CSR INDICATORS EVOLUTION AND AUDITORS' REPORT

GRI Standards :

102-08 : Information on employees and other workers
102-41 : Collective bargaining agreements
203-1 : Infrastructure investments and services supported
203-2 : Significant indirect economic impacts
204-1 : Proportion of spending on local suppliers
205-2 : Communication and training about anti-corruption policies and procedures
302-1 : Energy consumption within the organization
303-2 : Water sources significantly affected by withdrawal of water
304-4 : Biodiversity - IUCN Red List species and national conservation list species with habitats in areas affected by operations
305-1, 305-2, 305-3 : Scope 1, 2 and 3 GHG emissions
305-6: Emissions of ozone-depleting substances (ODS)
305-7 : Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions
306-2 : Waste by type and disposal method
306-5 : Water bodies affected by water discharges and/or runoff
307-1 : Non-compliance with environmental laws and regulations
401-1 : New employee hires and employee turnover
403-2 : Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities
404-1 : Average hours of training per year per employee
405-1 : Diversity of governance bodies and employees
414-1 : New suppliers that were screened using social criteria
416-2 : Incidents of non-compliance concerning the health and safety impacts of products and services

EXECUTIVE SUMMARY

This factsheet presents the evolution of Sanofi's performance indicators over three years in terms of access to healthcare, governance, ethics and transparency, social and environment.

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1. OUR INDICATORS SINCE 2017

Definition	GRI Standards	Unit	2017	2018	2019
1.1. Access to healthcare					
Access to healthcare programs					
Total number of ongoing access to healthcare programs (worldwide)	203-1 203-2	Number	82*	79*	74*
- Number of healthcare professionals trained	203-1 203-2	Number	346,360*	241,827*	363,895*
- Number of patients receiving diagnosis, vaccination or treatment	203-1 203-2	Number	35,166,423*	79,850,322*[1]	98,220,712*
Research and Development (in our portfolio)					
Number of new molecular entities (NME) and vaccines candidates in clinical development		Number	36	33	38
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	6	9	10
Approximate percentage of projects coming from collaborations and partnerships		%	60	45	47

[1] The 2018 data include treatments related to Polio which were not included in 2017.

Clinical trials				
Total number of clinical trials	**Number**	**186**	**201**	**221**
- By Sanofi Pharmaceutical and Genzyme	Number	144	161	183
- By Sanofi Pasteur[2]	Number	42	40	38
Number of subjects enrolled	**Number**	**43,840**	**294,172**	**360,820**
- For Sanofi Pharma and Genzyme	Number	13,633	31,113	16,490
- For Sanofi Pasteur	Number	30,207	263,059	344,330

** Indicators identified by an asterisk (*) were the focus of an in-depth review by one of our statutory auditors.*

[2] Includes only trials where Sanofi Pasteur was the lead sponsor.

Definition	GRI Standards	Unit	2017	2018	2019
1.2. Governance, Ethics and Transparency					
Governance[3]					
Number of Board members		Number	16[4]	16[4]	16[4]
Women in the Board		%	44	43	43
Board independence rate[5]		%	79	79	79
Human rights					
Employees trained to human rights since 2010		Number	167	167	167
Responsible procurement					
Number of suppliers assessed on their CSR performance	414-1 204-1	Number	194	211*	240*
Number of assessed suppliers that met our CSR requirement	414-1 204-1	Number	159	175	222 *153*[6]
Percentage of assessed suppliers that met our CSR requirement	414-1 204-1	%	82	83	92 *64*[6]
Number of buyers trained to the Responsible Procurement Platform	414-1 204-1	Number	140	98	101
Proportion of spending on local suppliers (France)	414-1 204-1	%	12	-	-
Compliance helpline					
Number of alerts		Number	838	775*	825*
- Substantiated cases		Number	245	353*	331*

[3] Source: Annual Form 20-F.
[4] Including two directors representing employees.
[5] According to AFEP-MEDEF.
[6] According to our new methodology, to be deployed from 2020 onwards, we have raised the CSR requirements for our suppliers.

Definition	GRI Standards	Unit	2017	2018	2019
- Dismissals and resignations related to misconduct		Number	150	110*	152*
Business ethics trainings (including fighting corruption)					
Number of employees trained on anti-bribery and corruption		Number	68,951	63,911	-
Number of employees trained on code of ethics		Number	27,647	91,782[7]	-
Number of employees who have received at least one Ethics & Business Integrity training		Number	-	-	102,531[8]
Number of Ethics and Business Integrity trainings that have been completed		Number	-	-	254,635[8]
Bioethics & medical ethics					
Scientific publications in PubMed[9]		Number	560	664	729
Product quality and safety					
Number of internal quality audits		Number	206*	210*	204*
Fighting falsified medical products					
Number of seizures (doses)		Number	1,300,000	10,500,000	5,280,000
Number of counterfeit manufacturing facilities		Number	30	51	23
Number of suspected products inventoried by LCAC since 2008		Number	>37,000	>39,000	>41,000

[7] An updated code of ethics has been released in 2018.
[8] New indicators in 2019. We train employees more specifically on anti-bribery topics, each employee does not follow the same training, which is why it is more interesting to have a global view of the number of training followed and number of employees who have received at least one Ethics & Business Integrity training.
[9] PubMed : https://www.ncbi.nlm.nih.gov/pubmed/.

Definition	GRI Standards	Unit	2017	2018	2019
Sanofi Legal actions against falsified medicines		Number	32	32	37

** Indicators identified by an asterisk (*) were the focus of an in-depth review by one of our statutory auditors*

Definition	GRI Standards	Unit	2017	2018	2019
1.3. Social					
Workforce					
Employees under contract[10]	102-08	Number	106,566*	104,226*	100,409*
Workforce by part time contract					
Part time employees	102-08	Number	4,070*	3,802*	3,809*
Full time equivalent	102-08	Number	3,078*	2,923*	2,943*
Workforce by type of contract					
Permanent contract (PC)	102-08	%	88.2*	88.0*	88.7*
Fixed-term contract (FTC)	102-08	%	11.8*	12.0*	11.3*
Interns		Number	3,111*	2,594*	2,776*
Apprentices		Number	1,054*	907*	1,190*
Workforce by function					
Sales force	102-08	%	28.4*	27.7*	26.1*
R&D	102-08	%	13.9*	14.5*	15.5*
Production	102-08	%	37.9*	37.2*	37.7*
Marketing and support functions	102-08	%	19.8*	20.5*	20.7*
Workforce by activity					
Pharmaceuticals	102-08	%	65.6*	64.6*	66.1*
Vaccines	102-08	%	14.3*	14.3*	15.2*

[10]Employees under contract include all employees who have a contract with Sanofi, excluding interns.

Definition	GRI Standards	Unit	2017	2018	2019
Consumer healthcare	102-08	%	9.2*	9.9*	7.7*
Other[11]	102-08	%	10.9*	11.2*	11.0*
Workforce by geographies					
Europe	102-08	%	45.4*	44.4*	45.4*
North America (USA-Canada-Mexico)	102-08	%	16.3*	16.4*	16.0*
South America (incl. Central America and Puerto Rico)	102-08	%	6.6*	6.7*	6.1*
Pacific Asia (Asia-Japan Pacific)	102-08	%	21.8*	22.3*	22.2*
Africa / Middle East (incl. Eurasia[12])	102-08	%	9.9*	10.1*	10.1*
Proportion of female employees					
In the total workforce	405-1	%	46.2*	46.2*	46.2*
People Managers[13]	405-1	%	42.2*	40.7*	41.4*
Senior Leaders	405-1	%	-	35.5*	37.2*
Executive level 1 & 2	405-1	%	27.5*	29.3*	29.9*
Executive Committee	405-1	%	14.3*	18.8*	21.4*
Workforce by age					
Less than 21 years	102-08	%	0.3*	0.2*	0.2*
21 to 25 years	102-08	%	5.0*	4.9*	4.8*
26 to 30 years	102-08	%	12.3*	12.0*	11.2*

[11] Starting in 2017, the “Other” line includes employees of our global support functions (Medical Affairs, External Affairs, Finance, Human Resources, Legal Affairs, Information Solutions & Technologies, Sanofi Business Services, etc.), who were previously allocated between our Pharmaceuticals and Vaccines operating activities.
[12] Eurasia = Russia Ukraine Georgia Belarus Armenia Turkey.
[13] The definition of the term “manager”corresponds to every person who have one or more direct reports.

Definition	GRI Standards	Unit	2017	2018	2019
31 to 40 years	102-08	%	31.4*	31.0*	30.8*
41 to 50 years	102-08	%	29.8*	29.6*	29.4*
51 to 60 years	102-08	%	19.2*	20.1*	21.1*
Over 60 years	102-08	%	2.0*	2.2*	2.5*
Average age	102-08	Number of years	41.5	41.4	41.7*
Workforce by seniority					
> 35 years of seniority	102-08	%	1.8*	2.5*	2.3*
31 to 35 years	102-08	%	3.1*	3.0*	2.9*
26 to 30 years	102-08	%	5.4*	5.6*	5.3*
21 to 25 years	102-08	%	6.3*	6.5*	6.4*
16 to 20 years	102-08	%	11.0*	11.9*	11.4*
11 to 15 years	102-08	%	15.2*	15.8*	15.1*
6 to 10 years	102-08	%	15.5*	15.0*	13.7*
1 to 5 years	102-08	%	30.2*	27.8*	32.2*
< 1 year	102-08	%	11.6*	11.9*	10.7*
Average seniority	102-08	Number of years	10.6	11.0*	11.3*
New hires and departures					
Total number of hires	401-1	Number	13,927*	14,639*	12,494*
Total number of departures	401-1	Number	14,507*	17,173*	16,467*
- Resignations	401-1	%	39.2*	40.0*	46.9*
- Terminations	401-1	%	45.2*	45.2*	37.8*
- End of fixed-term contracts	401-1	%	12.7*	11.9*	11.3*

Definition	GRI Standards	Unit	2017	2018	2019
- Retirement	401-1	%	2.9*	2.9*	3.2*
Turnover					
Turnover (permanent contracts)[14]	401-1	%	10.0*	10.4*	9.0*
Resignation rate (permanent contracts)[15]	401-1	%	4.5*	5.1*	5.4*
Absenteeism					
Hours of absence for diseases	403-2	Number	1,430,360.8	1,461,964.9	1,520,701.1
Hours of absence for occupational/commuting injuries	403-2	Number	59,405.7	63,366.0	68,396.56
Hours of absence for maternity/paternity leave	403-2	Number	259,793.5	272,376.7	216,157.32
Total number of hours of absence	403-2	Number	1,749,560.0	1,797,707.5	1,805,254,98
Hours theoretically worked without paid leave	403-2	Number	38,063,704.9	37,293,290.8	36,598,338.9
(Number of hours of absence/number of hours worked) x 100 (France)	403-2	%	4.6	4.8	4.9
Scope of consolidation	403-2	%	23.9	24.2	25.1
Employee with disabilities					
Employees with disabilities in the workforce (France)	405-1	Number	1,255*	1,257	1,221

[14] Turnover of employees on permanent contracts = $\frac{(\text{New hires of permanent staff} + \text{departures of permanent staff})/2}{\text{Total permanent staff at year-end}}$

[15] Resignation rate on permanent contracts = $\frac{\text{Voluntary departures of permanent staff}}{\text{Total permanent staff at year-end}}$

Definition	GRI Standards	Unit	2017	2018	2019
Scope of consolidation		%	23.9	24.2	25.1
Employee engagement survey					
Response rate / total employees	102-43	%	73	83	-[16]
Employees engagement index with everyday work	102-43	%	69	73	-[16]
Employees engagement index target	102-43	%	NA	At least 2017 index (69)	-[16]
Response rate : gender breakdown (% of women)	102-43	%	-	45.4[17]	-[16]
Training					
Worldwide training					
Number of hours of training	404-1	Number	-	-	825,293[18]*
Percentage of employees receiving at least one session of training during the year	404-1	%	-	-	-[19]
Number of employees trained	404-1	Number	-	-	106,288[18]*
Average hours of training per year per trained employee	404-1	Number	-	-	7.8

[16] No employee engagement survey in 2019. Focus on implementation and monitoring of action plans based on 2018 survey results.
[17] Number of female responses : 36,972 Number of male responses : 44,519.
[18] In 2019, it should be noted that France training figures have been integrated into worldwide figures.
[19] Almost all Sanofi employees have received at least one session of training during the year.

Training in France[20]					
Number of hours of training	404-1	Number	514,455*	498,486*	-
Scope of consolidation		%	23.9	24.2	-
Percentage of employees receiving at least one session of training during the year	404-1	%	77	74	-
Number of employees trained	404-1	Number	19,495*[21]	18,604*	-
Average hours of training per year per trained employee	404-1	Hours	26.4	26.8	-
Percentage of employees covered by collective bargaining agreements					
Germany	102-41	%	-	-	-
Brazil	102-41	%	100	-	-
China	102-41	%	>70	-	-
France	102-41	%	100	100	100
Occupational health-safety					
Lost time injury frequency rate[22] (LTI-FR)					
LTI-FR worldwide (Sanofi employees)	403-2	Rate	1.6*	1.6*	1.3*
LTI-FR France (Sanofi employees)	403-2	Rate	3.1	3.5	2.8
LTI-FR for temporary employees	403-2	Rate	1.9	2.4	1.9

[20] From 2019 onwards, we publish Worldwide data

[21] Training on iLearn.

[22] The lost time injury frequency rate (LTI-FR) 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 travelling medical sales representatives, in accordance with the reporting rules.In the interest of comparability, the figures for 2017 and 2018 have been restated to reflect the scope of Sanofi at the end of 2019.

LTI-FR for independent contractors	403-2	Rate	2.9	2.2	2.0
LTI-FR all workers	403-2	Rate	1.9*	1.8*	1.5*
LTI -FR by function					
Research and Development	403-2	Rate	1.0	0.6	1.0
Industrial Affairs (including Vaccines)	403-2	Rate	2.0	2.3	1.9
Administration & Sales	403-2	Rate	1.5	1.3	1.0
Total reportable injury frequency rate Worldwide (TRI-FR)					
Sanofi employees	403-2	Rate	2.3*	2.2*	1.7*
All workers[23]	403-2	Rate	2.7*	2.4*	2.1*
Motor vehicle accidents (MVA)[24]					
Number of MVA	403-2	Number	4,711	4,685	3,933
Total number of medical sales representatives vehicles	403-2	Number	23,563	21,022	20,093
- Including total number of motorcycles	403-2	Number	4,153	3,556	3,593
Motor vehicle accidents (MVA) rate	403-2	%	20.0	22.3	19.6
Motor vehicle-related LTI-FR	403-2	Rate	1.2	0.9	0.9
Fatalities	403-2	Number	0	0	1

[23] Includes Sanofi employees, temporary workers and subcontractors.
[24] Motor vehicle-related data for Sanofi employees only.

Total occupational diseases recognized[25]					
Total occupational diseases declared	403-2	**Number**	**30***	**34*[26]**	**28***
Total occupational diseases recognized	403-2	**Number**	**14**	**23**	**10**
Recognitions by disease type					
- Cancer	403-2	Number	0	0	0
- Mental disorder	403-2	Number	0	2	0
- Musculoskeletal disorder	403-2	Number	13	19	10
- Respiratory disease	403-2	Number	0	2	0
- Skin disease	403-2	Number	0	0	0
- Other diseases	403-2	Number	1	0	0
Recognitions by agent type					
- Biological	403-2	Number	0	0	0
- Chemical	403-2	Number	0	2	0
- Ergonomics	403-2	Number	13	17	8
- Physical	403-2	Number	1	2	2
- Mental	403-2	Number	0	2	0

** Indicators identified by an asterisk (*) were reviewed by an independent third party. See report at the end of this factsheet*

[25] Occupational diseases presented here refer to recognized cases by regulatory authorities each year. The figures provided were updated according to the files received after December 31st of the respective year.
[26] A change of software at the end of 2018 generated a delay in the input of data, which explains that the 2018 figure had to be updated this year.

Definition	GRI Standards	Unit	2017	2018	2019
1.4. Environment					
Materials					
Solvents used		Tons	207,816*	187,133*	184,905*
- Including % regenerated		%	65*	64*	62*
Energy					
Total energy consumption[27]	**302-1**	**MWh**	**4,286,283***	**4,218,350***	**4,220,175***
- Natural gas	302-1	MWh	2,208,829*	2,169,022*	2,134,909*
- Electricity	302-1	MWh	1,609,254*	1,557,898*	1,427,319*
- Renewables (electricity and biofules)	302-1	MWh	41,673*	41,872*	186,926*
- Coal	302-1	MWh	0*	0*	0*
- Other (bought-in steam, waste-to-energy)	302-1	MWh	426,527*	449,558*	471,021*
Total fuel consumption from medical sales fleet vehicles	**302-1**	**Liters**	**53,293,111**	**43,095,002**	**42,467,161**
- Total number of medical sales representatives vehicles including motorcycles	302-1	Number	23,563	21,022	20,093
- Distance travelled	302-1	Km	674,173,631	609,002,354	582,632,146
- Normalized consumption	302-1	Liters per 100 km	7.90	7.08	7,29

[27] These figures do not include energy used by cars.

Water					
Percentage of water consumed by sites located in water scarcity and water stress areas[28]	303-2	%	20*	19*	19
Total water consumption	**303-1**	**m^3**	**40,204,065***	**37,283,739***	**34,613,339***
- Surface water withdrawal (lakes and rivers, rainwater collected, water from other organization)	303-1	m^3	9,003,566*	9,373,188*	9,142,864*
- Ground water withdrawal	303-1	m^3	23,511,283*	20,210,610*	18,016,260*
- Public water supply withdrawal	303-1	m^3	7,689,216*	7,699,941*	7,454,215*
Biodiversity					
Plants and animals appearing on the CITES lists	304-4	%	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	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	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

[28] Since 2015, Sanofi crossed local internal data and global external expertise to fine-tune its approach regarding water scarcity and water stress areas, by conducting in-depth studies to confirm the local situation.

CO_2 emissions - Scope 1 & 2					
Total scope 1 & 2	**305-1**	**tCO_2eq**	**1,002,698***	**958,496***	**929,929***
- Fossil fuel (direct CO_2) – medical sales car fleet not included.	305-1	tCO_2eq	485,475	476,487	460,108*
- Production of electricity and steam (indirect CO_2)	305-2	tCO_2eq	391,293	382,022	370,508*
Estimated CO2 emissions from medical sales fleet vehicles	305-1	tCO_2eq	125,930	99,987	99,313*
Percentage of vehicles compliant with the 120g CO_2/km maximum defined by Sanofi[29]	305-2	%	53.2	61.0	56.0
CO_2 emissions – Scope 3					
Total CO2 emissions - Scope 3 (estimate)[30]			**7,530,260***	**6,077,719***	**6,122,074***
1 Purchased goods and services	305-3	tCO_2eq	2,883,850*	3,568,220*	3,823,973*
2 Capital goods	305-3	tCO_2eq	708,993*	619,972*	652,794*
3 Fuel and energy related activities	305-3	tCO_2eq	377,687*	370,315*	358,678
4 Upstream transportation and distribution	305-3	tCO_2eq	172,395*	225,382*	216,483
5 Waste generated by operations	305-3	tCO_2eq	417,021*	371,036*	372,442*
6 Business travel	305-3	tCO_2eq	111,439*	151,372*	154,990
7 Employee commuting	305-3	tCO_2eq	167,823*	161,037*	150,766

[29] This figure has been adjusted to include two-wheelers.
[30] In 2015 and 2016, the scope 3 emissions have been subject to an in-depth and comprehensive analysis based on a new methodology developed by an expert third party.

8 Upstream leased assets	305-3	tCO_2eq	N/A	N/A	N/A
9 Downstream transportation and distribution	305-3	tCO_2eq	-	874	874*
10 Processing of sold products	305-3	tCO_2eq	111,722*	115,755*	112,518
11 Use of sold products	305-3	tCO_2eq	1,359,430*	316,255*	55,855[31]*
12 End of life treatment of sold products	305-3	tCO_2eq	198,853*	177,524*	222,701*
13 Downstream leased assets	305-3	tCO_2eq	N/A	N/A	N/A
14 Franchises	305-3	tCO_2eq	N/A	N/A	N/A
15 Investments	305-3	tCO_2eq	N/A	N/A	N/A
Emission to air					
VOC emission	305-7	Tons	3,296*	3,373*	3,085*
NOx emission	305-7	Tons	406*	428*	442
SOx emission	305-7	Tons	110*	150*	97
ODS emissions	305-6	TCFC-11 eq	<1	<1	<1
HCFC		kg	2,552	1,554	1,093
Total HFC		kg	16,399	16,874	14,266
Waste water discharge					
Chemical oxygen demand (COD)[32]		Tons	2,421*	2,003*	2,596*

[31] The significant decrease between 2018 and 2019 is mainly due to the sale by Sanofi of its site in Holmes Chapel (United Kingdom), which manufactures products containing propellant gas.
[32] The data have been collected only on chemistry and biotech sites (which represent more than 80% of the total COD released).

Pharmaceuticals in the environment					
Number of active pharmaceutical ingredients assessed voluntarily	306-1	Number	50	55	57
Development of the PIE program on manufacturing sites	306-1	%	25	28*	37*
Waste					
Hazardous waste[33]	**306-2**	**Tons**	**142,645***	**125,256***	**128,342***
Recycled	306-2	Tons	34,824*	27,289	28,817*
Incinerated (with energy recovery)	306-2	Tons	52,075*	58,119	58,280*
Incinerated (without energy recovery)	306-2	Tons	52,443*	37,083	38,581*
Sent to authorized landfill	306-2	Tons	3,303*	2,765	2,664*
Non-hazardous waste[34]	**306-2**	**Tons**	**156,017***	**141,988***	**139,490***
Recycled	306-2	Tons	90,062*	91,346	90,873*
Incinerated (with energy recovery)	306-2	Tons	28,320*	18,862	23,177*
Non Hazardous waste disposal without Landfill	306-2	Tons	17,103*	12,885	7,400*
Sent to authorized landfill	306-2	Tons	20,532*	18,895	18,040*
Total waste (hazardous and non-hazardous)	**306-2**	**Tons**	**298,662**	**267,244**	**267,832***

[33] internal and external
[34] internal and external

Certification					
ISO14001 certified site		Number	49	46	42
Expenditure/Investment					
Total remediation cost	307-1	Million Euros	67	62	70
Provisions for environmental risks and remediation		Million Euros	685	680	738
Fines and penalties	307-1	Euros	49,253	67,868	589

** Indicators identified by an asterisk (*) were reviewed by an independent third party. See report at the end of this factsheet*

2. REPORTING METHODOLOGY

[GRI 102-46, GRI 102-48, GRI 102-49]

2.1. General Information

2.1.1. Scope of consolidation

Unless otherwise specified:

- **Social data:**
  - > HR data are consolidated for all Sanofi companies worldwide that are (i) fully consolidated for financial reporting purposes and (ii) have been integrated into the Workday Global HR system, regardless of their activity (industrial, research, commercial or administrative); and
  - > Health and safety data (occupational injuries):
    - are consolidated worldwide for all Sanofi companies fully consolidated for financial reporting purposes. In some tables, the term “any employee” includes Sanofi employees, temporary workers, and subcontractors;
    - in the case of an acquisition, the new site must start reporting in the month when it joins the Sanofi scope of consolidation (official date of first-time consolidation for financial reporting purposes), or in the case of a site under construction, from the commencement of works; and
    - if a site is divested, it ceases to be reported from the official date on which the divestment is recognized for consolidated financial reporting purposes.
- **Environmental data:**
  - > Environmental data (including expenditures) are consolidated for all industrial, R&D and administrative sites, for all Sanofi companies fully consolidated for financial reporting purposes.
  - > The environmental impact of CO_2 emissions from our vehicle fleet covers all Pharmaceutical Operations subsidiaries (field sales forces, but excluding management).
  - > First-time consolidations:
    - If a site is acquired, it must start reporting in the month when it joins the Sanofi scope of consolidation. To ensure year-on-year comparability, data from the year of first-time consolidation are also added back for prior years.
    - If a new facility is installed, data reporting must start in the month when it comes into service. The data are not added back to prior years, because it is a new activity.
  - > Deconsolidations:
    - If a site is divested without its activities being transferred to another Sanofi site: reporting for the site ends on the official date on which the divestment is consolidated for financial reporting purposes. The historical data are retained but are no longer consolidated.
    - If a site is divested and its activities are transferred to another Sanofi site: reporting for the site ends on the official date on which the divestment is consolidated for

financial reporting purposes. The historical data are retained, and consolidated by the transferee site.

Environmental data other than Scope 3 are reported on a proforma constant scope basis.

- **Vigilance Plan:**

The Vigilance Plan covers the operations of (i) Sanofi, (ii) all Sanofi companies fully consolidated for financial reporting purposes, and (iii) Tier 1 suppliers and subcontractors of all companies included in (i) and (ii).

For a list of companies fully consolidated by Sanofi for financial reporting purposes, refer to Note F to our consolidated financial statements, included at Item 18 of our 2019 Annual Report on Form 20F.

2.1.2. Changes in scope of consolidation

Bioverativ and Ablynx were acquired in 2018.

Ablynx was fully integrated into the Workday Global HR system as of January 1, 2019, but data for Ablynx was manually consolidated for inclusion in the 2018 workforce numbers and movements. Bioverativ was only partially integrated into Workday at first: its employees in Japan and Australia (21.1% of Bioverativ's total workforce) were not integrated until the second quarter of 2019. The Japanese and Australian employees of Bioverativ were not consolidated in the 2018 workforce numbers or movements.

Environmental and Health & Safety data for Ablynx and Bioverativ are included in the reporting scope from 2019 onwards.

2.1.3. Reporting methods

- **Social data:**

Workday was rolled out between 2015 and 2017 with the following key objectives:

> integrating our processes and systems in a two-tier architecture (global/local), such that the global level becomes the master application for most data but local legal requirements could also be addressed;

> simplifying and standardizing processes across business units and support functions;

> centralizing data management on a single, unified platform, to significantly improve the quality of HR data and reporting;

> introducing self-service to enhance the user experience for employees and managers and help them engage better with HR issues;

> improving talent management and staff mobility; and

> streamlining IT mapping.

In 2018, the Workday Global HR platform replaced the Convergence platform as the tool used to record workforce numbers and movements. The Core HR processes were rolled out in waves across successive geographies during 2016 and 2017. In addition to these core processes, the Organization Management, Talent & Performance, Recruitment, Onboarding, Compensation and Grading modules have also been rolled out. Workday is used by all Sanofi employees and managers in

Employee Self-Service (ESS) and Manager Self-Service (MSS) modes. Specific work on data quality was carried out during the rollout, and is continuing through maintenance and ongoing improvements to the system.

- **HSE data:**

We apply standard reporting frameworks for safety and environmental information, so that the indicators monitored across all our entities are consistent and reliable. Those frameworks specify the methodologies to be applied for reporting indicators throughout Sanofi and include definitions, methodological principles, calculation formulae and emission factors. We also use standard data collection tools:

> Health and Safety: we have used the SHERPA system to collect and consolidate safety data across our entire reporting scope since 2017.

> Environmental data:

We use the SHERPA system to collect and consolidate environmental data.

The reporting period for our environmental indicators for a given calendar year runs from October 1 of the previous year through September 30 of the current year. Environmental indicators are collected during an annual campaign, except for indicators relating to energy/water consumption and waste, which are collected quarterly.

The method used to integrate companies acquired since 2015 into the 2015-2025 Planet Mobilization plan is as follows (illustrative example): a company acquired in 2019 is included in the baseline year (2015) and the intervening years (2016 and 2018) on the basis of its 2019 data, so as to report data on a constant scope basis.

2.1.4. Additional information and methodological limitations

The methodologies applied for some HR and HSE indicators may be subject to limitations as a result of:

- the lack of nationally and/or internationally recognized definitions, in particular for different types of employment contract;
- the need to rely on estimates and on representative rather than actual metrics, and the limited availability of external data required for calculations; and
- practical arrangements for the collection and input of data:
  > our change in HR platform from Convergence to Workday: in terms of movements, the reasons for staff departures (“layoffs”, “resignations” and “by mutual agreement”) are more comprehensive in Workday than they were in Convergence. In calculating the resignation rate on permanent contracts, the 2018 figures include resignations only, whereas the 2019 figures also include departures by mutual agreement at the employee’s request. It was not possible to recalculate the 2018 figures to align on this new calculation method. It will however be possible to make like-for-like comparisons next year (2020 versus 2019).
  > the 2018 figures for layoffs comprised the following categories: “layoffs”, “death”, “incapacity”, and all “departures by mutual agreement” (whether at the request of the

employee or the employer). By contrast, the 2019 figures for layoffs comprise “layoffs” and “departures by mutual agreement at the employer’s request”. A new “Other” category has been created to separate out death and incapacity. It will however be possible to make like-for-like comparisons next year (2020 versus 2019). This is why to the extent possible, we specify the definitions and methodologies used for each of the indicators described below, and any margin of uncertainty.

2.1.5. Consolidation and internal controls

Data are consolidated by our global HR and HSE functions on the basis of information provided by industrial and R&D sites, Sanofi subsidiaries and tertiary sites throughout the world.

Where sites house more than one function, environmental impact is either attributed to the one with the greatest impact or shared among all the functions. Safety and environmental data are systematically checked by HSE coordinators within each activity before being submitted for consolidation. In addition, our global HR and HSE functions perform consistency controls on data during the consolidation process.

These controls include comparisons with prior-year data; any significant variances are investigated.

To ensure that site correspondents have properly understood the HSE indicators and that the right data are being reported, controls over selected HSE reporting data are performed during internal audits conducted at Sanofi sites.

Workforce data are compared with consolidated data in the finance database.

2.2. Detailed indicators

2.2.1. Social indicators

2.2.1.1. Worldwide workforce

Employees under contract include all employees who have a contract with Sanofi, including apprentices.

Employees are treated as “under contract” if they have an employment contract (permanent or fixed-term) with a Sanofi company on the last calendar day of the year. The figures are expressed in numbers of employees, regardless of hours worked or the date of hiring during the month.

2.2.1.2. Regions

The regions shown in the workforce data tables are defined as follows:

- Europe: Western Europe and Eastern Europe excluding Eurasia (Russia, Ukraine, Georgia, Belarus, Armenia and Turkey).
- Emerging Markets: World excluding United States, Canada, Europe, Japan, South Korea, Australia, New Zealand and Puerto Rico.

Other Countries: Japan, South Korea, Canada, Australia, New Zealand and Puerto Rico.

2.2.1.3. New hires and departures

New hires and departures for Sanofi as a whole exclude all intra-group movements such as international, inter-company or inter-site transfers.

Data on movements (new hires and departures) cover more than 99% of the reporting scope, and include new hires and departures for companies that were consolidated for the first time or acquired during the year.

Conversions of fixed-term contracts into permanent contracts are not counted unless there is a gap of more than one day between the two contracts, in which case they are counted as a departure and a new hire.

2.2.1.4. Training hours

In 2017 Sanofi installed iLearn, a single training platform intended to house all our existing systems. Migration of our existing systems began in 2017 but is not complete, meaning that we cannot yet consolidate our figures on a global basis.

For 2019, the training hours reported derive from the following training systems:

- iLearn, which delivers all compulsory and support function training:
  - Compliance: Ethics & Business Integrity and Pharmacovigilance;
  - Quality;
  - Workplace First-Aiders; and
  - Business Development, Management and Leadership.
- Le@rn, a system dedicated to training in good pharmaceutical practices at Sanofi, which is deployed worldwide;
- Peps, a training system for our German employees; and
- Foederis, a dedicated platform for employees located in France which covers training in various areas (business, regulatory and cross-disciplinary).

2.2.1.5. Definition of grades

Executive posts

- Executive Level 2: In charge of alignment on corporate strategy, with a critical impact on return indicators and corporate image, and a solid contribution to Executive Committee orientations.
- Executive Level 1: In charge of translating and implementing corporate strategy, with a critical impact on the results and competitiveness of a Global Business Unit or Global Support Function and an important impact on the overall results of Sanofi.

Senior Leaders: Includes executive posts (other than Executive Committee members) and Grade 5 posts. Grade 5 posts are people with senior management responsibilities in Product Innovation,

Processes or Services, who implement policies within their function. They have an impact on the attainment of financial objectives.

This category was created when we set up our new grading system in 2018.

Managers: Employees who manage direct subordinates.

2.2.2. Safety indicators

2.2.2.1. Lost time injury frequency rate

The lost time injury frequency rate is the number of accidents resulting in lost time of one day or more within a 12-month period, per million hours worked.

For employees working in a fixed location, accidents occurring during the home-workplace commute are not included in this indicator. However, they are included for travelling medical reps, in accordance with our internal reporting rules.

If additional accidents are identified that had not been recorded by the end of the reporting period, or if the classification of an accident is changed after the end of the reporting period, the frequency rate is adjusted retrospectively.

2.2.2.2. Total occupational injury frequency rate

We have decided not to publish the severity rate calculated using the criteria defined by French regulations. Because this rate is calculated solely on the basis of the number of days of lost time, it does not reflect the actual severity of injuries from an international standpoint.

This is because for a given injury, the number of days of lost time may vary considerably from one country to another depending on the applicable regulations and compensation systems. Consequently, we have decided to publish the total occupational injury frequency rate.

The total occupational injury frequency rate is the number of occupational injuries with or without lost time, per million hours worked.

2.2.2.3. Motor vehicle accidents

A motor vehicle accident is any accident that occurs when the driver is at the wheel (driving or parking).

This indicator covers all road traffic accidents involving vehicles owned or leased by Sanofi, or owned by an employee and regularly driven for work purposes (medical reps).

Accidents in public transport or taxis are excluded from our reported data because they are not considered to be Sanofi's responsibility.

2.2.3. Environmental indicators

2.2.3.1. Carbon footprint

Direct emissions are calculated on the basis of Greenhouse Gas (GHG) Protocol data. Indirect emissions from other energy sources purchased from external suppliers are accounted for as follows:

- emissions from electricity generation: emission factors are obtained from data published by the International Energy Agency during the current year, which define emission factors for the year before last. Consequently, those emission factors are applied to data for the baseline year (2015), current year and previous year;
- emissions generated by the production of steam are calculated on the basis of site-specific factors, or estimated using our own internal standards; and
- emissions from our medical rep vehicle fleet are included in Scope 1.

Scope 3 calculation:

- Indirect Scope 3 emissions are calculated in accordance with GHG protocol recommendations. We have updated emission factors by using factors from the ecoinvent V3.3 database; for sub-categories not included in that database, we have used other standard calculation methods.
- Emissions relating to purchased goods and services (category 1) are based on our actual volumes for the previous year, and full-year projected volumes for the current year. This approach was adopted because it allows for optimal modelling of this category (which is our biggest Scope 3 emitter).
- Category 9 (downstream transport and distribution): excludes the impacts of travel by doctors and nurses.
- Category 11 (use of sold products): excludes travel by patients to pharmacies.

The calculation of our CO_2 footprint is reviewed by the Independent Third Party.

Carbon neutrality is defined as zero greenhouse gas emissions. This can be achieved by the use of renewables, by generating energy directly, or by purchasing energy. The carbon-neutral objective covers Scopes 1 and 2, i.e. it includes our production sites, R&D sites and tertiary sites, plus the medical rep vehicle fleet.

2.2.3.2. Wastewater discharge

The data presented correspond to effluents after internal and/or external treatment. In the absence of information on the effectiveness of external treatment, a conservative purification rate of 50% is assumed for the purpose of calculating chemical oxygen demand (COD).

The data reported cover all Sanofi sites other than tertiary and logistics sites, which contribute only marginally to COD releases.

2.2.3.3. 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. Waste arising from soil decontamination operations is not included in the published total for our operating activities. The recovery rate corresponds to waste that is recycled, or incinerated off-site using waste-to-energy technology.

The reuse/recycle/recovery ("3R") rate used for the Planet Mobilization project is defined as the sum total of waste recycled externally plus waste subject to energy recovery, as a proportion of the total amount of waste plus solvents recycled on site. Waste includes both hazardous and non-hazardous waste.

A site is considered to be no longer using landfill when its landfill disposal rate is less than 1%.

3. REPORT OF THE INDEPENDENT THIRD PARTY

[GRI 102-50, GRI 102-56]

Year ended December 31, 2019

Report of the independent third party on the consolidated statement of extra-financial performance

This is a free translation into English of the original report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Annual General Meeting of Sanofi shareholders,

In our capacity as (i) an independent third party accredited by COFRAC under no. 3-1681 (for the scope of our accreditation, go to www.cofrac.fr) and (ii) as a member of the network of one of the statutory auditors of your company (the "entity"), we hereby report to you on the consolidated statement of extra-financial performance for the year ended December 31, 2019 (the "Statement"), included in the management report pursuant to Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Responsibility of the entity

It is the responsibility of the Board of Directors to establish a Statement in compliance with legal and regulatory provisions, including a presentation of the business model; a description of the main extra-financial risks; a presentation of the policies applied in respect of those risks; and the outcomes of those policies, including key performance indicators.

The Statement and the information selected by the entity (the "Selected Information") have been prepared in accordance with the entity's procedures (the "Reporting Frameworks"), the significant elements of which are presented in the Statement and available on request at the entity's headquarters.

Independence and quality control

Our independence is determined by reference to Article L. 822-11-3 of the French Commercial Code and the Code of Ethics of our profession. In addition, we have implemented a quality control system, including documented policies and procedures, to ensure compliance with applicable laws and regulations, ethical standards and professional standards.

Responsibility of the independent third party

It is our responsibility, based on our procedures, to express a limited assurance conclusion on:

- the compliance of the Statement with article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to paragraph 3 of I and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of the policies, including key performance indicators, and actions related to the principal risks (the "Information").

It is also our responsibility to express, at the entity's request and outside the scope of our accreditation, a limited assurance conclusion on whether the Selected Information identified by an asterisk (*) in Appendix 1 has been prepared, in all material respects, in accordance with the Reporting Frameworks.

However, it is not our responsibility to express an opinion on the entity's compliance with other applicable legal and regulatory provisions, in particular as regards the Vigilance Plan and the fight against corruption and tax evasion, or on the compliance of the entity's products or services with applicable regulations.

1. Report on the compliance and fairness of the Statement

Nature and scope of our procedures

Our procedures as described below were performed in accordance with Articles A. 225-1 *et seq* of the French Commercial Code, the applicable professional standards of the *Compagnie nationale des commissaires aux comptes*, and ISAE 3000(1):

- we obtained an understanding of the entity's operations, and of the summary of its principal risks;
- we assessed the appropriateness of the Reporting Frameworks in terms of their relevance, completeness, reliability, impartiality and clarity, with due consideration of industry best practices where applicable;
- we verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 III of the French Commercial Code, as well as information regarding human rights and the fight against corruption and tax evasion;
- we verified that the Statement presents the information specified in II of Article R. 225-105 of the French Commercial Code where such information is relevant to the principal risks, and includes an explanation of the non-disclosure of any information required by the second paragraph of III of Article L. 225-102-1 of that Code;

- we verified that the Statement presents the business model and a description of the principal risks associated with the entity's operations, including where relevant and proportionate risks associated with its business relationships, its products or services, and its policies, actions and outcomes, including key performance indicators relating to the principal risks;
- we consulted documentary sources and conducted interviews to:
  - assess the process for selecting and validating the principal risks, and the consistency of outcomes (including key performance indicators) with the principal risks and policies presented; and
  - corroborate the qualitative information (actions and outcomes) that we regarded as the most important, as presented in Appendix 1. For some risks (Product Quality, Product Safety for Patients and Consumers, Patient Safety in Clinical Trials, Ethics and Business Integrity) we performed our procedures at consolidating entity level. For the other risks, we performed our procedures at consolidating entity level and in a selection of other entities: in the Europe Region, including the sites at Brindisi (Italy), Val de Reuil (France) and Geel (Belgium); in the North America Region, including the sites at Chattanooga, Swiftwater and Framingham (United States)at Sanofi France; and at Sanofi US.
- we verified that the Statement covers the consolidated scope, i.e. all the companies included in the scope of consolidation in accordance with article L. 233-16 of the French Commercial Code, subject to the limitations set out in the Statement;
- we obtained an understanding of the internal control and risk management procedures applied by the entity, and assessed the data collection process intended to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we regarded as the most important (as presented in Appendix 1), we carried out:
  - analytical procedures to verify that the data collected had been correctly consolidated, and to check the consistency of data trends;
  - substantive tests using sampling techniques, in order to verify that the definitions and procedures had been properly applied and to reconcile the data with the supporting documents. Those procedures were conducted at a selection of contributing entities as listed above, and cover between 10% and 28% of the consolidated data selected for such tests (25% of the workforce, 10% of hazardous waste, 28% of VOC emissions, and 20% of COD emissions);
- we assessed the overall consistency of the Statement based on our knowledge of the entity.

We believe that the procedures performed, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Resources

Our procedures involved eleven professional staff and took place between September 2019 and February 2020, over a total engagement period of twelve weeks.

We conducted about thirty interviews with the persons responsible for preparing the Statement, including representatives from Corporate Social Responsibility, Human Resources, Product Quality and Safety, Bioethics, Ethics and Business Integrity, HSE, and Procurement.

Conclusion

Based on our procedures, we have not identified any material misstatement that causes us not to believe that the consolidated statement of extra-financial performance complies with the applicable regulatory provisions and that the Information, taken together, is fairly presented, in accordance with the Reporting Frameworks.

(1) ISAE 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information.

2. Limited assurance report on the Selected Information

Nature and scope of our procedures

For the Selected Information as identified by an asterisk (*) in Appendix 1, we performed procedures of the same nature as described in section 1 of this report. We performed those procedures in accordance with ISAE 3000(1) and with professional standards applicable in France.

The sample selected represents 25% of the workforce, and between 15% (water consumption) and 20% (energy consumption) of the quantitative environmental information presented.

We believe that the procedures performed, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Conclusion

In our opinion, we have not identified any material misstatement that causes us not to believe that the Selected Information has not been fairly prepared in compliance with the Reporting Frameworks.

Paris-La Défense, March 5, 2020

The Independent Third Party

EY & Associés

Caroline Delérable	Jean-François Belorgey
Partner, Sustainable Development	Partner

(1) ISAE 3000 – Assurance Engagements other than Audits or Reviews of Historical Financial Information.

Appendix 1: Information regarded as the most important

Social Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions and outcomes)*
Lost time injury frequency rate – Sanofi personnel* Lost time injury frequency rate – any employee* Total occupational injury frequency rate – Sanofi personnel* Total occupational injury frequency rate – any employee* Number of occupational diseases reported* Number of employees under contract at December 31, 2019, split by region, activity, gender, age, and type of contract Number of new hires and departures (all reasons) Resignation rate – permanent contracts Turnover – permanent contracts Internal transfer rate Percentage of women in Senior Leader roles* Percentage of women in executive roles*	Health and safety in the workplace* Measures taken to attract and retain talent (Employee Value Proposition, Strategic Workforce Planning, training policy)
Environmental Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions and outcomes)*
Total quantity of hazardous waste Quantity of hazardous waste reused/recycled/recovered Quantity of hazardous waste recycled Quantity of hazardous waste incinerated with thermal recovery Quantity of hazardous waste incinerated without thermal recovery Quantity of hazardous waste sent to authorized landfills Total quantity of non-hazardous waste* Quantity of non-hazardous waste reused/recycled/recovered* Quantity of non-hazardous waste recycled*	Measures to prevent, recycle and eliminate hazardous waste Measures to prevent, reduce or remediate releases into the air (management of Volatile Organic Compounds), water (management of environmental releases of pharmaceutical substances) and the soil Water consumption and supply in light of local constraints*, percentage reduction in water consumption versus the 2015 baseline year* Measures to improve energy efficiency and the use of renewables* Percentage reduction in direct and indirect emissions (Scopes 1 & 2) versus the 2015 baseline year*

Quantity of non-hazardous waste incinerated with thermal recovery* Quantity of non-hazardous waste incinerated without thermal recovery* Quantity of non-hazardous waste sent to authorized landfills* Landfill disposal rate of hazardous and non-hazardous waste Total reuse/recycle/recover rate of hazardous and non-hazardous waste Number of sites not sending hazardous and non-hazardous waste to landfills Wastewater discharge (Chemical Oxygen Demand): proportion of production sites subject to pharmaceutical contamination assessments since 2016 Airborne emissions (total consumption of solvents, percentage of solvents recycled, emissions of Volatile Organic Compounds) Total water consumption, and split by source of supply* Total energy consumption, and split by energy source* Direct and indirect greenhouse gas emissions (Scopes 1 & 2)* Significant categories of greenhouse gas emissions generated by the entity's operations, in particular the following Scope 3 categories: purchased goods and services (category 1); use of sold products (category 11); downstream transport and distribution (category 9); capital goods (category 2); waste generated in operations (category 5); and end-of-life treatment of sold products (category 12)*	
Societal Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions and outcomes)*
Number of suppliers subject to a CSR performance assessment by an external service provider in 2019* Number of audits of suppliers and subcontractors (Sanofi Contract Manufacturing Organizations, suppliers of Active Pharmaceutical Ingredients)*	Measures taken in ethics and business integrity Measures taken in product pricing Measures taken in product quality Measures taken in product safety (pharmacovigilance)

Number of consultative meetings relating to the duty of vigilance* Number of whistle-blowing reports received by Ethics & Business Integrity, and number of related dismissals or resignations for misconduct Number of whistle-blowing reports to Ethics & Business Integrity substantiated Number of GQA internal audits Number of regulatory inspections, and split by type of authority Number and type of regulatory actions taken following inspections Number of recalls, including Class 1 recalls Number of pharmacovigilance internal audits Number of signals Number of clinical trials with information-sharing Number of inspections conducted on activities relating to clinical trials Number of scientific papers published	Measures taken in medical ethics and bioethics Measures taken in animal protection Actions in support of human rights, especially compliance with ILO fundamental conventions* Consideration of corporate social responsibility in relations with suppliers and subcontractors* Actions on access to healthcare*

* Information which the entity has voluntarily elected to disclose in its management report