alternatives in its Environmental Risk Assessment Committee to develop and promote high-quality and efficient alternatives for animal testing in environmental risk assessments. Several scientific papers and conference presentations have been developed based on findings to date.



Photo credit: Sanofi Israel

Managing the use of biological techniques for the treatment of wastewater

Since 2012, we have supported a Palestinian-Israeli research program managed by the Peres Center for Peace, an NGO that brings together Israeli and Palestinian researchers and graduate students from the Technion Institute of Technology in Haifa and Al-Quds University near Jerusalem. It aims to assess the efficiency of different biological treatments, adsorption and membrane techniques (reverse osmosis/nanofiltration) to remove active pharmaceutical ingredients from wastewater from both domestic and industrial sources. Some of the team's results have been published or are forthcoming, and other articles are planned, among them a publication co-authored by both teams. These results could potentially be used to enhance treatment of effluents from pharmaceutical sites and may also contribute to improving the quality of drinking and irrigation water across the Middle East, an area of high water stress.

Evaluating and reducing discharge from manufacturing sites

In line with our objective to minimize our industrial sites' impact on the environment, in particular the aquatic environment, we have developed a program to evaluate our manufacturing activities' potential contribution to the overall discharge of pharmaceuticals in the environment.



Photo credit: Sanofi

Monitoring the environmental impact of our sites: The Dore River (France)

The Vertolaye site in France was the focus of media attention in 2011 after endocrine disruption was observed in some fish living in the Dore River, located near Vertolaye. Questions were raised about a potential connection to wastewater from the factory. Sanofi worked

closely with the authorities, water agencies, ONEMA, INERIS, ecological associations, and others to understand the cause of the observed effects. We developed a specific analytical method that has been implemented to monitor the potential presence of substances responsible for the effects observed in the fish. In cooperation with a leading water treatment company and following preliminary treatment studies, we set up pilot equipment on site to test a dedicated technology based on activated carbon adsorption. Encouraging results have shown that this technology is appropriate as a final treatment of on-site discharge to the Dore River.

In 2013, Sanofi began installing the equipment using activated carbon technology. It should be fully set up by mid-2014, making it the largest such system in the world using this innovative wastewater treatment technology. The investment was subsidized by the regional basin authority (Agence de Bassin Loire-Bretagne) as its third largest industry project for water improvement. Sanofi will continue to support future environmental studies to monitor the situation and the improvement of the local aquatic habitat.

Environmental risk assessments of our products

The environmental fate and effects of drugs' properties are investigated during the drug development phase. In Europe (since 2006) and the United States (since 1987), as well as other countries, full environmental risk assessments are required as part of the marketing authorization application for new drugs. They are also required for marketed drugs if, for example, sales of an existing drug are expected to rise due to a new disease indication.

Sanofi is also evaluating our existing products that were brought to market prior to the enactment of these regulations. To date, 26 compounds have undergone voluntary environmental risk assessment by Sanofi. These evaluations, which focus on pharmaceuticals in the environment following use by patients, have not shown any significant environmental risk at the expected environmental concentration.

26

Number of compounds that have undergone voluntary environmental risk assessment by Sanofi

CSR PERFORMANCE

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Introduction

Our approach

Patient

Ethics

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Performance

Our indicators

Description	GRI	Grenelle II (French law)	Unit	2011	2012	2013
PATIENT						
Access to healthcare						
Total number of access to healthcare ongoing programs (worldwide)			number	N/A	232	261
Estimated number of beneficiaries of above programs, which included:			number	N/A	277,287,355	177,274,753
- number of healthcare professionals trained			number	N/A	398,354	163,505 ¹
- number of individuals targeted by awareness campaigns			number	N/A	199,118,787	79,148,558 ²
- number of patients receiving diagnosis, vaccination or treatment			number	N/A	77,770,214	97,963,690
Innovation						
Research and development (In our portfolio)						
Number of New Molecular Entities (NME) and vaccines candidates in clinical development			number	N/A	64	49
Number of NME projects or vaccines candidates that are in Phase III studies or have been submitted to the health authorities for potential marketing approval			number	N/A	17	12
Approximate percentage of projects coming from collaborations and partnerships			%	N/A	48	50
Product quality and safety						
Number of internal audits			number	N/A	238	235
Number of class 1 recall ³			number	N/A	1	1
Number of class 2 recall ⁴			number	N/A	21	34
% of customer complaints treated in due time (a maximum of 45 calendar days to close a complaint) ⁵			%	N/A	63.60	54.30
Fight against counterfeit drugs						
Number of seizures			number	2,400,000	3,750,000	10,100,000
Number of websites shut down			number	13,500	18,000	13,700
Number of people arrested or under investigation			number	55	80	213
Number of entries recorded by the Sanofi Central Anti-Counterfeit Laboratory in order to detect counterfeit products			number	3,000	4,000	5,000
Number of people Sanofi has trained about counterfeit drugs			number	5,380	10,000	17,000
- number of employees			number	1,581	4,000	9,000
- public health agents, customs officials and police officers from around the world			number	3,799	6,000	8,000

- The number of healthcare professionals receiving training went from 400,000 to 163,000 because a training program involving 250,000 healthcare professionals in Brazil was discontinued in 2013.
- The number of individuals targeted by awareness campaigns went from 199 million to 79 million because an awareness campaign in India targeting 175 million people was discontinued in 2013.
- Class 1 recall: defects that are potentially life threatening or could cause risk to health – EMA definition.
- Class 2 recall: defects that could cause illness or mistreatment, but are not Class 1 – EMA definition.
- Within scope of Sanofi Pharma and Genzyme.
- Cumulative 2011–2013.

Description	GRI	Grenelle II (French law)	Unit	2011	2012	2013
ETHICS						
Human rights						
Employees trained in human rights since 2010 ⁶		3.E	number	68	76	84
Supplier-related risks						
Number of suppliers CSR evaluated		3.C, 3.E	number	45	185	105*
Number of evaluated suppliers that met our CSR requirement		3.C, 3.E	number	30	129	62
% of evaluated suppliers that met our CSR requirement		3.C, 3.E	%	67	70	59
Number of buyers trained to the Responsible Procurement Platform		3.C, 3.E	number	0	0	106
Corruption						
Total number of people trained through e-learning courses ⁷	SO3	3.D	number	76,000 ⁸	85,000	97,000
Clinical trials						
Total number of clinical trials			number	N/A	403	271
by Sanofi Pharmaceutical and Genzyme			number	N/A	268	200
by Pasteur			number	N/A	135 ⁹	71 ¹⁰
Number of subjects enrolled			number	N/A	54,822	62,022
for Sanofi Pharma and Genzyme			number	N/A	32,372	38,960
for Sanofi Pasteur (vaccines)			number	N/A	22,450	23,062
PEOPLE						
Workforce						
Employees under contract¹¹	LA1	1.A	number	113,719	111,974	112,128*
Employees under contract include all employees who have a contract with Sanofi, including interns and apprentices						
Workforce by employment type						
Permanent contract (PC)	LA1	1.B	%	93	91	90
Fixed-term contract (FTC)	LA1	1.B	%	7	9	10
Part time¹²	LA1	1.B	number	4,516	4,655	4,510
Temporary employees (full-time equivalent)	LA1	1.B	number	5,736	5,288	5,448
Workforce by region						
Europe	LA1	1.A	%	51	50	48
- France	LA1	1.A	%	25	25	25
North America	LA1	1.A	%	18	17	17
Other countries	LA1	1.A	%	31	33	35

- Training to the Code of Ethics, which includes sections about corruption. Cumulative since 2011.
- As of mid-February 2012.
- Includes all trials where Sanofi Pasteur was involved and not necessarily the sponsor.
- Includes only trials where Sanofi Pasteur was the lead sponsor.
- The total number of employees contributing to Sanofi's business activity is 119,472 in 2013, including employees under contract, temporary employees, and third-party outside sales forces.
- Part time: number of employees working part time.

* Indicators identified by an asterisk (*) were the focus of an in-depth review by our Statutory Auditors, as part of their review of the Document de Référence, which addresses the French Grenelle II law requirement. Their report describing the work they performed as well as their comments and conclusions, is available at the end of this report.

Description	GRI	Grenelle II (French law)	Unit	2011	2012	2013
Workforce by function						
Sales force	LA1		%	29	29	30
R&D	LA1		%	17	15	15
Production	LA1		%	39	40	39
Marketing and support functions	LA1		%	16	16	16
Workforce by activity						
Pharmaceuticals			%	84	83	83
Vaccines			%	11	12	12
Animal health			%	5	5	6
New hires/departures						
Total number of hires	LA2	1.A	number	8,659	11,874	13,145*
Total number of departures	LA2	1.A	number	11,354	12,947	14,191*
Resignations	LA2	1.A	%	N/A	27	40
Terminations	LA2	1.A	%	N/A	31	26
End of fixed-term contracts	LA2	1.A	%	N/A	27	17
Retirement	LA2	1.A	%	N/A	8	5
Training						
Average hours of training per year per trained employee, France	LA 10	1.E	hours	29.5	27.8	26.3
People training						
France			number	23,288	24,146	22,540*
Specialized training by type						
HSE Training (number of hours of training ¹³)		1.E	hours	N/A	430,000	306,000
Road Safety Training (number hours of training)		1.E	hours	N/A	42,750	37,091
Measuring employee commitment¹⁴	LA10		%	N/A	80	85*
Absenteeism						
Number of days absent, France¹⁵	LA7	1.B	number	367,423	290,124	278,969*
Illness (France)	LA7	1.B	number	284,485	215,108	214,777
Occupational and commute-related injuries (France)	LA7	1.B	number	9,856	9,400	10,368
Maternity and/or paternity (France)	LA7	1.B	number	73,082	65,616	53,824
Occupational health – safety						
Lost time injury frequency rate¹⁶ (LTIFR)						
LTIFR worldwide	LA.7	1.D	number	1.8	1.8	1.6
LTIFR France	LA.7	1.D	number	3.3	3.0	2.9
LTIFR for temporary employees ¹⁷	LA.7	1.D	number	2.2	1.9	1.1
LTIFR for independent contractors ¹⁸	LA.7	1.D	number	3.0	2.3	2.8

13. Estimated figures.

14. 55,000 employees invited to participate in the survey since 2012.

15. These data take into account Sanofi's new entities in France (Genzyme and Merial). They do not include absences authorized by the Company: unpaid leave, parental leave, sabbatical leave, business creation leave, leave for family-related responsibility, and unworked notice period.

16. The lost time injury frequency rate (LTIFR) is defined as the number of incidents resulting in lost time of one day or more within a 12-month period, per million hours worked. For non-mobile personnel, accidents occurring during the home-workplace commute are not included in this indicator. However, they are included for medical sales representatives in accordance with the reporting rules. Frequency rates of previous years have been adjusted in 2013 based on the following factors: eliminating injuries dismissed by regulatory authorities, including injuries reported late, and changes in the scope of reporting.

17. The LTIFR for temporary employees is not consolidated in Sanofi total LTIFR.

18. These data are consolidated for all Group functions.

Description	GRI	Grenelle II (French law)	Unit	2011	2012	2013
LTIFR by function						
Research and Development	LA7	1.D	number	1.0	1.3	1.2
Industrial affairs	LA7	1.D	number	1.7	1.4	1.4
Global Operations	LA7	1.D	number	2.1	2.1	1.6
Vaccines	LA7	1.D	number	1.3	1.7	2.1
Support functions	LA7	1.D	number	1.4	1.5	0.7
Genzyme	LA7	1.D	number	N/A	3.0	1.3
Merial	LA7	1.D	number	2.6	2.3	2.2
Severity rate trend	LA.7	1.D	number	Decreased	Remained stable	Decreased
Motor vehicle accidents (MVA)						
Number of MVA ¹⁹	LA7	1.D	number	6,283	5,636	4,903
Total number of medical sales representatives vehicles	LA7	1.D	number	25,335	24,847	24,089
– including total number of motorcycles	LA7	1.D	number	2,756	3,259	3,837
Motor vehicle accidents (MVA) Rate	LA7	1.D	%	24.8	22.7	20.4
Motor vehicle-related LTIFR	LA7	1.D	number	1.3	1.7	1.2
Fatalities	LA7	1.D	number	0	0	0
Total occupational diseases recognized²⁰						
Occupational diseases recognized by type	LA7	1.D	number	59	70	27
Total by chemical agent	LA7	1.D	number	2	1	1
– respiratory disease	LA7	1.D	number	0	1	1
– skin disease	LA7	1.D	number	1	0	0
– cancer or malignant blood disease	LA7	1.D	number	1	0	0
– other illnesses caused by chemical agents	LA7	1.D	number	0	0	0
Total by physical agent	LA7	1.D	number	57	67	26
– upper limb disorder ²¹	LA7	1.D	number	52	61	22
– neck, back, lower limb disorder ²²	LA7	1.D	number	5	6	4
– ear disorder	LA7	1.D	number	0	0	0
– other diseases caused by a physical agent	LA7	1.D	number	0	0	0
Disease caused by a biological agent	LA7	1.D	number	0	1	0
Others	LA7	1.D	number	0	0	0
– nervous breakdown	LA7	1.D	number	0	1	0
– anxiety disorder	LA7	1.D	number	0	0	0

19. 2010–2013 figures have been adjusted to include motorcycle accidents.

20. Occupational diseases presented here refer to recognized cases by regulatory authorities each year.

21. Musculoskeletal disorders.

22. Musculoskeletal disorders.

* Indicators identified by an asterisk (*) were the focus of an in-depth review by our Statutory Auditors, as part of their review of the Document de Référence, which addresses the French Grenelle II law requirement. Their report describing the work they performed as well as their comments and conclusions, is available at the end of this report.

Description	GRI	Grenelle II (French law)	Unit	2011	2012	2013
Diversity						
Proportion of female employees in the total workforce	LA8	1.A	%	46	45	45
People managers ²³	LA8		%	45	39	39
Global key positions ²⁴	LA8		%	N/A	N/A	24*
Senior Leadership Team	LA8		%	16	17	19
Executive Committee	LA8		%	11	11	17
Board of Directors	LA8		%	20	20	25
Workforce by age						
Less than 21 years		1.A	%	0.3	0.3	0.3
21 to 30 years		1.A	%	18.0	18.0	18.1
31 to 40 years		1.A	%	34.4	33.6	33.1
41 to 50 years		1.A	%	29.9	30.1	30.1
51 to 60 years		1.A	%	15.9	16.3	16.8
Over 60 years		1.A	%	1.5	1.6	1.7
Distribution of employees under contract worldwide based on seniority						
> 35 years of seniority			%	1.6	1.6	1.5
31 to 35 years			%	2.6	2.8	3.0
26 to 30 years			%	4.7	4.7	4.4
21 to 25 years			%	7.2	7.5	7.9
16 to 20 years			%	8.7	8.7	8.6
11 to 15 years			%	13.3	14.5	15.1
6 to 10 years			%	20.9	21.5	21.6
1 to 5 years			%	31.9	28.5	27.9
< 1 year			%	9.1	10.3	10.1
Disabled employees in the workforce			number	1,758	1,901	2,058*

PLANET						
Materials						
Solvents used	EN1	2.C, 2	Tons	215,929	178,968	168,397
including % regenerated	EN2	2.B, 2.C	%	64	59	60
Energy						
Total energy consumption²⁵	EN3	2.C	GJ	18,628,209	18,162,036	17,655,492
– natural gas/liquefied petroleum gas	EN3	2.C	GJ	8,924,221	8,784,847	8,694,304
– electricity	EN3	2.C	GJ	7,182,570	6,902,393	6,854,282
– liquid hydrocarbon (fuel) excluding car fleet	EN3	2.C	GJ	833,746	859,690	464,979
– coal	EN3	2.C	GJ	77,400	66,202	59,572
– other (steam, thermal fluids, etc.)	EN3	2.C	GJ	1,610,272	1,541,673	1,563,842
– renewable fuels ²⁶		2.C	GJ	0	7,231	18,513

23. The definition of "manager" changed in 2012, from a hierarchical definition to one that indicates direct reports, which explains the discrepancy in the 2011 and 2012 figures.

24. Positions of high responsibility considered to be essential to Sanofi's strategic objectives.

25. These figures do not include energy used by cars.

26. Renewable fuels are only relevant for biomass, hydrogen, and other renewable fuels purchased and burnt on-site.

Description	GRI	Grenelle II (French law)	Unit	2011	2012	2013
Total fuel consumption from medical sales fleet vehicles						
– total number of medical sales representatives vehicles including motorcycles	EN3	2.C	number	N/A	24,847	24,089
– distance traveled	EN3	2.C	km	N/A	738,846,961	739,477,409
– normalized consumption	EN3	2.C	Liters per 100km	N/A	8.1	8.1
Water						
Total water consumption	EN8	2.C	m³	54,579,839	49,334,713	45,837,092*
– surface water	EN8	2.C	m ³	23,597,683	17,863,051	16,038,107
– well water	EN8	2.C	m ³	21,005,152	22,013,672	20,937,260
– city water	EN8	2.C	m ³	9,977,004	9,457,990	8,861,725
Percentage reduction (baseline year: 2010)	EN8	2.C	%	-4.5	-13.7	-19.8
Percentage of water consumed by sites located in water scarcity and water stress areas	EN9	2.C	%	N/A	65	62* (over 2012 figures)
Biodiversity						
Plants and animals appearing on the CITES lists	EN15	2.E	%	N/A	N/A	Based on available information to date, no vegetal or animal listed in the CITES lists (appendix I, II and III) are used in our production
CO₂ emissions						
– fossil fuel (direct CO ₂)	EN16	2.D	tCO ₂ eq	518,435	512,048	479,511*
– production of electricity and steam (indirect CO ₂)	EN16	2.D	tCO ₂ eq	654,112	623,157	608,058*
– medical sales fleet vehicles (estimated)	EN16	2.D	tCO ₂ eq	164,400	145,984	145,101*
Percentage of the Group vehicles compliant with the 120g CO₂/km maximum defined by Sanofi	EN16	2.D	%	N/A	24.6	46²⁷

27. This figure has been adjusted to include two-wheelers.

* Indicators identified by an asterisk (*) were the focus of an in-depth review by our Statutory Auditors, as part of their review of the Document de Référence, which addresses the French Grenelle II law requirement. Their report describing the work they performed as well as their comments and conclusions, is available at the end of this report.

Description	GRI	Grenelle II (French law)	Unit	2011	2012	2013
Transporting medicines						
CO ₂ emission related to the transport and distribution of medicines	EN29, EN16	2.D	tCO ₂ eq	62,283	60,313	51,445
CO ₂ emitted by pallet transported	EN29, EN16	2D	kg of CO ₂ per transported pallet	114.3	103.9	98.5
Scope 3 (estimate)						
- 1 Purchased goods and services (limited to solvents and packaging materials)	EN26		tCO ₂ eq	N/A	348,680	1,336,896
- 2 Capital goods	EN26		tCO ₂ eq	N/A	N/A	337,750
- 3 Fuel and energy-related activities	EN26		tCO ₂ eq	N/A	122,253	125,951
- 4 Upstream transportation and distribution (including transport of medicines ²⁸)	EN26		tCO ₂ eq	N/A	N/A	187,974
- 5 Waste generated by operations	EN26		tCO ₂ eq	N/A	254,343	227,412
- 6 Business travel	EN26		tCO ₂ eq	N/A	N/A	210,000
- 7 Employee commuting	EN26		tCO ₂ eq	N/A	N/A	135,140
- 8 Upstream leased assets	EN26		tCO ₂ eq	N/A	N/A	N/A
- 9 Downstream transportation and distribution	EN26		tCO ₂ eq	N/A	N/A	N/A
- 10 Processing of sold products	EN26		tCO ₂ eq	N/A	N/A	N/A
- 11 Use of sold products (limited to packaging materials)	EN26		tCO ₂ eq	N/A	6,311	6,311
- 12 End-of-life treatment of sold products	EN26		tCO ₂ eq	N/A	109,408	153,717
- 13 Downstream leased assets	EN26		tCO ₂ eq	N/A	N/A	N/A
- 14 Franchises	EN26		tCO ₂ eq	N/A	N/A	985
- 15 Investments			tCO ₂ eq	N/A	N/A	2,000
Emission to air						
- VOC emission	EN20	2.B	tons	2,232	2,575	2,819*
- NO _x emission	EN20	2.B	tons	419	416	346*
- SO _x emission	EN20	2.B	tons	276	277	249*
- ODS emissions	EN19	2.B	TCFC-11 eq	<1	<1	<1
Emission to water						
Waste water discharge						
- chemical oxygen demand (COD)	EN21	2.B	tons	2,972	3,084	2,527*
- total suspended solids (TSS)	EN21	2.B	tons	543	759	510
- nitrogen	EN21	2.B	tons	510	352	286
Product impact assessment						
Percentage of chemical sites with micro-pollutant action plan in place	EN26		%	N/A	30	75
Percentage of APIs for which a target value has been defined	EN26		%	N/A	N/A	23*
No. of molecules assessed voluntarily	EN26		number	N/A	26	26

28. This figure does not include Genzyme, Merial and administrative buildings.

* Indicators identified by an asterisk (*) were the focus of an in-depth review by our Statutory Auditors, as part of their review of the Document de Référence, which addresses the French Grenelle II law requirement. Their report describing the work they performed as well as their comments and conclusions, is available at the end of this report.

Description	GRI	Grenelle II (French law)	Unit	2011	2012	2013
Waste						
Total hazardous waste	EN22	2.B	tons	126,214	147,789	133,255*
Recycled	EN22	2.B	tons	20,035	30,215	34,411
Incinerated (with thermal recovery)	EN22	2.B	tons	39,983	49,276	39,670
Incinerated (without thermal recovery)	EN22	2.B	tons	65,196	65,282	56,709
Sent to authorized landfill	EN22	2.B	tons	1,000	3,016	2,465
Total non-hazardous waste	EN22	2.B	tons	107,794	103,458	108,034
Recycled	EN22	2.B	tons	65,000	64,676	68,638
Incinerated (with thermal recovery)	EN22	2.B	tons	15,001	16,605	18,003
Incinerated (without thermal recovery)	EN22	2.B	tons	8,438	4,327	2,214
Sent to authorized landfill	EN22	2.B	tons	19,355	17,850	19,179
Expenditure/investment						
Total remediation cost	EN 30	2.A	euros	41,000,000	45,000,000	52,000,000
Provisions for environmental risks and remediation	EN 30	2.A	euros	764,000,000	728,000,000	698,000,000

Definitions of regions of quality inspections and audits

Europe: Aland Islands, Albania, Andorra, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Faroe Islands, Finland, France, Georgia, Germany, Gibraltar, Greece, Hungary, Iceland, Ireland, Isle of Man, Italy, Jersey, Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia, Malta, Moldova, Monaco, Netherlands, Norway, Poland, Portugal, Romania, Russian Federation, San Marino, Scotland, Serbia and Montenegro, Slovakia, Slovenia, Spain, Svalbard and Jan Mayen, Sweden, Switzerland, Turkey, Ukraine, United Kingdom

Latin America: Antigua and Barbuda, Argentina, Aruba, Bahamas, Barbados, Belize, Bolivia, Brazil, Cayman Islands, Chile, Colombia, Costa Rica, Cuba, Curaçao, Dominica, Dominican Republic, Ecuador, El Salvador, Falkland Islands, French Guiana, Greenland, Grenada, Guadeloupe, Guatemala, Guyana, Haiti, Honduras, Jamaica, Martinique, Mexico, Montserrat, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, Saint Barthélemy, Saint Kitts and Nevis, Saint Lucia, Saint Martin, Saint Vincent and the Grenadines, South Georgia and the South Sandwich Islands, Suriname, Trinidad and Tobago, Turks and Caicos Islands, Uruguay, Venezuela, Virgin Islands, Bermuda

North America: Canada, Saint Pierre and Miquelon, United States

Asia Pacific–Japan: Afghanistan, American Samoa, Anguilla, Antarctica, Australia, Bangladesh, Bhutan, British Indian Ocean Territory, Brunei Darussalam, Cambodia, China, Christmas Island, Cocos (Keeling) Islands, Cook Islands, Fiji, French Polynesia, Gambia, Guam, India, Indonesia, Japan, Kazakhstan, Kiribati, Korea (North), Korea (South), Kuwait, Kyrgyzstan, Republic Of Lao, Macao, Malaysia, Maldives, Marshall Islands, Mauritius, Micronesia, Mongolia, Myanmar, Nauru, Nepal, New Caledonia, New Zealand, Niue, Norfolk Island, Northern Mariana Islands, Pakistan, Palau, Papua New Guinea, Philippines, Pitcairn, Samoa, Singapore, Solomon Islands, Sri Lanka, Tajikistan, Thailand, Timor-Leste, Tokelau, Tonga, Turkmenistan, Tuvalu, United States Minor Outlying Islands, Uzbekistan, Vanuatu, Vietnam, Wallis and Futuna

Africa Middle East: Algeria, Angola, Bahrain, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo, Côte d'Ivoire, Djibouti, Egypt, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Ghana, Guinea, Guinea-Bissau, Iran, Iraq, Israel, Jordan, Kenya, Lebanon, Lesotho, Liberia, Libya, Arab Jamahiriya, Madagascar, Malawi, Mali, Mauritania, Mayotte, Morocco, Mozambique, Namibia, Niger, Nigeria, Oman, Qatar, Reunion, Rwanda, Saint Helena, Sao Tome and Principe, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, Sudan, Swaziland, Syrian Arab Republic, Tanzania, United Republic of Togo, Tunisia, Uganda, United Arab Emirates, Western Sahara, Yemen, Zambia, Zimbabwe

Definition of procurement regions

North America: Canada, Porto Rico and USA

Asia Pacific: China, Taiwan, Hong Kong, Bangladesh, Pakistan, India, Japan, Australia, New Zealand, Korea, Thailand, Indonesia, Philippines, Malaysia, Singapore, Vietnam, and Cambodia

Latin America: Brazil, Mexico, Venezuela, Argentina, Paraguay, Uruguay, Chile, Colombia, Equator, Peru, Guatemala, and Dominican Republic

Africa: Algeria, Egypt, Morocco, Senegal, South Africa, Tunisia, Nigeria, and Cameroun

Western Europe: Italy, Spain, Portugal, Bosnia, Croatia, Serbia, Slovenia, Malta, Greece, Cyprus, Germany, Austria, Switzerland, Belgium, Netherlands, UK, Ireland, Iceland, Latvia, Lithuania, Norway, Sweden, Denmark, Estonia, and Finland

Eastern Europe: Czech Republic, Slovakia, Bulgaria, Hungary, Romania, Poland, Belarus, Ukraine, Kazakhstan, Iran, Israel, Lebanon, Saudi Arabia, and UAE

Global Reporting Initiative

This report is aligned with the Global Reporting Initiative (GRI) G3.1 Sustainability Reporting Guidelines.

To locate the elements and information contained within the guidelines, use the index available in our Download Center.

MORE in our Download Center

- [GRI Index](#)

Global Reporting Initiative™

Statement GRI Application Level Check

GRI hereby states that Sanofi has presented its report "2013 Corporate Social Responsibility Report" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 13 May 2014

Ásthildur Hjaltadóttir
Director Services
Global Reporting Initiative

The "+" has been added to this Application Level because Sanofi has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

B+
GRI REPORT
GRI CHECKED

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 6 May 2014. GRI explicitly excludes the statement being applied to any later changes to such material.

Report Application Level	C	C+	B	B+	A	A+
G3 Profile Disclosures OUTPUT	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15			Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17		Same as requirement for Level B
G3 Management Approach Disclosures OUTPUT	Not Required	Report Externally Assured	Management Approach Disclosures for each Indicator Category	Report Externally Assured	Management Approach Disclosures for each Indicator Category	Report Externally Assured
G3 Performance Indicators & Sector Supplement Performance Indicators OUTPUT	Report on a minimum of 10 Performance Indicators, including at least one from each of: Economic, Social and Environmental.		Report on a minimum of 20 Performance Indicators, at least one from each of: Economic, Environmental, Human rights, Labor, Society, Product Responsibility.		Report on each core G3 and Sector Supplement* Indicator with due regard to the Materiality Principle by either: a) reporting on the Indicator or b) explaining the reason for its omission.	

*Sector supplement in final version

Reporting methodology

How corporate social responsibility information is reported: methodological note

Scope of consolidation

Unless otherwise specified:

- HR data are consolidated for all Group companies worldwide that are fully consolidated, regardless of their activity (industrial or research sites, commercial affiliates, administrative headquarters);
- at the end of 2013, health and safety data (occupational accidents and injuries) covered the same scope; and
- environmental data (including spending and investments) are consolidated for all industrial and research sites. Environmental impact measured as CO₂ emissions from all company vehicles includes all Pharmaceutical Operations affiliates. The environmental impact of administrative headquarters locations is not included within this scope.

Changes in scope

Within the Group, changes in scope (new sites, site closings and transfers of activity) between 2012 and 2013 were analyzed according to predefined rules in order to assess Group performance on a scope that is comparable from one period to the next.

Reporting guidelines

In order to ensure the uniformity and reliability of indicators used for all entities, the Group has implemented standard reporting guidelines covering social factors as well as safety and environmental factors. These documents specify the methodologies to be used for indicator reporting across the entire Group: definitions, methodological principles, calculation formulas and emission factors. In addition, Sanofi has adopted standard data collection tools:

- social data: as of 2013, Convergence (Sanofi's global HR data platform) covers almost all of Sanofi's workforce. The platform was launched in 2011 to facilitate personnel management and process implementation, and provide managers and employees with access to a wide array of HR information and tools. In 2013, quality controls of Convergence data were bolstered at the global level and within Group entities;
- safety data: the MSRS system was used to collect and consolidate safety data for Sanofi's entire scope in 2013; and
- environmental data: the GREEN tool was used to consolidate all 2013 Sanofi data contained in the report. These tools and guidelines are updated and improved on a regular basis. In particular, the Group carried out a hard close in 2013, leading to minimum estimations of data for the last month, either by prorating data for the year or by applying 2012 data values, depending on the indicators.

Additional information and methodological limits

Due to rounding, some breakdown percentages totals may not equal 100%.

The methodological principles for certain HSE and labor indicators may have limits due to:

- the absence of definitions recognized on a national and/or international level, in particular concerning the different types of employment contracts;
- the necessary estimates and the representative nature of the measurements taken, or the limited availability of external data required for calculations; or
- the practical methods used for data collection and entry.

As a result, we make every effort to list the definitions and methodology used for the following indicators and, where appropriate, the confidence limits involved.

Safety indicators

Lost time occupational injury frequency rate

The frequency rate of lost time occupational injuries is defined as the number of accidents resulting in lost time of

one day or more within a 12-month period, per million hours worked.

For non-mobile personnel, accidents occurring during the home-workplace commute are not included in this indicator. However, they are included for medical sales representatives, in accordance with the reporting rules defined by the Group.

In the event that additional accidents have not yet been recorded at the close of the financial year, or if changes in the qualification of accidents are observed after the financial year has ended, the frequency rate is subsequently corrected.

Motor vehicle accidents

Accidents are considered to be motor vehicle accidents if they occur when the driver is at the wheel of the vehicle (driving or parking the vehicle).

This concerns all traffic accidents occurring with vehicles owned or leased by the Group or owned by the employee if the vehicle is driven on a regular basis for professional purposes (medical sales representatives).

Environmental indicators

CO₂ emissions

Direct emissions are calculated on the basis of data from the Greenhouse Gas (GHG) Protocol in relation to fuel emission factors. Indirect emissions resulting from other energy sources purchased off-premises and taken into account include the following:

- emissions in connection with electricity production:
 - for countries other than the United States, emission factors are obtained from the report entitled "CO₂ Emissions from Fuel Combustion 2013 – Highlights", published by the International Energy Agency (IEA). Emissions in 2013 were estimated on the basis of the most recent emission factors (end of 2011). For the preceding years, emissions for the year "Y" were calculated on the basis of the emission factor for the year "Y-2"; and

- for the United States, the Group refers to GHG Protocol data, which are based on U.S. EPA 2009 data. In the absence of more recent data, the 2009 emission factor is applied to all years (2010, 2011, 2012, and 2013) to estimate CO₂ emissions in connection with electricity production in the United States.
- emissions in connection with the production of steam are calculated on the basis of site-specific factors or estimations set forth in the Group's standards; and
- emissions from vehicles used by medical sales representatives were estimated on the basis of the vehicle fleet fuel consumption, by applying the emission factors specific to each type of fuel consumed (gasoline, diesel or LPG). If fuel consumption data is unavailable, the emissions of the fleets concerned are estimated on the basis of mileage, under the conservative assumption of use of vehicles in the Euro 1 category. If fuel consumption or mileage information is unavailable for a particular fleet, CO₂ emissions are estimated on the basis of the number of vehicles in the fleet and the average distance driven by Sanofi medical sales representatives (average based on fleets that have reported mileage data, under the assumption that medical sales representatives that drive scooters, motorcycles or mopeds drive half the distance covered by those who drive cars).

Percentage of renewable electricity

The percentage of renewable electricity compared to total electricity purchased is calculated on the basis of real data when electricity supply contracts call for a specific proportion of renewable energy, and, in other cases, on the basis of U.S. Energy Information Administration data on the source of electricity in each country where the Group operates.

Volatile Organic Compound emissions (VOCs)

VOCs are estimated either on the basis of mass balance or by direct measurement. The classification of volatile organic compounds is based on EU regulations.

Wastewater discharge

The data presented correspond to effluents after internal and/or external treatment. In the absence of information on external treatment, a purification rate of 50% is assumed.

Waste

The distinction between hazardous and non-hazardous waste corresponds to that used in European regulations for European Union member countries (Decision 2000/532/EC of May 3, 2000) and that used in local regulations for other countries. It is noted that waste from remediation activities is not included in the published operational total.

Social indicators

Worldwide workforce

Employees under contract include all employees that have an employment contract (permanent or fixed-term) with a Sanofi Group company as of the last calendar day of the month. Employees under contract are measured in terms of headcount, irrespective of hours worked or their date of hiring during the month.

Worldwide new hires and departures

New hires refer to employees hired from outside the Group and do not include movements within the Group, such as international, inter-company or inter-site transfers.

Departures refer to employees who leave the Group; they do not include movements within the Group, such as international, inter-company or inter-site transfers.

For 2013, we applied a specific methodology to exclude all intra-Group movements. Moreover, we took steps to enhance the reliability of movement-related data from Convergence. Data on movements (new hires and departures) cover more than 97% of the scope of reporting, and do not include companies that were consolidated or acquired during the year.

Fixed-term contracts that were converted into permanent contracts were not taken into account for either new hires or departures.

Percentage of women in global key positions and definition of "managers"

Data relating to global key positions (positions of high responsibility considered to be essential to Sanofi's strategic objectives) were obtained using Convergence. It should be noted that global key positions are also tracked in eTalent, Sanofi's global talent management system.

"Managers" are individuals whose duties involve supervising direct subordinates.

Lowest average wages

In 2013, the average wages of employees earning the lowest 15% of wages were compared to the minimum wage provided for by law or collective agreement in four countries that are representative of the diversity of Sanofi's worldwide sites (France, the United States, Brazil, and China). In Germany, in the absence of a federal minimum wage, the minimum wage applicable to non-managerial staff was established under a sector-specific collective agreement with the employee representative bodies.

Data on wages were specifically extracted from Sanofi's payroll systems in the countries in question. Gross annual base pay excludes variable compensation (collective and individual), team bonuses and exceptional bonuses paid in addition to wages. In France, average wages were calculated solely on the basis of wages paid under permanent contracts. Additional methodological information on the components of compensation that were taken into account for calculations and the minimum wages applicable in the different countries are available from Sanofi upon request.

Hours of training

Due to the Group's decentralized approach to training, hours of training could not be consolidated at the global level in 2013. However, hours of training are published for France, which accounts for 25% of the Sanofi workforce. We are currently putting in place a reporting system that will enable us, in the medium term, to report annual global consolidated spending on training.

In France, quantitative training data (number of hours of training and number of employees who received training in 2013), are consolidated on the basis of reports from each Group company (including Merial and Genzyme). Training programs taken into account for reporting in France include, for all Group companies, management, professional development and career management training, and, for certain companies, scientific and technical training and workstation certification programs. E-learning programs are not taken into account for reporting purposes. In the future, reporting on training will be enhanced through the use of a tracking and reporting tool shared across all Group companies in France.

Consolidation and internal controls

The corporate HR and HSE departments are responsible for ensuring that all data are consolidated on the basis of information provided by the industrial and research sites and Group affiliates or administrative headquarters throughout the world.

When sites include more than one function, environmental impact is either attributed to the one with the greatest impact or shared among the functions. HSE coordinators for each activity perform an initial validation of safety and environmental data prior to their consolidation. Corporate HR and HSE also verify data consistency during consolidation.

These validations include data comparisons from previous years as well as careful analysis of any significant discrepancies.

Social data regarding the workforce are compared with consolidated data in the management control database.

To ensure that site representatives have properly understood the HSE indicators, and to ensure that the data reported correspond with those requested, HSE data verification is carried out during in-house audits conducted at Group sites.

External controls

In accordance with the provisions of the French “Grenelle 2” decree of April 24, 2012 and the French Ministerial order of May 13, 2013 on the verification of CSR data, Sanofi has designated its statutory auditors as the independent third party responsible for verifying the disclosure and fair presentation of its CSR information. The statutory auditors’ statement certifying the disclosure and fair presentation of CSR information, included in Section 4.5 of our Document de Référence, details the work carried out by the auditors, as well as their comments and conclusions.

Statutory auditors’ report

This report of Statutory Auditors, appointed as independent third parties, was established on the basis of the verification procedures they performed on corporate social responsibility information, published in the Document de Référence 2013. The CSR qualitative information and consolidated quantitative data verified as part of this exercise are also reported on the present report.

This is a free translation into English of the Statutory Auditors’ report issued in French and is provided solely for the convenience of English-speaking readers. The report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Financial year ended December 31, 2013

To the Shareholders of Sanofi:

In our capacity as Sanofi’s statutory auditors, appointed as independent third parties, we, Ernst & Young et Autres, with COFRAC¹ accreditation number 3-1050, and PricewaterhouseCoopers Audit, whose application for accreditation has been accepted by COFRAC, hereby report to you on the consolidated environmental, labour and social information for the financial year ended December 31, 2013, presented in the Corporate Social Responsibility Chapter of the Rapport de Gestion (Management Report), hereinafter the “CSR Information,” in accordance with Article L. 225-102-1 of the French Commercial Code (Code de Commerce).

Responsibility of the Company

The Board of Directors is responsible for preparing a Rapport de Gestion including CSR Information in accordance with the provisions of Article R.225-105-1 of the French Commercial Code and with the procedures used by Sanofi (hereinafter the “Guidelines”), summarized in the “How corporate social responsibility information is reported: Methodological note” section of the Rapport de Gestion.

Independence and quality control

Our independence is defined by regulatory texts, the French code of ethics governing the audit profession and the provisions of Article L.822-11 of the French Commercial Code. We have also implemented a quality control system comprising documented policies and procedures for ensuring compliance with the codes of ethics, professional auditing standards and applicable legal and regulatory texts.

Responsibility of the statutory auditors

On the basis of our work, it is our responsibility to:

- Certify that the required CSR Information is presented in the management report or, in the event that any CSR Information is not presented, that an explanation is provided in accordance with the third paragraph of Article R.225-105 of the French Commercial Code (Statement of completeness of CSR Information);
- Express limited assurance that the CSR Information, taken as a whole, is, in all material respects, fairly presented in accordance with the Guidelines (Reasoned opinion on the fairness of the CSR Information).

Our work was carried out by a team of 14 people between September 16, 2013 and March 5, 2014 and took around 25 weeks. We were assisted in our work by our specialists in corporate social responsibility.

We performed our work in accordance with the professional auditing standards applicable in France, with the decree of 13 May 2013 determining the conditions in which the independent third party performs its engagement.

1. Statement of completeness of CSR Information

- We conducted interviews with the relevant heads of department to familiarise ourselves with sustainable development policy, according to the impact of Sanofi's activity on labour and the environment, of its social commitments and any action or programmes related thereto;
- We compared the CSR Information presented in the management report with the list provided for by Article R.225-105-1 of the French Commercial Code; and
- For any consolidated Information that was not disclosed, we verified that the explanations provided complied with the provisions of Article R.225-105, paragraph 3 of the French Commercial Code.

We ensured that the CSR Information covers the scope of consolidation, i.e., Sanofi, its subsidiaries as defined by Article L.233-1 and the entities it controls as defined by Article L.233-3 of the French Commercial Code within the limitations set out in the Methodological Note section of the Rapport de Gestion, including in particular a document presenting hours of training limited to the scope of France (25% of the workforce).

Based on this work and given the limitations mentioned above, particularly with regard to hours of training, we attest to the completeness of the required CSR Information in the Rapport de Gestion.

2. Reasoned Opinion on the fairness of the CSR Information

Nature and scope of our work

We conducted around 30 interviews with the people responsible for preparing the CSR Information in the departments in charge of collecting the information and, where appropriate, the people responsible for the internal control and risk management procedures, in order to:

- Assess the suitability of the Guidelines in the light of their relevance, completeness, reliability, impartiality and comprehensibility, and taking good market practice into account when necessary; and
- Verify the implementation of a data-collection, compilation, processing and control procedure that is designed to produce CSR Information that is exhaustive and consistent, and familiarise ourselves with the internal control and risk management procedures involved in preparing the CSR Information.

We determined the nature and scope of our tests and controls according to the nature and importance of the CSR Information in the light of the nature of Sanofi, the social and environmental challenges of its activities, its sustainable development policy and good market practice.

With regard to the CSR Information that we considered to be the most important²

- At the level of consolidating entity, we consulted documentary sources and conducted interviews to substantiate the qualitative information (organisation, policy, action), we followed analytical procedures on the quantitative information and verified, using sampling techniques, the calculations and the consolidation of the data and we verified their consistency and concordance with the other information in the Rapport de Gestion;
- At the level of a representative sample of sites and entities selected by us³ by activity, contribution to the consolidated indicators, location and risk analysis, we conducted interviews to ensure that procedures are followed correctly, and we performed tests of details, using sampling techniques, in order to verify the calculations made and reconcile the data with the supporting documents. The selected sample represents on average:
 - 19% of hours worked and 27% of occupational injuries with lost time for the indicator lost time injury frequency rate;

- Between 43% and 100% for the other quantitative social data tested; and
- Between 21% and 43% of the quantitative environmental data tested.

For the other consolidated CSR information, we assessed their consistency based on our understanding of Sanofi.

We also assessed the relevance of explanations given for any information that was not disclosed, either in whole or in part.

We believe that the sampling methods and sample sizes used, based on our professional judgement, allow us to express limited assurance; a higher level of assurance would have required us to carry out more extensive work. Because of the use of sampling techniques and other limitations intrinsic to the operation of any information and internal control system, we cannot completely rule out the possibility that a material irregularity has not been detected.

¹ Scope of accreditation available on the website www.cofrac.fr.

Conclusion

Based on our work, nothing has come to our attention that causes us to believe that the CSR Information, taken as a whole, is not presented fairly, in all material respects, in accordance with the Guidelines.

Observation

Without qualifying our conclusion, we draw your attention to the following matter:

- Volatile organic compound (VOC) emissions are estimated either on the basis of mass balance or by direct measurements. The methods used to calculate these emissions are not yet applied uniformly throughout all sites.

Neuilly-sur-Seine and Paris-La Défense (France),
March 6, 2014

Statutory Auditor

Ernst & Young et Autres
Nicolas Pfeuty
CSR Expert
Eric Duvaud

Statutory Auditor

PricewaterhouseCoopers Audit
Xavier Cauchois
CSR Expert
Thierry Raes

Appendix – List of the CSR information that we considered the most important

Quantitative social information

- Employees under contract
- Total new hires and departures
- Absenteeism in France
- Comparison of the lowest average wages at Sanofi with the legal minimum wage
- Lost time injury frequency rate worldwide (Sanofi and subcontractors)
- Number of hours of training in France
- Percentage of women in global key positions
- Number of employees with disabilities

Qualitative social information

- Organization of social dialogue
- Training policies implemented
- Anti-discrimination policy
- Conditions of health and safety in the workplace

Quantitative environmental information

- Air emissions (VOCs, SOx and NOx)
- Wastewater discharge (COD)
- Total volumes of hazardous and non-hazardous waste
- Total water consumption

- Percentage of Group water consumption attributable to sites in areas of water stress
- Total energy consumption
- Direct and indirect greenhouse gas emissions

Qualitative environmental information

- Pharmaceuticals in the environment
- Measures taken to protect and develop biodiversity

Qualitative information relating to CSR commitments to promote sustainability

- Conditions for dialogue with individuals and organizations interested in Sanofi's activity
- Taking into account social and environmental issues in procurement practices
- Measures to fight all forms of corruption
- Measures to protect consumers' health and safety, including drug safety monitoring (pharmacovigilance), the fight against counterfeit drugs, and the number of clinical trial inspections conducted by the health authorities
- Other actions carried out to promote human rights *

² The most important CSR information is listed in an appendix to this below.

³ For social data, we selected a sample of administrative management entities in three countries (France, the United States, and China). For environmental data, we selected a sample of seven industrial and research sites: Swiftwater IO (United States), Brindisi (Italy*), Frankfurt Chemistry and Frankfurt Biotech (Germany), and Vertolaye, Val de Reuil, and Marcy IO (France). For the lost time injury frequency rate, in addition to these seven sites, we selected a sample of medical representative entities in four countries (China, the United States, Mexico, and India).

* Oversight corrected in the present version of the report



The CSR report was designed and produced by Sanofi CSR Excellence, Sanofi Corporate Communications and Flag. It was written by Mary Shaffer. We wish to thank all those who contributed to creating this report.

Forward-looking statements

This CSR report contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements are statements that are not historical facts. These statements include projections and estimates and their underlying assumptions, statements regarding plans, objectives, intentions and expectations with respect to future financial results, events, operations, services, product development and potential, and statements regarding future performance. Forward-looking statements are generally identified by the words “expects,” “anticipates,” “believes,” “intends,” “estimates,” “plans” and similar expressions. Although Sanofi’s management believes that the expectations reflected in such forward-looking statements are reasonable, investors are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of Sanofi, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include among other things, the uncertainties inherent in research and development, future clinical data and analysis, including post marketing, decisions by regulatory authorities, such as the FDA or the EMA, regarding whether and when to approve any drug, device or biological application that may be filed for any such product candidates as well as their decisions regarding labeling and other matters that could affect the availability or commercial potential of such product candidates, the absence of guarantee that the product candidates if approved will be commercially successful, the future approval and commercial success of therapeutic alternatives, Sanofi’s ability to benefit from external growth opportunities, trends in exchange rates and prevailing interest rates, the impact of cost containment policies and subsequent changes thereto, the average number of shares outstanding as well as those discussed or identified in the public filings with the SEC and the AMF made by Sanofi, including those listed under “Risk Factors” and “Cautionary Statement Regarding Forward-Looking Statements” in Sanofi’s annual report on Form 20-F for the year ended December 31, 2013. Other than as required by applicable law, Sanofi does not undertake any obligation to update or revise any forward-looking information or statements.



Each day, across the globe, Sanofi's 110,000 employees are working to protect your health and improve access to healthcare for as many patients as possible. As a healthcare company, Sanofi places quality, safety, ethics, and respect for the planet at the heart of our business.

