NOTICE OF MEETING
GENERAL MEETING
2014

Monday May 5, 2014, at 2:30 p.m. (CET)

at the Palais des Congrès
2, place de la Porte Maillot
75017 Paris - France

SANOFI

SUMMARY

SANOFI
Société anonyme with share capital of €2,648,641,762
Registered office: 54, rue La Boétie – 75008 Paris
395 030 844 R.C.S. Paris

The Chairman of the Board of Directors

Paris, April 14 2014

Dear Shareholder,

Our Annual General Meeting provides an ideal opportunity for us to inform you, share with you and give you an account of the operations and results of Sanofi .

I sincerely hope that you will be able to attend. The time and place of the meeting are as follows:

ORDINARY GENERAL MEETING

MONDAY MAY 5, 2014, AT 2:30 P.M. (CET)
AT THE PALAIS DES CONGRÈS
2, PLACE DE LA PORTE MAILLOT – 75017 PARIS

All the information and guidance needed for you to participate at the meeting are enclosed with this notice. If you are unable to attend in person, you will nonetheless be able to vote in one of three ways:

- by postal vote or via the Internet; or
- by appointing a proxy to represent you; or
- by authorizing the Chairman to vote on your behalf.

On behalf of the Board of Directors, I thank you for your trust and for the attention you will surely pay to draft resolutions to be submitted to your approval.

Serge Weinberg

Chairman of the Board of Directors

This notice and an access plan of the meeting venue are available on our website (*www.sanofi.com/AGM2014*).

HOW TO PARTICIPATE AT THE MEETING

FOR ADDITIONAL INFORMATION ON THE GENERAL MEETING TO BE HELD ON MAY 5, 2014, GO TO www.sanofi.com/AGM2014

2014 GENERAL MEETING

The shareholders of Sanofi are hereby given notice of the General Meeting to be held on **Monday May 5, 2014 at 2:30 p.m. (CET) at the Palais des Congrès – 2, place de la Porte Maillot – 75017 Paris (France)**. This meeting is being called to deliberate on the agenda and resolutions set forth in the present notice of meeting.

PRIOR CONDITIONS TO PARTICIPATE AT THE MEETING

All shareholders, regardless of the number of shares they own, will be admitted to the meeting. In accordance with Article R. 225-85 of the French Commercial Code, you must prove that you hold shares via the accounting registration of securities held in your name or in the name of your intermediary registered to act on your behalf, by the third business day prior to the meeting at midnight (CET) either in registered securities accounts held for the Company by its agent BNP Paribas Securities Services, or in bearer securities accounts held by your accredited financial or banking intermediary.

The accounting registration of bearer security accounts held by your accredited financial or banking intermediary must be justified by a shareholding certificate (*attestation de participation*) issued by said intermediary and appended:

- to the voting form;
- to the proxy vote; or
- to the application for an entry card in the name of the shareholder or on behalf of a shareholder represented by the accredited intermediary.

You may be represented at the general meeting by any physical person or legal entity of your choice (Article L. 225-106 of the French Commercial Code).

HOW TO PARTICIPATE AT THE GENERAL MEETING

Sanofi offers you the opportunity to request an entry card, to give your proxy to the Chairman or any other person (physical person or legal entity) of your choice by Internet before the general meeting.

For the 2014 general meeting, Sanofi has chosen to connect to VOTACCESS, the Paris market platform. Access to the platform is available via Planetshares, Planetshares – My Proxy or via your accredited intermediary's website.

VOTACCESS which is dedicated to voting prior to the general meeting will be open from April 14, 2014 onwards. It will be closed the day before the meeting, i.e. on May 4, 2014 at 3 p.m. (CET).

In order to avoid any blockage on VOTACCESS, we recommend that you do not wait until the last minute to vote.

I. If you wish to personally attend the general meeting, ask for your entry card by post or via the Internet, as follows:

1. By post:

- You are a registered shareholder, an employee or ex-employee of Sanofi holding units in a dedicated employee share ownership fund (FCPE): send your request for an entry card, to the following address: BNP Paribas Securities Services – CTS Assemblées – Les Grands Moulins de Pantin – 9, rue du Débarcadère – 93761 Pantin Cedex - France.
- You hold bearer shares: ask your accredited intermediary managing your securities account to deliver you an entry card.

2. Via the Internet:

- You are a registered shareholder: access VOTACCESS via the Planetshares website at the following address: https://planetshares.bnpparibas.com.

If you hold fully registered shares, log on to the Planetshares website with your usual login.

If you hold administered registered shares, your login details appear on the top right-hand corner of your voting form, allowing you to access the Planetshares website.

- You are an employee or ex-employee of Sanofi holding units in a dedicated employee share plan ownership fund (FCPE): access VOTACCESS via Planetshares – My Proxy at the following address: https://gisproxy.bnpparibas.com/sanofi.pg by using your login number shown in the top right-hand corner of your voting form and your identification information corresponding to your account number/ref. employee.

Once logged on, follow on-screen instructions and ask for your entry card.

If you have forgotten or lost your login and/or password, you may contact the dedicated hotline at 00 33 1 40 14 80 40.

- If you hold bearer shares: ask your accredited intermediary whether it is connected to VOTACCESS and, if so, whether access is subject to specific conditions of use.

If your authorized intermediary is connected to VOTACCESS, log on to your intermediary's website with your usual login.

Then click on the icon appearing on the line corresponding to Sanofi shares and follow the on-screen instructions to access to VOTACCESS and apply for an entry card.

II. If you do not wish to attend the general meeting in person, you can proceed as follows:

1. By post:

- You are a registered shareholder, an employee or ex-employee of Sanofi holding units in a dedicated employee share ownership fund (FCPE): send back your voting form, sent with your notice of meeting, to the following address: BNP Paribas Securities Services, CTS Assemblées – Les Grands Moulins de Pantin – 9, rue du Débarcadère – 93761 Pantin Cedex - France.

- You hold bearer shares: request your voting form from your accredited intermediary managing your securities account from the date of the convening of the general meeting. Send back your voting form duly completed to your intermediary, which will forward it, together with a shareholding certificate, to the following address: BNP Paribas Securities Services, CTS Assemblées – Les Grands Moulins de Pantin – 9, rue du Débarcadère – 93761 Pantin Cedex - France.

In order to be taken into account, your voting form duly completed and signed shall be received by BNP Paribas Securities Services, three calendar days before the general meeting, at least, i.e. on 2 May 2014.

Your proxy appointment or revocation sent by mail shall be received at least 3 calendar days before the date of the general meeting, i.e. on 2 May 2014.

2. Via the Internet:

You can vote, give or revoke your proxy via the Internet before the general meeting by accessing VOTACCESS, as follows:

- You are a registered shareholder: access to VOTACCESS via the Planetshares website: https://planetshares.bnpparibas.com.

If you hold fully registered shares log on to the Planetshares website with your usual login.

If you hold administered registered shares, your login details appear on the top right-hand corner of your voting form, allowing you to access the Planetshares website.

- If you are an employee or ex-employee of Sanofi holding units in a dedicated employee share plan ownership fund (FCPE): access VOTACCESS via the Planetshares website – My Proxy at the following address: https://gisproxy.bnpparibas.com/sanofi.pg by using your login number appearing on the top right-hand corner of your voting form and your identification information corresponding to your account number/ref. employee.

Once logged on, follow the on-screen instructions to access to VOTACESS and vote, appoint or revoke a proxy.

If you have forgotten or lost your login and/or password, you may contact the dedicated hotline at 00 33 1 40 14 80 40.

- If you hold bearer shares: ask your accredited intermediary whether such intermediary is connected to VOTACCESS and, if so, whether access is subject to specific conditions of use.

a) If your intermediary is connected to VOTACCESS, log on to the intermediary's website with your usual login. Then click on the icon appearing on the line corresponding to Sanofi shares and follow the on-screen instructions to access to VOTACCESS and vote, appoint or revoke a proxy online.

b) If your intermediary is not connected to VOTACCESS, the notification of appointment or revocation of a proxy may also be made by electronic means, in accordance with Article R. 225-79 of the French Commercial Code as follows:

- Send an e-mail to the following address: **paris.bp2s.france.cts.mandats.sanofi@bnpparibas.com**. The e-mail must include the following information: name of the issuer, date of the general meeting, last name, first name, address and bank references of the shareholder and the first name, last name and, if possible, address of the proxy.
- You must ask your financial intermediary managing your securities account to send a written confirmation to: BNP Paribas Securities Services, CTS Assemblées – Les Grands Moulins de Pantin – 9, rue du Débarcadère – 93761 Pantin Cedex - France

The above-mentioned e-mail address shall be used only for notification of appointment or revocation of a proxy purposes. Any other request or notification received on this address will not be taken into account and/or processed.

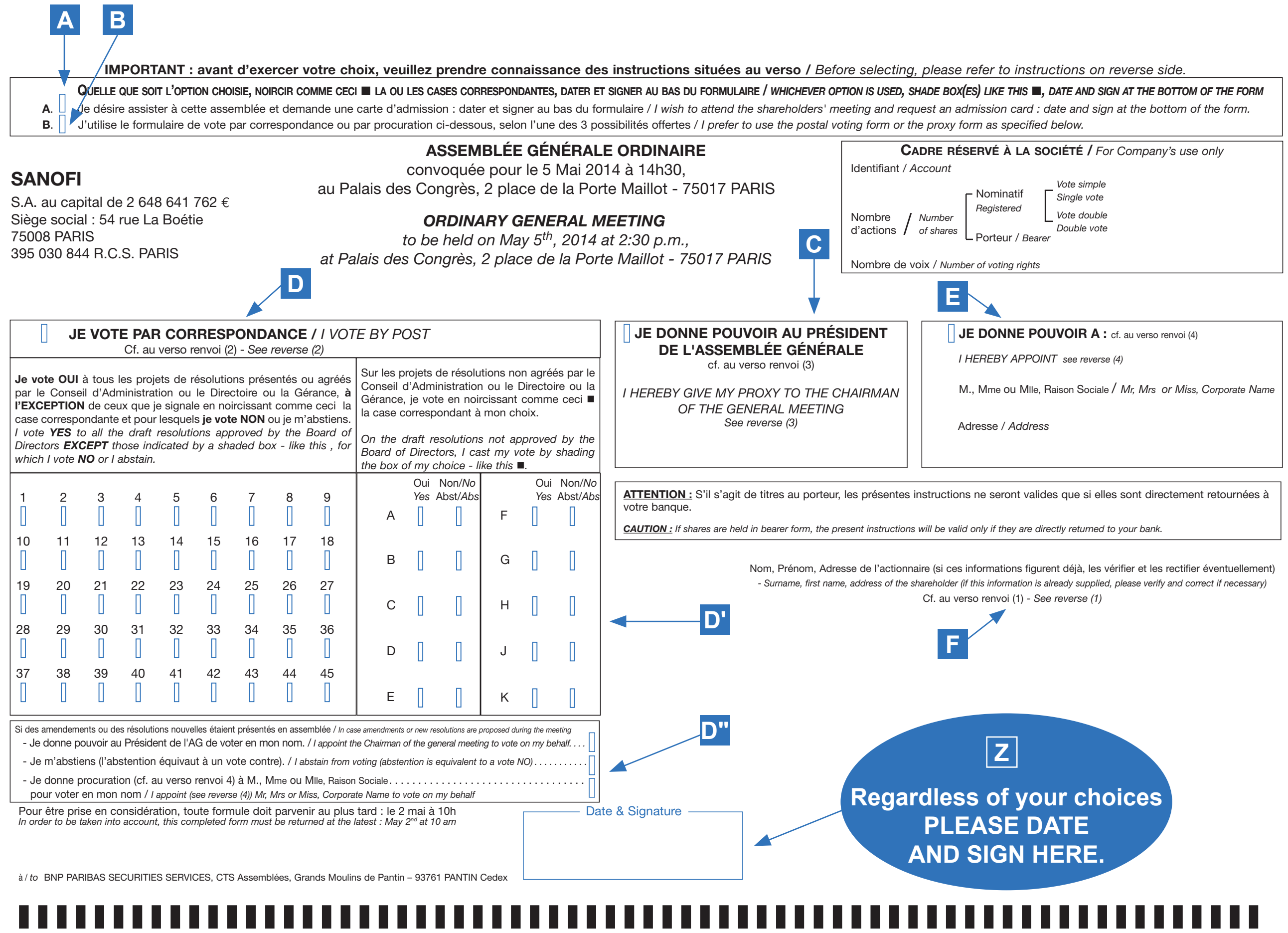
In order for your online proxy appointment or revocation to be taken into account, confirmation has to be received by BNP Paribas Securities Services the day before the meeting, i.e. on May 4, 2014 at 3:00 p.m. (CET) at the latest.

If you have already voted, sent in a proxy or requested an entry card you may not use another method to participate in the meeting.

If you decide to vote by Internet, you must not fill in or send the voting form.

If you hold Sanofi shares in more than one form (registered, bearer or via the FCPE), you will have to vote in accordance with each form, if you wish to cast all the votes attached to all the Sanofi shares you hold.

HOW TO FILL IN YOUR VOTING FORM



Please return the form using the enclosed prepaid envelope at least three days before the date on which the meeting is to be held, i.e. by **Friday May 2, 2014, at 3 p.m. (CET).**

A You wish to attend the meeting in person:

- Tick box **A**;
- Date and sign box **Z**.

B You cannot attend and you wish to vote by post or by proxy:

- Tick box **B**;
- Choose among the three options (one choice only);
- Date and sign box **Z**.

C You give your proxy to the Chairman of the meeting:

- Tick box **B**;
- Tick the box **C** "I hereby give my proxy to the Chairman of the general meeting";
- Date and sign box **Z**.

D **You vote by post:**

- Tick box **B**;
- Tick the box **D** “I vote by post”:
  - Each numbered box represents one resolution proposed or agreed to by the Board of Directors;
  - Each empty box represents a **YES** vote;
  - Each shaded box represents a **NO** vote or an abstention (to abstain is equivalent to a vote NO);
- Date and sign box **Z**.

D' **This box is to be used to vote for resolutions proposed by the shareholders and not agreed to by the Board of Directors:**

If you wish to cast your vote, shade the corresponding box.

D" **This box corresponds to amendments or new resolutions proposed during the meeting:**

If you wish to cast your vote, shade the corresponding box.

E **You give your proxy to any physical or legal person of your choice:**

- Tick box **B**;
- Tick box **E** “I hereby appoint”;
- Indicate in box **E** information on the person who will represent you (surname, first name, and address);
- Date and sign box **Z**.

F **Indicate your surname, first name, and address:**

- If these data appear on the form, check their accuracy;
- If the person signing the form is not the shareholder, he/she must indicate his/her surname, first name and address and his/her quality (legal agent, guardian …).

Z **All shareholders must date and sign this box.**

For further information about the Company and your participation at the meeting, contact us:

- **by telephone:** BNP Paribas Securities Services: **00 33 1 40 14 80 40**
- **by post:** Sanofi, Shareholder Relations Department - 54, rue La Boétie - 75008 Paris (France)
- **by email:** relations-actionnaires@sanofi.com

ORDINARY GENERAL MEETING AGENDA

This text is a free translation from the French language and is supplied solely for information purposes. Only the original version in the French language has legal force.

- Approval of the individual Company financial statements for the year ended December 31, 2013 (1st resolution)
- Approval of the consolidated financial statements for the year ended December 31, 2013 (2nd resolution)
- Appropriation of profits; declaration of dividend (3rd resolution)
- Approval of the Agreements and Undertakings referred to in Articles L. 225-38 *et seq*. of the French Commercial Code (4th resolution)
- Renewal of a Director (Christopher Viehbacher) (5th resolution)
- Renewal of a Director (Robert Castaigne) (6th resolution)
- Renewal of a Director (Christian Mulliez) (7th resolution)
- Appointment of a Director (Patrick Kron) (8th resolution)
- Advisory vote on the elements of compensation due or granted for the fiscal year ended December 31, 2013 to Serge Weinberg, Chairman of the Board of Directors (9th resolution)
- Advisory vote on the elements of compensation due or granted for the fiscal year ended December 31, 2013 to Christopher Viehbacher, Chief Executive Officer (10th resolution)
- Authorization to the Board of Directors to carry out transactions in shares issued by the Company (11th resolution)
- Powers for formalities (12th resolution)

REPORT OF THE BOARD OF DIRECTORS ON RESOLUTIONS SUBMITTED TO THE ORDINARY GENERAL MEETING

This text is a free translation from the French language and is supplied solely for information purposes. Only the original version in the French language has legal force.

This report describes the proposed resolutions that are being submitted to the meeting by the Board of Directors. It consists of an introduction, a summary table of financial authorizations, and a glossary. The objective of this report is to draw your attention to the important points in the resolutions, in accordance with the relevant laws and regulations and with best practice in corporate governance as recommended for companies listed in Paris. It is essential that you read the proposed resolutions carefully and in full before exercising your vote.

The first 3 resolutions concern the annual financial results of your Company, the appropriation of distributable profits and the setting of the dividend.

APPROVAL OF THE FINANCIAL STATEMENTS

(1st and 2nd resolutions)

Acting on the recommendation of the Audit Committee, the Board of Directors submits for your approval the individual Company financial statements, showing a profit of 3,625,585,616.14 euros, and the consolidated financial statements, for the year ended December 31, 2013.

A detailed account of Sanofi's results of operations in the year ended December 31, 2013 is found in the annual report published by the Company.

APPROPRIATION OF PROFITS, DECLARATION OF DIVIDEND

(3rd resolution)

Acting on the recommendation of the Audit Committee, the Board of Directors submits for your approval the payment of a dividend of 2.80 euros per share, representing a payout ratio of 55% of distributable results.

For the three preceding years, the dividend per share amounted to:

2010	2011	2012
2.50 euros	2.65 euros	2.77 euros

If the General Meeting approves our proposal, the ex-dividend date will be May 12, 2014 and the dividend will be paid in cash on or after May 15, 2014.

The proposed dividend distribution subjects Sanofi to the 3% additional corporate tax.

AGREEMENTS AND UNDERTAKINGS REFERRED TO IN ARTICLES L. 225-38 *ET SEQ.* OF THE FRENCH COMMERCIAL CODE

(4th resolution)

In accordance with the Law of 21 August 2007 on Labor, Employment and Purchasing Power, the severance conditions as well as the complementary pension arrangements for Christopher Viehbacher in his capacity as Chief Executive Officer were subject to the provisions of the French Commercial Code governing related party agreements. The report of the statutory auditors related to these undertakings, which were approved at the shareholders' general meeting of April 17, 2009 (resolution 6), is submitted to the vote of the shareholders.

REAPPOINTMENT OF DIRECTORS AND APPOINTMENT OF A DIRECTOR

(5th to 8th resolutions)

The Board of Directors currently has 16 members, 11 of whom are deemed independent. The mandates of Christopher Viehbacher, Robert Castaigne, Lord Douro and Christian Mulliez are due to expire at the close of the General Meeting to be held on May 5, 2014.

Upon the recommendation of the Appointments and Governance Committee, your Board of Directors proposes the renewal of each of these directors for a four year term, with the exception of Lord Douro who did not express the desire to have his mandate renewed. Additionally, the Board of Directors proposes to appoint one new member.

Each year, the Board of Directors conducts a review to ensure that there is an appropriate balance in its composition and the composition of its Committees. In particular, the Board seeks to ensure a balanced representation of men and women and diversity of background and country of origin, since the business of the Group is both diversified and global. The Board investigates and evaluates potential candidates whenever individual directors are up for election. Above all, the Board seeks talented directors, who show independence of mind and who are competent, dedicated and committed.

When the Board looks for a new nominee, the Board takes into account both its current and target composition to identify the qualities of a candidate that would best contribute to the maintenance and reinforcing of a balanced Board. The Chairman of the Appointments and Governance Committee conducts a search based on a profile defined with the assistance of a specialized recruiter. The Appointments and Governance Committee develops a short list of candidates based on this search, and the short-listed candidates meet with several members of the Appointments and Governance Committee before the Committee formulates its recommendation to the Board as to which candidates appear to best correspond to the Board's identified needs.

Directorships at your Company are typically for four year terms, which your Board believes is an appropriate length of commitment to request of a person aspiring to join its members. We emphasize that under French law directors are revocable at will by the shareholders, so that neither the length of the terms nor the staggered renewal dates can serve as anti-takeover devices. In line with the recommendations of the AFEP-MEDEF Code, since 2008 the terms of the directorships have been established such that only a fraction of the directorships are renewed in a given year, so as to ensure stability and continuity. Your Board reserves the right to occasionally propose shorter terms for one or more directors to ensure that not too many renewals fall the same year.

Before considering the reappointment of Christopher Viehbacher, Robert Castaigne and Christian Mulliez, your Board of Directors reviewed their availability: none holds an excessive number of mandates and their attendance rate to Sanofi Board meetings is 100%. The Board also assessed their individual contributions to the Board activity as well as to the activity of its various Committees both in terms of competencies and in terms of personal commitment and considered that it was in the interest of your Company to keep each of them as Directors and that it was consistent with the target composition of the Board as identified in the process afore-described.

Upon the recommendation of the Appointments and Governance Committee, your Board of Directors proposes that you also appoint Patrick Kron as member of your Board for a term of four years expiring at the close of the General Meeting called to approve the financial accounts for the year ending December 31, 2017. This new appointment allows to progressively further renew part of your Directors and to benefit from industrial, and international skills.

Patrick Kron is a graduate of École Polytechnique and the Paris École des Mines. He started his career in the French Ministry of Industry where he served from 1979 to 1984 before joining the Pechiney Group.

From 1984 to 1988, Patrick Kron held operational responsibilities in one of the Group's most important factories in Greece, becoming manager of this Greek subsidiary.

From 1988 to 1993, he occupied several senior operational and financial positions within Pechiney, first managing a group of activities in the processing of aluminum and eventually as President of the Electrometallurgy Division.

In 1993, he became a member of the Executive Committee of the Pechiney Group and was appointed Chairman of the Board of the Carbone Lorraine Company from 1993 to 1997.

From 1995 to 1997, he ran the Food and Health Care Packaging Sector of Pechiney and held the position of Chief Operating Officer of the American National Can Company in Chicago (USA).

From 1998 to 2002, Patrick Kron was Chief Executive Officer of Imerys before joining Alstom. He has been Chief Executive Officer of Alstom since 1 January 2003 and Chairman and Chief Executive Officer since 11 March 2003.

Full biographies of each individual to be appointed or reappointed can be found in the present notice of meeting.

At the close of the General Meeting to be held on May 5, 2014, assuming the adoption of the 5th to 8th resolutions, the composition of your Board of Directors would be as follows (*expiry of term of office in parentheses*):

- Serge Weinberg, Chairman of the Board (2015), independent director;
- Christopher Viehbacher, Chief Executive Officer (2018);
- Laurent Attal (2016)
- Uwe Bicker (2016) independent director;
- Robert Castaigne (2018) independent director;
- Thierry Desmarest (2015);
- Jean-René Fourtou (2016) independent director;
- Claudie Haigneré (2016) independent director;
- Patrick Kron (2018) independent director.
- Igor Landau (2015);
- Fabienne Lecorvaisier (2017) independent director;
- Suet-Fern Lee (2015) independent director;
- Christian Mulliez (2018);
- Carole Piwnica (2016) independent director;
- Klaus Pohle (2016) independent director; and
- Gérard Van Kemmel (2015) independent director.

The Board of Directors' Meeting which was held on October 29, 2013 performed a review of the criteria for director independence in accordance with the recommendations of the AFEP-MEDEF Code and, consistent with the recommendation of the Appointments and Governance Committee. Based on this review and assuming adoption of resolutions 5 to 8, following the Shareholders' Meeting, a majority of the Board members would be regarded as independent directors, in compliance with our governance standards. Women will make up 25% of the Board's membership.

Following the enactment of the June 14, 2013 French Employment Protection Act, the Appointments and Governance Committee assessed its impact on Sanofi. The Board of Directors concluded that our Company does not fall within the scope of this Act because it has no obligation to set up a works council and indeed has set up none, the workforce of the parent company being less than 50 employees.

Under current French legislation, and given that Group employees own less than 3% of our share capital, the Board does not include a director representing employee shareholders. Nevertheless, five Group employee representatives attend Board meetings without voting rights pursuant to the agreement implemented with the European Works Council signed in February 24, 2005.

Taking into account current legislation and the fact that Group Employees currently own less than 3% of our share capital, there is no director representing employee shareholders in our Board.

There are two different FCPE ("*fonds commun de placement d'entreprise*") one for employees of French subsidiaries (''FCPE Actions Sanofi'') and one for employees of non-French subsidiaries (''FCPE Sanofi Shares''). For shares owned by the FCPE Actions Sanofi, voting rights are exercised by employees holding units, except for voting rights corresponding to fractions of shares which are exercised by the FCPE supervisory board. For share owned by the FCPE Sanofi Shares, voting rights are exercised by employees holding units; any unexercised voting right being exercised by the FCPE supervisory board. Supervisory boards are joint bodies composed of an equal number of labor and management representatives.

ADVISORY VOTE ON THE ELEMENTS OF COMPENSATION DUE OR GRANTED FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2013 TO THE CHAIRMAN OF THE BOARD AND THE CHIEF EXECUTIVE OFFICER

(9th et 10th resolutions)

In accordance with the recommendation of the AFEP-MEDEF Code, revised in June 2013 (Article 24.3), to which Sanofi refers to pursuant to Article L. 225-37 of the French Commercial Code, the following elements of compensation due or granted to each executive director of the Company for the year ended 2013 are submitted to the shareholders' advisory vote:

- The fixed portion;
- The annual variable portion and, as the case may be, any multi-year variable portion with objectives contributing to the determination of this variable portions;
- Exceptional bonuses;
- Options to subscribe for shares, performance shares and any long-term incentive;
- Welcome bonus or compensation on termination of service;
- The pension scheme;
- Any other benefits.

The 9th and 10th resolutions offer you to cast an advisory vote on the elements of compensation due or granted to the Chairman of the Board and the Chief Executive Officer for the financial year ended December 31, 2013.

Separation of the Offices of Chairman and Chief Executive Officer

The offices of Chairman and Chief Executive Officer have been separated since January 1, 2007. The annual evaluations conducted since that date have indicated that this governance structure is appropriate to the Group's current configuration. This arrangement was therefore continued with the appointment of Serge Weinberg to the office of Chairman on May 17, 2010 and again with his reappointment on May 6, 2011. The Board of Directors considers that this governance structure is appropriate in the Group's current context.

The Chairman represents the Board of Directors, organizes and directs the work of the Board, and is responsible for ensuring the proper functioning of the corporate decision-making bodies in compliance with good governance practices. The Chairman coordinates the work of the Board of Directors with its Committees. The Chairman is accountable to the Shareholders' General Meeting, which he chairs.

The Chairman being an independent director, the Board of Directors has not deemed it necessary to appoint a lead independent director, since this role has been broadly assumed by Serge Weinberg.

In 2013, it was considered that the rules governing the office of the Chairman of the Board had changed, and they henceforth enabled the Board to consider the Chairman as an independent director in accordance with the continued assessment of the Board of Directors.

The revised AFEP-MEDEF Code stipulates that if the offices of Chairman and Chief Executive Officer are separated, the Chairman is no longer automatically considered as non-independent, but his (or her) independence has to be scrutinized in the light of the criteria generally used to assess directors' independence.

In this connection, the Board of Directors considered that no factor other than his role as Chairman is liable to undermine his independence, especially given that prior joining the Board he had no links to Sanofi. The Board assessment concerning his situation was reflected in the previous annual reports on form 20-F.

The Chief Executive Officer is responsible for the management of the Company, and represents the Company in dealings with third parties within the limit of the corporate purpose. The Chief Executive Officer has the broadest powers to act in all circumstances in the name of the Company, subject to the powers that are attributed by law to the Board of Directors and the Shareholders' General Meeting and within the limits set by the Board of Directors.

A Compensation Committee predominantly composed of independent Directors

The compensation policy for corporate officers is established by the Board of Directors upon the recommendation of the Compensation Committee.

This Committee is composed of a majority of independent directors:

- Gérard Van Kemmel, Chairman (Independent);
- Thierry Desmarest;
- Jean-René Fourtou (Independent);
- Claudie Haigneré (Independent);
- Christian Mulliez.

In 2013, the main activities of the Compensation Committee included:

- the fixed and variable compensation of corporate officers and senior management;
- the establishment of the amount of Directors' attendance fees, the principles of allocation of Directors attendance fees for 2013;
- the implementation of the policy for equity-based compensation, including both share subscription options and performance shares, which was discussed at several meetings;
- an update on the 2012 and 2013 fixed and variable compensation of the members of the Executive Committee, including performance share units;
- the expenses of Directors and corporate officers;
- employee share ownership policy, with the share capital increase reserved for employees who are members of the Group Savings Plan during the second half of 2013.

Compensation Policy for Corporate Officers

The Board of Directors follows the AFEP-MEDEF Code when setting the compensation of our corporate officers.

The compensation awarded by Sanofi is compliant with the requirements of the AFEP-MEDEF Code and the recommendations of the *Autorité des marchés financiers* (the French market regulator, hereafter referred to as "AMF").

a) Serge Weinberg

Serge Weinberg has held the office of Chairman of the Board of Directors since May 17, 2010. He was an outside appointment and has never had an employment contract with Sanofi distinct from his current office.

The Chairman of the Board also chairs the Strategy Committee and the Appointments and Governance Committee.

The compensation of the Chairman of the Board of Directors consists solely of fixed compensation and benefits in kind and excludes any variable compensation, any awards of stock options and performance shares and any directors' attendance fees.

The corporate officers do not receive directors' attendance fees in their capacity as directors. Consequently, Serge Weinberg does not receive directors' attendance fees in his capacity as Chairman of the Appointments and Governance Committee or as Chairman of the Strategy Committee.

Serge Weinberg does not benefit neither from the top-up pension scheme, nor from a termination benefit.

Elements of Compensation due or granted for the financial year ended December 31, 2013 to Serge Weinberg, Chairman of the Board, submitted to an advisory vote

	Amounts due or valuation (in euros)	Comments
Fixed Compensation	700,000	Fixed compensation (gross amount) for 2013 set by the Board of Directors on March 5, 2013 upon proposal of the Compensation Committee. Serge Weinberg's fixed compensation has remained the same since his appointment as Chairman of the Board on May 17, 2010.
Benefits in kind	8,040	The benefits in kind relates principally to a company car with a chauffeur.
Total	**708,040**	

b) Christopher Viehbacher

Christopher Viehbacher has held the office of Chief Executive Officer of Sanofi since December 1, 2008. He was an outside appointment and has never had an employment contract with Sanofi distinct from his current office.

The Sanofi compensation policy seeks to be consistent with market and industry practice in order to provide competitive levels of compensation, to create a strong link between company performance and individual contribution and to maintain a balance between short-term performance and mid-long-term performance.

The compensation of the Chief Executive Officer is determined by the Board of Directors upon the recommendation of the Compensation Committee with reference to compensation paid to the chief executive officers of major global pharmaceutical companies and of major companies in the CAC 40 stock market index. Consistency with market practice is fundamental in order to attract and retain the talents necessary to the Group's success.

Sanofi compensation policy aims at achieving a balance in the compensation structure between fixed compensation, short-term variable cash compensation, and medium-term variable equity compensation. The amounts of fixed and variable compensation are stable over time. Compensation adjustments based on performance and market practice are carried out through equity compensation, which is medium-term and aims at aligning his interest with those of our shareholders and stakeholders.

Our overall compensation policy is designed to motivate and reward performance by ensuring that a significant portion of executive and employee compensation is contingent on the attainment of financial, operational and social criteria aligned with the corporate interest and creation of shareholder value. Variable cash compensation and equity compensation are the two principal levers for action.

Since 2011 our equity compensation plan rules have been made available to our shareholders on the governance page of our website (*www.sanofi.com*) in the same form as that distributed to our beneficiaries.

The policy requires that grants be primarily based on performance shares with only a limited number of high-level executives (including the 37 members of the Global Leadership Team) continuing to receive options to subscribe for shares.

A greater reliance on performance shares allows the Board of Directors to maintain a comparable level of employee incentivization while reducing the dilutive effect for existing shareholders. A conversion ratio is applied such that one performance share equates to five options to subscribe for shares. However, the Board of Directors continues to believe that options remain an appropriate component of the compensation of senior managers, due to their multiplier effect.

The Board of Directors subject any grant of options to subscribe for shares and performance shares to several distinct performance criteria in order to ensure that Sanofi equity compensation incentivizes strong overall performance and does not encourage excessive risk taking. Failure to achieve these conditions over the entire performance period is sanctioned by a reduction or loss of the grant.

Grants are also contingent on the beneficiary's continued employment in the Sanofi Group (4 years for options, 3 years for performance shares).

The exercise price of options to subscribe for shares set by the Board never incorporates a discount, and must be at least equal to the average of the quoted market prices on the 20 trading sessions preceding the date of grant by the Board.

The Board is not allowed to reset prior grants, for instance with easier performance conditions or a lower strike price.

Each grant to the Chief Executive Officer takes into account previous grants and his global compensation.

The compensation of Christopher Viehbacher is made up of the following elements:

- fixed compensation;
- benefits in kind;
- annual variable compensation subject to annual objectives;
- equity compensation consisting of options to subscribe for shares and performance shares, subject to both internal and external conditions measured over three years and to stringent lock-up obligations.

In addition, Christopher Viehbacher benefits from:

- a pension plan;
- a severance benefit contingent upon performance conditions and only payable if the departure is non-voluntary and linked to a change in control or strategy.

Elements of Compensation due or granted for the financial year ended December 31, 2013 to Christopher Viehbacher, Chief Executive Officer, submitted to an advisory vote

	Amounts due or valuation (in euros)	Comments
Fixed Compensation	1,260,000	Upon the proposal of the Compensation Committee, Christopher Viehbacher's fixed compensation (gross amount) for 2013 was set by the Board of Directors on March 5, 2013. His fixed compensation did not change in 2013. From 2008 until 2011, his annual fixed compensation remained unchanged compared to his 2012 fixed compensation which amounted to €1,200,000. Effective March 2012, his annual fixed compensation increased by 5% compared to his compensation set at the time of his recruitment.
Annual variable Compensation	1,701,000	Christopher Viehbacher annual variable compensation (gross amount) could have represented between 0% and 200 % of his fixed compensation. For 2013, his variable compensation has been established on the basis of quantitative and qualitative criteria. These criteria were as follows: • attainment of financial targets compared to our budget (45%) This objective included four components: Business Net Income, development of the growth platforms, gross margin and cash flow; • improved performance in research and development (25%). This objective included net sales of new products, new product registration and developments in the product portfolio; • organizational structure of the Group and succession planning for key posts in the Group (15%). This objective covered the implementation of a Group organizational structure suited to its strategy, succession planning for key posts, and the transition in commercial operations after the retirement of Hanspeter Spek (President Global Operations); • corporate social responsibility (15%). This objective covered the environment, product quality and compliance. Objectives based on operations and research and development are quantitative criteria, whereas objectives based on the Group organizational structure and succession planning are of a qualitative nature. Corporate social responsibility criteria are partially quantitative and partially qualitative. Quantitative objectives account for 77.5% and qualitative objectives account for 22.5%. For reasons of confidentiality, the precise targets set for the quantitative and qualitative criteria, even though they have been properly established in a precise manner, cannot be publicly disclosed. In evaluating these criteria, the performance of the major global pharmaceutical companies was taken into account. On March 5, 2014, upon recommendation of the Compensation Committee, the Board of Directors considered that the financial targets were not fully attained, while all the other criteria concerning the research and development, organizational structure and succession planning, and corporate social responsibility were fulfilled. On the basis of the foregoing, the Board of Directors fixed his variable compensation for 2013 at €1,701,000, i.e., 135% of the fixed portion of his compensation. His variable compensation is to be paid in 2014.
Benefits in kind	3,976	The benefits in kind relates principally to a company car with a chauffeur.

	Amounts due or valuation (in euros)	Comments
Grants of Options to subscribe for Shares of Performance Shares	2,884,800 2,798,550	Pursuant to authorizations granted by the Combined General Meetings held on May 6, 2011 (21rst resolution) and on May 4, 2013 (14th resolution), the Board of Directors granted Christopher Viehbacher 240,000 options to subscribe for shares and 45,000 performance shares. The entire award is contingent upon fulfilment of a performance condition which consists in the attainment of 3 cumulative performance conditions (Business Net Income (40%), Return on Assets (40%) and *Total Shareholder Return* (20%)) over a 3-year period, 2013 - 2015. Options to subscribe for shares may not be exercised the first 4 years and performance shares have a 3-year vesting period and a 2-year lock-up period following the vesting period. Each option to subscribe for shares granted on March 5, 2013 was valued at €12.02, valuing the total benefit at €2,884,800. Options are valued at the date of grant using the Black & Scholes method which is used for consolidated accounts. Options to subscribe for shares granted to Christopher Viehbacher in 2013 represented 0.018% of our share capital as of December 31, 2013. Each performance share granted on March 5, 2013 was valued at €62.19, valuing the total benefit at €2,798,550. Performance shares are valued at the date of grant and valuation corresponds to the difference between the quoted market price of the shares on the date of grant and the expected dividends over the next three years. Performance shares granted to Christopher Viehbacher in 2013 represented 0.003% of our share capital as of December 31, 2013. In 2013 no other equity compensation was granted to Christopher Viehbacher.
Compensation payable on Termination of Office	No Payment	In the event of his removal from office as Chief Executive Officer, i.e. only if the departure is non-voluntary and linked to a change in control or strategy (which excludes removal for cause), Christopher Viehbacher would receive a termination benefit equivalent to 24 months of total compensation (gross amount) on the basis of his fixed compensation effective on the date he ceases to hold office and the last variable compensation received prior to that date. Payment of the termination benefit would be contingent upon fulfillment of two of the three performance criteria listed below, assessed over the three financial years preceding his ceasing to hold office. The three criteria are: • the average of the ratios of adjusted net income excluding selected items (which was a non-GAAP financial measure used until the end of 2009) to net sales must be at least 15%; • the average of the ratios of operating cash flow before changes in working capital to net sales must be at least 18%; • the average of the growth rates for the Group's activities, measured in terms of net sales on a comparable basis, must be at least equal to the average of the growth rates of the Pharmaceutical and Vaccines activities of the top 12 global pharmaceutical companies. The terms for the termination benefit entitlement of Christopher Viehbacher were approved by the Shareholders' General Meeting of April 17, 2009 (6th resolution).
Non-Competition Clause	NA	

	Amounts due or valuation (in euros)	Comments
Pension Plan	No Payment	Christopher Viehbacher is covered by the Sanofi top-up defined benefit pension plan. The plan is offered to all employees of Sanofi and its French subsidiaries who meet the eligibility criteria specified in the plan rules. The main characteristics of this plan are as follows: The top-up pension, which may not exceed 37.5% (1.5% per year of service capped at 25 years) of the reference compensation, is in the form of a life annuity, and is transferable as a survivor's pension. The annuity is based on the arithmetical average of the three highest years' annual gross compensation paid during the five years (not necessarily consecutive) preceding final cessation of employment. This reference compensation is capped at 60 times the French social security ceiling ("PASS") applicable in the year in which the rights vest. This annuity supplements the schemes to which Christopher Viehbacher may be eligible in France or abroad, subject to a cap on the total pension from all sources equal to 52% of the reference compensation. When the total amount of the annuities paid pursuant to the different schemes exceeds this 52% cap, the amount of the Sanofi top-up defined-benefit pension is reduced accordingly to respect this cap. Christopher Viehbacher has pursued his career in different countries and in different groups and hence he has not continuously paid his contribution to the French compulsory industry schemes. Taking into account the award of ten years' service at his arrival and the five years spent at Sanofi, he has to date accumulated 15 years of service. As of today, the reference compensation being limited to 60 x PASS (i.e. €2,221,920 in 2013), the maximum theoretical amount of the annuity is 22.5% of this amount, i.e. €499,932. If Christopher Viehbacher were to leave at legal retirement age, he would have accumulated 28 years of service (the award of ten years' service at his arrival and 18 years of service since his arrival). His length of service would therefore be capped at 25 years pursuant to the Sanofi plan rules. Furthermore, in order to receive this pension, Christopher Viehbacher would have to be entitled to benefit from compulsory industry schemes, which means that if he were to leave before the legal retirement age with full pension rights, he will lose the entire benefit of the Sanofi top-up defined-benefit pension. In any event, this benefit was taken into account by the Board of Directors when setting his global compensation. The admission of Christopher Viehbacher to this plan was approved by the Shareholders' General Meeting of April 17, 2009 (6th resolution).
Collective Healthcare and Welfare Schemes	NA	Christopher Viehbacher benefits from the same collective healthcare and welfare schemes as Sanofi employees.
Multi-year variable compensation	NA	
Exceptionnal compensation	NA	
Directors' Fees	NA	
Total	**8,648,326**	

Sanofi's Engagement to Dialogue

Since 2009 Sanofi has intensified its dialogue with its stakeholders including its shareholders, proxy agencies and shareholders' associations in order to better understand market expectations and compare its practices to market best practices.

In 2011 based upon the Compensation Committee's study the Board of Directors has substantially reworked our equity compensation policy to reinforce the link with long-term performance for all beneficiaries and to reduce potential dilution.

As a result of very positive shareholder feedback collected through corporate governance roadshows, contacts with governance professionals and the results of the last three Annual General Meetings, the Board has decided to maintain this policy. This policy can generally be characterized by (i) reduced dilution, (ii) diversified, multi-year performance conditions, (iii) transparency, (iv) specific additional requirements for the Chief Executive Officer.

SHARE REPURCHASE PROGRAM

(11th resolution)

The Board of Directors requests that you renew the authorization for the purchase and sale of Company shares on the same terms upon which it had last been granted to the Board of Directors at the Shareholders' Meeting held on May 3, 2013, in accordance with Articles L. 225-209 *et seq.* of the French Commercial Code.

Purchases under the prior authorization through February 28, 2014 (the last available date prior to finalization of this report) amounted to 16,789,304 shares at an average price of € 78.63 per share. A liquidity plan based on a prior authorization has been in place since 2010 with a current funding of €10 million.

In 2013, in the framework of its share repurchase program, Sanofi acquired and exercised two call options in February and in May giving right to 2.5 million and 4 million shares respectively. Sanofi does not maintain open speculative positions.

This resolution thus provides that the Company could repurchase its own shares up to the statutory limit of 10% of the number of shares constituting the share capital at the date of such purchases (*i.e.*, at December 31, 2013, 132.4 million shares), and that the maximum number of treasury shares held after such purchases could not exceed 10% of the amount of the company's share capital at any time.

The maximum price for such a purchase will be set at €100 per share. It is specified that this authorization will not be valid in the event of a public tender offer for Sanofi's shares, and that its validity is limited to a period of 18 months.

The objectives for the repurchase plan which could be implemented pursuant to this authorization are limited by law. A description of these objectives is set forth in the resolution. Sanofi may conduct repurchases itself or through an agent. Repurchases are disclosed regularly on the web site of our Company (*www.sanofi.com*).

POWERS

(12th resolution)

Finally, the Board of Directors proposes that you grant powers for the accomplishment of formalities required further to the Shareholders' General Meeting.

If you agree with the Board's proposals, please approve the resolutions as submitted for your vote.

The Board of Directors

Use of Existing Shareholder Authorizations in 2013

Share Repurchases: In 2013, a total of 21,335,144 shares were repurchased at an average price of €76.80 per share. Between January 1 and February 28, 2014 (the last available date prior to finalization of this report), a total of 982,646 shares were repurchased at an average price of €71.75 per share.

Share Cancellation: 20,815,976 shares cancelled at Board sessions on April 30, July 31, and December 19, 2013.

Equity Compensation: A total of 788,725 options and 4,295,705 performance shares were granted in 2013. In the part of 2014 preceding this report, a total of 1,009,250 options and 3,908,135 performance shares were granted.

Other Equity Issuances: In December 2013, 1,672,198 shares were issued within the context of the share capital increase reserved for employees.

Until they expire or are cancelled, the Board of Directors reserves the right to continue to use the shareholder authorizations previously granted by the Annual General Meetings of May 4, 2012 and May 3, 2013.

We encourage you as shareholders to help us to reduce the AGM's carbon footprint by signing up to receive electronic shareholder communications and by voting through VOTACCESS platform. More information can be found at *www.sanofi.com/AGM2014.*

Summary table of financial resolutions adopted by shareholders at the General Meeting held May 3, 2013 still valid after the General Meeting to be held on May 5, 2014

A glossary is provided at the end of this table. Terms included in the glossary are identified by an asterisk in the table.*

N°	Purpose	Period of validity	Possible reasons for use of the delegation of authority	Specific ceiling	Price (or method for determining price)	Other information and comments
			EXTRAORDINARY BUSINESS			
6	Issuance, **with preemptive rights* maintained**, of shares and/or securities giving access to the Company's capital* and/or securities giving entitlement to allotment of debt instruments*	26 months	- Potentially used by the Board of Directors to provide the financial resources needed for the development of the Company and the Group	- €1.3bn, i.e. 49% of the capital at December 31, 2013, plus any additional amount issued to preserve the rights of holders of securities giving access to the capital* - Included in the Overall Ceiling* of the same amount	Price set by the Board	- Refer to the glossary for information about securities giving access to the capital* and securities giving entitlement to allotment of debt instruments* - Possibility of introducing a pro-rated subscription right* - Possibility of authorizing issuance of securities giving access to the capital of Subsidiaries*
7	Issuance **by public offering with preemptive rights*** being cancelled, of shares and/or securities giving access to the Company's capital* and/or securities giving entitlement to allotment of debt instruments*	26 months	- Potentially used by the Board of Directors to provide the financial resources needed for the development of the Company and the Group and to carry out issues, without the existing shareholders having preemptive rights, on the French and international markets - Potentially used to issue shares or securities giving access to the capital* as consideration for securities of another company meeting the conditions stipulated in article L. 225-148 of the French Commercial Code in a public exchange offer initiated by the Company in France or under local rules applied in another country	- €520m, i.e. 19% of the capital at December 31, 2013, plus any additional amount issued to preserve the rights of holders of securities giving access to the capital* - Included in the Overall Ceiling*	- Price set by the Board, at least equal to the Statutory Minimum Price*	- Possibility of authorizing issuance of securities giving access to the capital of Subsidiaries* - Possibility of authorizing the issuance of shares or securities giving access to the capital* further to the issuance by Subsidiaries* of securities giving access to the Company's capital - Mandatory 5-day priority subscription period

N°	Purpose	Period of validity	Possible reasons for use of the delegation of authority	Specific ceiling	Price (or method for determining price)	Other information and comments
			EXTRAORDINARY BUSINESS			
8	Issuance of shares or securities giving access to the capital* as consideration for securities in other companies transferred to the Company as a capital contribution	26 months	- Potentially used in connection with acquisitions	- 10% of the capital, adjusted to reflect transactions affecting the share capital subsequent to the 2013 General Meeting - Included in the €520m ceiling specified in the 7th resolution and the Overall Ceiling*	The Board will rule on the report of the Independent Reporting Accountants, which includes an assessment of the value of the assets transferred	- As stipulated by law, this delegation of authority cannot apply to consideration provided in connection with a public exchange offer initiated by the Company within the scope of article L. 225-148 of the French Commercial Code (see 7th resolution)
9	Increasing the number of shares to be issued in the event of a capital increase with or without preemptive rights*	26 months	- Potentially used to reopen a capital increase at the same price as the original issue in the event of oversubscription (also known as a "*greenshoe*" clause)	- For each issue, the ceiling is the regulatory limit applicable on the issue date (currently 15% of the initial issue) - Included in the €520m ceiling specified in the 7th resolution (for issues without preemptive rights*) and in the Overall Ceiling* (for any issue)	Same price as the initial issue	–
10	Incorporation of share premium, reserves, profits or other items	26 months	- Potentially used to incorporate share premium, reserves, profits or other items into the share capital, enabling the capital to be increased without any new money having to be contributed	- €500m - Included in the Overall Ceiling*	The Board determines the amounts incorporated, and the quantity of new equity instruments issued and/ or the new par value of existing equity instruments	–

N°	Purpose	Period of validity	Possible reasons for use of the delegation of authority	Specific ceiling	Price (or method for determining price)	Other information and comments
			EXTRAORDINARY BUSINESS			
11	Issuance of shares or securities giving access to the capital* reserved for members of employee savings plans	26 months	- Potentially used to increase employee share ownership, in France and abroad, by setting up employee savings plans	- 1% of the share capital on the date the Board decides to use this delegated authority - Included in the Overall Ceiling*	- Price set by the Board subject to a minimum issue price for the shares or securities giving access to the capital of: - 80% of the Reference Price* - 70% of the Reference Price* where the lock-up period stipulated by the plan is 10 years or more (for retirement savings plans)	1,672,198 shares were issued in December 2013
12	Allotment of restricted shares	18 months	- The shares will be granted as part of an operation of employee share ownership	- 0.2% of the share capital on the date the Board decides to use this delegated authority - Included in the Overall Ceiling*	–	–

N°	Purpose	Period of validity	Possible reasons for use of the delegation of authority	Specific ceiling	Price (or method for determining price)	Other information and comments
			EXTRAORDINARY BUSINESS			
13	Granting of options to subscribe for or purchase shares	38 months	- Potentially used to incentivize grantees by giving them a stake in the growth of the business	- 0.7% of the share capital on the date the Board decides to use this delegated authority - Included in the Overall Ceiling*	- Price set by the Board in accordance with the law in force on the date of grant, subject to a minimum issue price equal to the Reference Price* with no discount	- Our policy and procedures for the granting of stock options, including options granted to executive directors, are indicated in the introduction to this report and in our 2013 Annual Report on Form 20-F
14	Cancellation of treasury shares	26 months	- Potentially used to reduce the Company's share capital	No more than 10% of the capital may be cancelled during any 24-month period	–	20.8 million shares cancelled at Board sessions on April 30, July 31 and December 19, 2013

Summary table of the financial resolution adopted by shareholders at the General Meeting held May 4, 2012 still valid after the General Meeting to be held on May 5, 2014

N°	Purpose	Period of validity	Possible reasons for use of the delegation of authority	Specific ceiling	Price (or method for determining price)	Other information and comments
			EXTRAORDINARY BUSINESS			
14	Allotment of restricted shares	38 months	- Potentially used to incentivize grantees by giving them a stake in the growth of the business	- 1.2% of the share capital on the date the Board decides to use this delegated authority - Included in the Overall Ceiling*	–	Our policy and procedures for the granting of restricted shares, including restricted shares granted to executive directors, are indicated in the introduction to this report and in our 2013 Annual Report on Form 20-F

Glossary

Overall Ceiling	General ceiling of **€1.3 billion** imposed on share capital increases carried out pursuant to the 6th to 14th resolutions adopted at the AGM of May 3, 2013.
Preemptive rights	Existing shareholders' right to purchase additional shares in an offering before the general public has the opportunity.
Priority subscription rights	In return for the cancellation of preemptive rights*, the Board may introduce priority subscription rights, which may be pro-rated*. Like preemptive rights*, priority subscription rights enable shareholders to subscribe to the proposed issue in proportion to the number of existing shares they own. However, unlike preemptive rights*, priority subscription rights are (i) exercisable within a priority subscription period (currently a minimum of 5 trading sessions) that is shorter than the period allowed for preemptive rights*, and (ii) not negotiable. Priority subscription rights are not necessarily offered for every issue: as with preemptive rights*, it may be preferable or even necessary not to offer them in order for the newly-issued securities to be placed on the best possible terms (in particular when speed is essential to the success of an issue or when an issue is made on foreign financial markets).
Pro-rated (subscription rights)	In some cases, the Board of Directors may institute pro-rated subscription rights in favor of the shareholders. This means that if irreducible subscriptions (i.e. subscriptions by shareholders exercising preemptive rights) fail to absorb the issue, the unsubscribed shares would be allocated to those shareholders who made an application for additional shares on a pro-rated basis (over and above the entitlement given by their preemptive rights) in proportion to their subscription rights, though the number of shares allocated to each shareholder may not exceed the number of shares applied for by that shareholder.
Reference price	Average of the first quoted market prices of the Company's shares on the regulated market of NYSE Euronext Paris during the twenty trading sessions preceding the day of the Board decision: - in the case of the 11th resolution adopted at the AGM of May 3, 2013, setting the opening of the subscription period for members of the employee savings plan; - in the case of the 13th resolution adopted at the AGM of May 3, 2013, granting the stock options.
Securities giving access to share capital	Characteristics of securities giving access to share capital: The 6th, 7th, 8th, 9th, 10th, 11th, 12th and 13th resolutions adopted at the AGM allow the Board to decide upon the issuance of securities giving access to the share capital of the Company either by the issuance of new shares (examples include bonds convertible into or redeemable for shares, or bonds with share warrants attached) or by the delivery of existing shares (examples include "OCEANE" bonds, which are convertible into new shares or exchangeable for existing shares). These securities may take the form of debt instruments (as in the examples given above), or of equity instruments (for example, shares with share warrants attached). However, the issuance of equity instruments that are convertible or transformable into debt instruments is prohibited by law. Methods of allotting the securities to which securities giving access to share capital give entitlement, and dates when this right may be exercised: Securities giving access to share capital that take the form of debt instruments (such as bonds convertible into or redeemable for shares, or bonds with share warrants attached) may give entitlement to the allotment of shares (i) at any time, or (ii) during specified periods, or (iii) on specified dates. This allotment of shares may be effected by conversion (e.g. convertible bonds), redemption (e.g. bonds redeemable for shares), exchange (e.g. bonds exchangeable for shares), or presentation of a warrant (e.g. bonds with share warrants attached) or by any other means during the term of the debt instruments, whether or not shareholders' preemptive rights are maintained in respect of the securities thereby issued. In accordance with the law, the delegations of authority made by this General Meeting in connection with the issuance of securities giving access to share capital entail waiver by the shareholders of their preemptive rights over the shares to which these securities give entitlement.

Securities giving entitlement to the allotment of debt instruments	Characteristics of securities giving entitlement to the allotment of debt instruments, methods of allotting the instruments to which these securities give entitlement, and dates when this right may be exercised: The 6th and 7th resolutions adopted at the AGM allow the Board to decide upon the issuance of securities giving entitlement to the allotment of debt instruments (such as bonds with bond warrants attached, bonds convertible into or redeemable for another debt instrument, or shares with bond warrants attached). These securities may be accompanied by warrants giving entitlement to the allotment, purchase or subscription of bonds or other debt instruments. They could take the form of complex debt instruments in the sense understood by the stock market authorities, for example due to their redemption or remuneration terms or other rights such as indexation or option rights. If bonds or other debt instruments are issued, including in the case of securities giving entitlement to the allotment of debt instruments, your Board may decide whether they are to be subordinated or not (and if applicable, their ranking of subordination, consistent with the provisions of article L. 228-97 of the French Commercial Code), determine the interest (which may be fixed and/or floating rate, and may be compound interest), their term (whether fixed or perpetual), and the other terms and conditions of their issuance (including the possibility of securing or collateralizing them). These securities may be redeemed before maturity, including by delivery of Company assets, with or without a premium, or may be amortized, or may be repurchased on the market including through a tender or exchange offer by the Company.
Statutory Minimum Price	Currently, the statutory minimum price is: - for shares: the weighted average of the quoted market prices during the last three trading sessions on the regulated market of NYSE Euronext Paris preceding the setting of the subscription price for the capital increase minus 5%, after making any adjustment to this average in the event of a difference in the dates of ranking for dividend; - for securities giving access to share capital*: a price such that for any share issued as a result of the securities giving access to share capital*, the total amount received by the Company for these securities giving access to share capital* will be at least equal to the Statutory Minimum Price defined in the previous paragraph (as of the date of issuance of the securities giving access to share capital*).
Subsidiaries	Companies of which Sanofi directly or indirectly owns more than 50% of the voting share capital.

PROPOSED RESOLUTIONS

This text is a free translation from the French language and is supplied solely for information purposes. Only the original version in the French language has legal force.

FIRST RESOLUTION

Approval of the individual Company financial statements for the year ended December 31, 2013

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Chairman's Report, the Board of Directors' Management Report as well as the Statutory Auditors' Reports, approves such as presented and closed, all parts of the individual Company accounts of the 2013 financial year including the balance sheet, the profits and loss account and the notes thereto, as well as the operations posted in these accounts and summarized in these reports, showing a profit of €3,625,585,616.14.

The General Meeting, pursuant to Article 223 ter of the French Tax Code approves the expenses and charges provided for by Article 39-4 of said Code, which amounted to a total of €150,942.83 for 2013.

SECOND RESOLUTION

Approval of the consolidated financial statements for the year ended December 31, 2013

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Chairman's Report, the Board of Directors' Management Report, as well as the Statutory Auditors' Reports, approves such as presented and closed, all parts of the consolidated accounts of the 2013 financial year including the balance sheet, the profits and loss account and the notes thereto, as well as the operations posted in these accounts and summarized in these reports.

THIRD RESOLUTION

Appropriation of profits; declaration of dividend

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, notes that:

• profits for the year of:	€3,625,585,616.14
• plus retained earnings of:	€15,457,091,517.11
gives total distributable profits of:	€19,082,677,133.25
and resolves to appropriate the distributable profits as follows:	
• to the payment of dividend:	€3,708,098,466.80 (1)
• to be carried forward as retained earnings:	€15,374,578,666.45

Consequently, the dividend is set at € 2.80 per share.

(1) The total amount of the distribution is calculated on the basis of the number of shares giving entitlement to dividend on December 31, 2013, i.e. 1,324,320,881 and is likely to change if the number of shares giving entitlement to dividend evolves between January 1, 2014 and the dividend ex-date, in particular according to the number of treasury shares, as well as the vesting of restricted shares and the exercise of stock subscription options (if the beneficiary is entitled to dividends pursuant to the rules of the relevant plan).

In accordance with article 243 bis of the French Tax Code, this dividend is eligible, when it is paid to individual shareholders who are French tax-residents, to the 40% tax relief provided in article 158-3-2° of said Code.

The per-share amount of dividend for each of the previous three years is as follows:

2010	2011	2012
€ 2.50	€ 2.65	€ 2.77

All of the amounts shown in the table above are eligible for the 40% tax relief above mentioned.

The ex-date for this dividend on Euronext Paris shall be May 12, 2014 and the payment date on May 15, 2013.

If the Company holds any of its own shares as of the payment date of the dividend, the proportion of distributable profits not distributed as a result of the Company holding its own shares will be appropriated to retained earnings.

FOURTH RESOLUTION

Approval of the Agreements and Undertakings referred to in articles L. 225-38 et seq. of the French Commercial Code

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the statutory auditors' special report on the agreements and undertakings referred to in articles L. 225-38 *et seq*. of the French Commercial Code, approves this report in all its provisions as well as the agreements and undertakings described herein approved by the Board of Directors during previous fiscal years.

FIFTH RESOLUTION

Renewal of a Director (Christopher Viehbacher)

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Board of Directors' Report, renews Christopher Viehbacher as a Director to serve for a term of four years expiring at the close of the General Meeting called to approve the financial statements for the year ending December 31, 2017.

SIXTH RESOLUTION

Renewal of a Director (Robert Castaigne)

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Board of Directors' Report, renews Robert Castaigne as a Director to serve for a term of four years expiring at the close of the General Meeting called to approve the financial statements for the year ending December 31, 2017.

SEVENTH RESOLUTION

Renewal of a Director (Christian Mulliez)

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Board of Directors' Report, renews Christian Mulliez as a Director to serve for a term of four years expiring at the close of the General Meeting called to approve the financial statements for the year ending December 31, 2017.

EIGHTH RESOLUTION

Appointment of a Director (Patrick Kron)

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Board of Directors' Report, appoints Patrick Kron as a Director to serve for a term of four years expiring at the close of the General Meeting called to approve the financial statements for the year ending December 31, 2017.

NINTH RESOLUTION

Advisory vote on the elements of compensation due or granted for the fiscal year ended December 31, 2013 to Serge Weinberg, Chairman of the Board of Directors

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, consulted pursuant to the recommendation set forth in paragraph 24.3 of the June 2013 AFEP-MEDEF Code of corporate governance which is the reference code designated by the Company as its governance code pursuant to Article L. 225-37 of the French Commercial Code, having approved the annual accounts and the Management Report presented by the Board of Directors, expresses a favorable opinion on the elements of compensation due or granted to Serge Weinberg for the fiscal year ended December 31, 2013, as described in the Board of Directors' Report presented to the General Meeting.

TENTH RESOLUTION

Advisory vote on the elements of compensation due or granted for the fiscal year ended December 31, 2013 to Christopher Viehbacher, Chief Executive Officer

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, consulted pursuant to the recommendation set forth in paragraph 24.3 of the June 2013 AFEP-MEDEF Code of corporate governance which is the reference code designated by the Company as its governance code pursuant to Article L. 225-37 of the French Commercial Code, having approved the annual accounts and the Management Report presented by the Board of Directors, expresses a favorable opinion on the elements of compensation due or granted to Christopher Viehbacher for the fiscal year ended December 31, 2013, as described in the Board of Directors' Report presented to the General Meeting.

ELEVENTH RESOLUTION

Authorization to the Board of Directors to carry out transactions in shares issued by the Company

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Board of Directors' Report, authorizes the Board of Directors, with powers to subdelegate within the law, in accordance with article L. 225-209 *et seq* of the French Commercial Code, to purchase or arrange for the purchase of shares in the Company, with a view to:

- the implementation of any Company stock option plan under the terms of article L. 225-177 *et seq* of the French Commercial Code or any similar plan; or
- the allotment or sale of shares to employees under the French statutory profit-sharing scheme or the implementation of any entity or group (or similar) savings plan on the conditions stipulated by law, in particular article L. 3332-1 *et seq* of the French Labor Code; or
- the allotment of restricted shares under the terms of article L. 225-197-1 *et seq* of the French Commercial Code; or
- generally, the honoring of obligations relating to stock option programs or other share allotments to employees or corporate officers of the issuer or of an associated entity; or
- the delivery of shares on the exercise of rights attached to securities giving access to the capital by redemption, conversion, exchange, presentation of a warrant or any other means; or
- the cancellation of some or all of the shares purchased; or
- the delivery of shares (in exchange, as payment, or otherwise) in connection with acquisitions, mergers, demergers or asset-for-share exchanges; or
- market-making in the secondary market or maintenance of the liquidity of Sanofi shares by an investment services provider under a liquidity contract that complies with the ethical code recognized by the *Autorité des marchés financiers*.

Purchases of the Company's own shares may be made such that:

- the number of shares acquired by the Company during the repurchase program may not exceed 10% of the shares which constitute the share capital at that time, this percentage being applied to a share capital figure adjusted to reflect transactions affecting the share capital subsequent to the present General Meeting (i.e. as an indication, as at December 31, 2013, 132,432,088 shares), it being stipulated that (i) the number of shares acquired with a view to their retention or future delivery in connection with a merger, demerger or asset-for-share exchange may not exceed 5% of the Company's share capital; and (ii) where the shares are repurchased to improve liquidity on the conditions set out in the general regulations of the *Autorité des marchés financiers*, the number of shares taken into account in calculating the 10% limit mentioned above will be the number of shares purchased minus the number of shares resold during the period of the authorization;
- the number of own shares held by the Company at any time may not exceed 10% of the shares which constitute the share capital of the Company at that time.

Acquisitions, sales and transfers of shares may be made at any time subject to the limits authorized by the laws and regulations in force but not during the period of a public tender offer and by any means, on regulated markets or via a multilateral trading facility or a systematic internalizer or over the counter, including by block purchases or sales (with no limit on the portion of the share repurchase program that can be carried out by this means), by public tender offer or public exchange offer or by the use of options, forwards or futures traded on regulated markets or a multilateral trading facility or via a systematic internalizer or over the counter or by delivery of shares arising from the issuance of securities giving access to the Company's capital by conversion, exchange, redemption, presentation of a warrant or any other means, either directly or through an investment services provider.

The maximum purchase price of shares under the present resolution will be 100 euros per share (or the equivalent value of this amount as at the same date in any other currency or currency unit established by reference to more than one currency).

The General Meeting delegates to the Board of Directors powers to adjust the aforementioned maximum purchase price in the event of a change in the par value of the share, increase in share capital by incorporation of reserves, grant of free shares, stock split or reverse stock split, distribution of reserves or of any other assets, redemption of capital, or any other transaction affecting shareholders' equity, so as to take account of the impact of such transactions on the value of the shares.

The total amount allocated to the share repurchase program authorized above may not exceed 13,243,208,800 euros (or the equivalent value of this amount as at the same date in any other currency or currency unit established by reference to more than one currency).

The General Meeting confers full powers on the Board of Directors, with powers to subdelegate within the law, to decide on and implement the present authorization and if necessary to specify the conditions and determine the terms thereof, to implement the share repurchase program, and in particular to place stock market orders, enter into agreements, allocate or reallocate acquired shares to desired objectives on the applicable legal and regulatory conditions, set terms and conditions on which the rights of holders of securities or options will if necessary be preserved, in accordance with legal, regulatory or contractual provisions, make declarations to the *Autorité des marchés financiers* or any other competent authority, accomplish all other formalities and generally do all that is necessary.

This authorization deprives of effect from this day any unused portion of any previous delegation to the Board of Directors of authority to carry out transactions in the Company's own shares. It is granted for a period of eighteen (18) months from this day.

TWELFTH RESOLUTION

Powers for formalities

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, confers full powers on the bearer of an original, copy or extract of the minutes of its deliberations to carry out any filings (including filings with the relevant registry) and formalities required by law.

CURRENT COMPOSITION OF THE BOARD OF DIRECTORS

Chairman of the Board of Directors
Independent Director

Serge Weinberg

Chief Executive Officer
Director

Christopher A. Viehbacher

Directors

Laurent Attal,
Uwe Bicker, independent director,
Robert Castaigne, independent director,
Thierry Desmarest,
Lord Douro, independent director,
Jean-René Fourtou, independent director,
Claudie Haigneré, independent director,
Igor Landau,
Fabienne Lecorvaisier, independent director,
Suet-Fern Lee, independent director,
Christian Mulliez,
Carole Piwnica, independent director,
Klaus Pohle, independent director,
Gérard Van Kemmel, independent director.

WHOSE REAPPOINTMENT IS SUBMITTED TO THE GENERAL MEETING[1]

Christopher Viehbacher

Date of birth:	March 26, 1960
Nationality:	German and Canadian
First elected:	December 2008
Last reappointment:	May 2010
Term expires:	2014

Directorships and appointments of Christopher Viehbacher

	Whithin the Sanofi Group	Outside the Sanofi Group
Current directorships and appointments		**In French companies**
	• **Director and Chief Executive Officer of Sanofi*** – Chairman of the Executive Committee and Head of Global Leadership Team of Sanofi – Member of the Strategy Committee of Sanofi	None
		In Foreign Companies
	• Chairman of Genzyme (United States)	• Chairman of European Federation of Pharmaceutical Industries and Associations (EFPIA, Belgium) • Member of Visitors of Fuqua School of Business, Duke University (United States) • Member of the Board of Business Roundtable (United States) • Member of the International Business Council, World Economic Forum (Switzerland) • Chairman of the CEO Roundtable on Cancer (United States)
Past directorships held since 2009		**In French Companies**
	None	None
		In Foreign Companies
	• Chairman and Chief Executive Officer of Genzyme (United States, until 2011)	• Member of Advisory council of Center for Healthcare Transformation (United States, until 2010) • Chairman and member of the Board of Directors of Research America and Burroughs Wellcome Fund (United States, until 2011) • Chairman of the Board of Directors of PhRMA (United States, until 2012) • Vice Chairman of European Federation of Pharmaceutical Industries and Associations (EFPIA, Belgium, until June 2013)

Education and business experience

- B. A. in Commerce from Queens University (Ontario-Canada); certified public account
- Began his career at PricewaterhouseCoopers Audit

1988-2008	Various positions at the GSK group, including President Pharmaceutical Operations for North America
2004-2008	Member of the Cardinal Club (United States)

Number of shares

135,442 shares

(1) Positions held in listed companies are flagged by an asterisk. Each person's principal position is indicated in bold.

Robert Castaigne

Date of birth:	April 27, 1946
Nationality:	French
First elected:	February 2000
Last reappointment:	May 2010
Term expires:	2014

Directorships and appointments of Robert Castaigne

	Whithin the Sanofi Group	**Outside the Sanofi Group**
Current directorships and appointments	• **Independent director of Sanofi*** – Member of the Audit Committee of Sanofi	**In French companies** • Société Générale*: – Director – Member of the Audit, Internal control and Risk Committee • Vinci*: – Director – Member of the Audit Committee – Member of the Remuneration Committee
		In Foreign Companies
	None	None
Past directorships held since 2009		**In French Companies**
	None	None
		In Foreign Companies
	None	• Director and member of the Audit Committee of Compagnie Nationale à Portefeuille (Belgium, until 2011)

Education and business experience

- Degree from *Ecole Centrale de Lille* and *Ecole Nationale Supérieure du Pétrole et des Moteurs*
- Doctorate in economics

1972-2008	Various positions at Total* group, including Chief Financial Officer and member of the Executive Committee (1994-2008)

Number of shares

1,000 shares

Christian Mulliez

Date of birth:	November 10, 1960
Nationality:	French
First elected:	June 2004
Last reappointment:	May 2010
Term expires:	2014

Directorships and appointments of Christian Mulliez

	Whithin the Sanofi Group	Outside the Sanofi Group
Current directorships and appointments		**In French companies**
	• Director of Sanofi* – Member of the Audit Committee of Sanofi – Member of the Compensation Committee of Sanofi	• Chairman of the Board of Directors of Regefi • Director of DG 17 Invest
		In Foreign Companies
	None	• Director of L'Oréal USA Inc. (United States) • Director of Galderma Pharma (Switzerland) • Director of The Body Shop International (United Kindgdom)
Past directorships held since 2009		**In French companies**
	None	None
		In Foreign Companies
	None	None

Education and business experience

- Degree from ESSEC (*Ecole Supérieure des Sciences Economiques et Commerciales*)

Since 2003	**Vice President General Manager Administration and Finance at L'Oréal***
1984-2002	Various positions at Synthélabo and then at Sanofi-Synthélabo, including Vice President Finance

Number of shares

1,444 shares

INFORMATION ABOUT THE DIRECTORS

WHOSE APPOINTMENT IS SUBMITTED TO THE GENERAL MEETING

Patrick Kron

	Date of birth:	September 26, 1953
	Nationality:	French

Current directorships and appointments of Patrick Kron

	Whithin the Sanofi Group	Outside the Sanofi Group
Current directorships and appointments		**In French companies**
	None	• Alstom* : – **Chairman and Chief Executive Officer of Alstom** – Chairman of Alstom Resources Management SAS • Bouygues* : – Director • Director of *Association Française des Entreprises Privées* (AFEP)
		In Foreign Companies
	None	• Alstom* : – Director and Managing Director of Alstom Asia Pte. Ltd.
Past directorships held since 2009		**In French companies**
	None	Aucun
		In Foreign Companies
	None	• Alstom*: – Director of Alstom UK Holdings Ltd.

Education and business experience

- Degree from *Ecole Polytechnique* and *Ecole Nationale Supérieure des Mines de Paris*

1979-1984	Various positions at the French Ministry of Industry, including as project officer at the *Direction régionale de l'Industrie, de la Recherche et de l'Environnement* (DRIRE) and in the Ministry's general directorate
1984-1988	Operational responsibilities in one of the Pechiney Group's most important factories in Greece then manager of the Greek subsidiary
1988-1993	Various senior operational and financial positions within the Pechiney Group
1993	Member of the Executive Committee of the Pechiney Group
1993-1997	Chairman of the Board of the Carbone Lorraine Company
1995-1997	Manager of the Food and Health Care Packaging Sector of Pechiney and Chief Operating Officer of the American National Can Company in Chicago (United States)
1998-2002	Chief Executive Officer of Imerys
Since 2003	**Chief Executive Officer of Alstom then Chairman and Chief Executive Officer**

STATUTORY AUDITORS' REPORT

ON THE NON-CONSOLIDATED FINANCIAL STATEMENTS

This is a free translation into English of the statutory auditors' report on the non-consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information presented below is the audit opinion on the non-consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the non-consolidated financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures. This report also includes information relating to the specific verification of information given in the Group's management report. This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your general annual meetings, we hereby report to you, for the year ended December 31, 2013, on:

- the audit of the accompanying financial statements of Sanofi;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2013 and of the results of its operations for the year then ended in accordance with French accounting principles.

II. Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we bring to your attention the following matters:

- Investments in affiliates presented in the balance sheet assets of Sanofi are valued in accordance with the methods described in note 2.d to the financial statements. We have examined the elements used to estimate book values of investments in group affiliates, as well as the valuation assumptions used and, when applicable, we have reviewed the calculation of impairment losses. We have verified that notes 6.a and 6.b to the financial statements provide appropriate information.
- Sanofi must face several risks and litigations for tax matters or relating to intellectual property and contingencies arising from business divestments, as described in note 11 to the financial statements. We have considered the different elements used for estimate purposes supporting the provisions recorded which have been communicated to us, including correspondence with lawyers.

As indicated in note 2.m to the financial statements, estimates mentioned in the preceding paragraphs are based on forecasts or assumptions where the final completion, due to uncertainties inherent in the estimation process, may differ from those anticipated in determining these estimates.

We have carried out an assessment of the reasonableness of these estimates.

These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Management Report of the Board of Directors and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of article L. 225-102-1 of the French Commercial Code *(Code de commerce)* relating to remunerations and benefits received by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling your Company or controlled by it. Based on this work, we attest the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders or holders of the voting rights have been properly disclosed in the Management Report.

Neuilly-sur-Seine and Paris-La Défense, March 6, 2014

The statutory auditors
(French original signed by)

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres
Xavier Cauchois	Nicolas Pfeuty

STATUTORY AUDITORS' REPORT

ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information presented below is the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures. This report also includes information relating to the specific verification of information given in the Group's management report. This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meetings, we hereby report to you, for the year ended December 31, 2013, on:

- the audit of the accompanying consolidated financial statements of Sanofi;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the group as at December 31, 2013 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Without qualifying our opinion, we draw your attention to the matter set out in note A.2.2. to the consolidated financial statements which describes the accounting impact of the adoption of the amended IAS 19 – Employee Benefits, effective as of January 1st, 2013.

II. Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

- Your Company has accounted for business combinations in accordance with the methods and the terms described in notes B.3. and B.4.3. to the financial statements. The purchase price allocation is performed, if necessary, with the assistance of an independent appraiser. We have reviewed the procedures implemented to identify assets and liabilities acquired, the methodologies used to determine fair values and the underlying data and assumptions used. We have verified that notes D.1. and D.4 to the financial statements provide appropriate information.
- Your Company tests annually for impairment goodwill and other intangible assets not yet available for use, and assesses whether or not events or changes in circumstances indicate that other intangible and tangible assets may be impaired, in accordance with the method described in notes B.3.2., B.6.1. and D.5. to the financial statements. We have reviewed the procedures of identification and centralization of such events or changes in circumstances, the methodology used to determine fair values, and the data and assumptions used when performing impairment tests. We have verified that note D.5. to the financial statements provides appropriate information.

- Your Company records provisions for pension and other long-term benefits obligations, in accordance with the methods described in notes B.23. and D.19.1. to the financial statements. These obligations essentially have been evaluated with the assistance of external actuaries. Our work consisted in an examination of underlying data, an appreciation of assumptions used and verification that note D.19.1. to the financial statements provides appropriate information.
- Your Company is exposed to several risks and litigations relating to tax and environmental matters or relating to its products and intellectual property and to contingencies arising from certain business divestitures. As described in notes B.12. B.22 D.19.3. and D.22 to the financial statements, your Company has performed an evaluation of all risks and litigations identified and related reserves. We have examined supporting evidence for these estimates which has been communicated to us including correspondence with lawyers.
- Your Company establishes provisions for restructuring according to the methodologies and the procedures described in notes B.12. and D.19.2. to the financial statements. Our work consisted in examining underlying data, assessing assumptions used, and in verifying that notes D.19.2. and D.27. to the financial statements provide appropriate information.

As indicated in note A.3. to the financial statements, the estimates mentioned in previous paragraphs are based on forecasts or assumptions; actual realization could differ from those forecast when determining these estimates because of the inherent uncertainty of any assessment process.

In the framework of our assessments, we have assessed the reasonableness of these estimates.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verification

As required by law, we have also verified, in accordance with professional standards applicable in France, the information given in the Group’s Management Report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, March 6, 2014

The statutory auditors
(French original signed by)

PricewaterhouseCoopers Audit
Xavier Cauchois

ERNST & YOUNG et Autres
Nicolas Pfeuty

STATUTORY AUDITORS' SPECIAL REPORT

ON RELATED PARTY AGREEMENTS AND COMMITMENTS

This is a free translation into English of a report issued in the French language 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 auditing standards applicable in France.

To the Shareholders,

In our capacity as statutory auditors of your Company, we hereby report on certain related party agreements and commitments.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements and commitments indicated to us, or that we may have identified in the performance of our engagement. We are not required to comment as to whether they are beneficial or appropriate or to ascertain the existence of any such agreements and commitments. It is your responsibility, in accordance with article R. 225-31 of the French Commercial Code (Code de commerce), to evaluate the benefits resulting from these agreements and commitments prior to their approval.

In addition, we are required, where applicable, to inform you in accordance with article R. 225-31 of the French Commercial Code (*Code de commerce*) concerning the implementation, during the year, of the agreements and commitments already approved by the general meeting of shareholders.

We performed those procedures which we considered necessary to comply with professional guidance issued by the national auditing body (*Compagnie nationale des commissaires aux comptes*) relating to this type of engagement. These procedures consisted in verifying that the information provided to us is consistent with the documentation from which it has been extracted.

Agreements and commitments submitted for approval by the general meeting of shareholders

We hereby inform you that we have not been advised of any agreements or commitments concluded in the course of the year to be submitted to the general meeting of shareholders for approval in accordance with article L. 225-38 of the French Commercial Code (*Code de commerce*).

Agreements and commitments already approved by the general meeting of shareholders

a) Agreements and commitments approved in prior years whose implementation continued during the year

We hereby inform you that we have not been advised of any agreements or commitments already approved by the general meeting of shareholders whose implementation continued during the year.

b) Agreements and commitments approved in prior years which were not implemented during the year

In addition, we have been advised that the following agreements and commitments which were approved by the general meeting of shareholders in prior years were not implemented during the year.

With Mr Christopher Viehbacher, Chief Executive Officer of your Company

As a termination benefit.

Nature and purpose

During the meeting held on December 17, 2008, the Board of Directors of your Company authorized the termination benefit granted for Mr Christopher Viehbacher.

Conditions

In the event of his removal from office as Chief Executive Officer, Mr Christopher Viehbacher would be entitled to a termination benefit equivalent to two years of total compensation on the basis of his fixed compensation effective on the date he ceases to hold office and the last variable compensation received prior to that date, subject to the performance criteria described below.

Payment of the termination benefit will be contingent upon fulfilment of two of the three following performance criteria, assessed over the three financial years preceding his removal from office:

- The average of the ratios of adjusted net income excluding selected items to net sales for each financial year must be at least equal to 15%;

- The average of the ratios of operating cash flow before changes in working capital to net sales for each financial year must be at least equal to 18%;
- The average of the growth rates for the group's activities, measured for each financial year in terms of net sales on a comparable basis, must be at least equal to the average of the growth rates of the Pharmaceutical and Vaccines activities of the top twelve global pharmaceutical companies, measured for each financial year in terms of net sales adjusted for the principal effects of exchange rates and changes in consolidation perimeter.

As a top-up pension plan.

Nature and purpose

The Board of Directors of your Company also authorized the admission of Mr Christopher Viehbacher to the Sanofi top-up defined benefit pension plan offered to executives of your Company and its French subsidiaries, who meet the eligibility criteria specified in the plan rules.

Conditions

The main characteristics of the pension are as follows:

The top-up pension is in the form of a life annuity, and is transferable as a survivor's pension. The annuity is based on the arithmetical average of the three highest years' average annual gross compensation (fixed plus variable) paid during the five years (not necessarily consecutive) preceding final term of employment. This reference compensation is capped at 60 times the French social security ceiling applicable in the year in which the rights vest. The annuity varies according to length of service and supplements the compulsory industry schemes, subject to a cap equal to 37.5% of end of career compensation.

The top-up defined benefit pension plan of your Company granted to Mr Christopher Viehbacher comes along with a gratitude of ten years of deemed service.

Neuilly-sur-Seine and Paris-La Défense, March 6, 2014

The statutory auditors
(French original signed by)

PricewaterhouseCoopers Audit	ERNST & YOUNG et Autres
Xavier Cauchois	Nicolas Pfeuty

OVERVIEW OF SANOFI IN 2013

KEY FIGURES OF SANOFI

(€ million, except per share data)	As of and for the year ended December 31, 2013	2012 [(1)]	2011 [(1)]
IFRS Income statement data			
Net sales	32,951	34,947	33,389
Gross profit	22,316	24,859	24,193
Operating income	5,106	6,432	5,861
Net income attributable to equity holders of Sanofi	3,717	4,889	5,646
Basic earnings per share (€)[(2)]			
Net income attributable to equity holders of Sanofi	2.81	3.71	4.27
Diluted earnings per share (€)[(3)]			
Net income attributable to equity holders of Sanofi	2.78	3.68	4.26
IFRS Balance sheet data			
Goodwill and other intangible assets	52,529	58,265	62,221
Total assets	96,065	100,409	100,672
Outstanding share capital	2,641	2,646	2,647
Equity attributable to equity holders of Sanofi	56,885	57,332	56,193
Long term debt	10,414	10,719	12,499
Cash dividend paid per share (€)[(4)]	2.80[(5)]	2.77	2.65
Cash dividend paid per share ($)[(4)/(6)]	3.86[(5)]	3.65	3.43

(1) Includes the impact of applying the revised IAS 19.

(2) Based on the weighted average number of shares outstanding in each period used to compute basic earnings per share, equal to 1,323.1 million shares in 2013, 1,319.5 million shares in 2012, and 1,321.7 million shares in 2011.

(3) Based on the weighted average in each period of the number of shares outstanding plus stock options and restricted shares with a potentially dilutive effect; i.e., 1,339.1 million shares in 2013, 1,329.6 million shares in 2012 and 1,326.7 million shares in 2011.

(4) Each American Depositary Shares, or ADS, represents one half of one share.

(5) Proposed for approval at the annual general meeting scheduled for May 5, 2014.

(6) Based on the relevant year-end exchange rate.

SIGNIFICANT EVENTS IN 2013

- During 2013, Sanofi continued to follow the strategic direction established in 2008, and to pursue its four key objectives: continuing to build a global healthcare leader with synergistic platforms, bringing innovative products to market, exploring value-enhancing external growth opportunities, and adapting its structures to meet the opportunities and challenges of the future.
- Sanofi's 2013 full-year results were, until August, negatively impacted by the residual effects of the loss of exclusivity in the United States of a number of our historical flagship products in the previous year: Avapro® in March 2012, Plavix® in May 2012, and Eloxatin® in August 2012. In a tough economic climate and against a backdrop of pressure by governments to cut healthcare costs, we have been able to limit the drop in our net sales and profitability thanks to the performance of our growth platforms and rigorous cost control.
- The Group's 2013 net sales reached €32,951 million.
- During 2013, Sanofi continued its policy of targeted acquisitions and of alliances in research and development. It also entered into various alliances and licensing deals to extend or strengthen its existing research fields.
- As of December 31, 2013, Sanofi had reduced its debt, net of cash and cash equivalents to €6,043 million.

BUSINESS OVERVIEW

Pharmaceuticals

FILINGS FOR MARKETING APPROVAL OF NEW PRODUCTS

In 2013, Sanofi obtained many marketing approvals. In the European Union, the European Commission approved four products: Lyxumia® (lixisenatide), a once-daily prandial GLP-1 receptor agonist, indicated for the treatment of adults with type 2 diabetes to achieve blood sugar control in combination with oral glucose-lowering medicinal products and/or basal insulin when these, together with diet and exercise, do not provide adequate blood sugar control; Zaltrap® (aflibercept), a recombinant fusion protein in combination with the FOLFIRI (irinotecan/5-fluorouracil/folinic acid) regimen, for the treatment of adults with metastatic colorectal cancer that is resistant to or has progressed after an oxaliplatin-containing regimen; Aubagio® (teriflunomide) 14 mg, an oral immunomodulating agent in a once-daily dose, used in the treatment of adults with relapsing-remitting multiple sclerosis; and Lemtrada™[(1)] (alemtuzumab), a humanized monoclonal antibody in the treatment of adults suffering from relapsing-remitting multiple sclerosis with active disease. In the United States, the Food and Drug Administration (FDA) approved two products: Kynamro® (mipomersen sodium, in partnership with Isis Pharmaceuticals) in the treatment of homozygous familial hypercholesterolemia; and Nasacort® Allergy 24H, a nasal spray sold over-the-counter and indicated in the treatment of seasonal and perennial allergies of the upper respiratory tract (allergic rhinitis) in adults, and in children aged 2 years and over. The FDA also granted a six-month Priority Review designation to the new drug application for Cerdelga™ (eliglustat), an investigational oral therapy for adult patients with Gaucher disease type 1. In Japan, the Japanese Ministry of Health, Labor and Welfare approved the manufacturing and distribution of Lyxumia® for the treatment of type 2 diabetes in combination with basal insulin, in cases where diet and exercise in combination with hypoglycemic sulfonylureas or soluble insulin do not provide sufficient blood sugar control.

Two marketing authorization applications were withdrawn in 2013. Following a negative opinion, the registration dossier in the European Union for Kynamro® (mipomersen sodium) in the treatment of homozygous familial hypercholesterolemia in was withdrawn. Sanofi announced its decision to withdraw the new drug application (NDA) for lixisenatide in the United States, indicating that it intends to file a new NDA in 2015, based on the complete results of the ELIXA study rather than on interim data.

In December 2013, Genzyme received a Complete Response Letter from the FDA for its supplemental Biologics License Application seeking approval of Lemtrada™[(1)] for the treatment of relapsing forms of MS. A Complete Response Letter informs companies that an

(1) LemtradaTM is the exclusive name submitted to the healthcare authorities for the investigational agent alemtuzumab in the treatment of multiple sclerosis.

application is not ready for approval. Genzyme is preparing the appeal of the FDA's decision.

RESEARCH AND DEVELOPMENT

The main developments in the research and development (R&D) portfolio of the Group during 2013 are presented in section B.5. of the item 4 of Sanofi's 2013 annual report on Form 20-F.

Many results from clinical studies and recruitments were also communicated in 2013, notably for eliglustat, dupilumab, alirocumab, sarilumab, the U300 insulin, Aubagio® and Lemtrada™. Besides, certain projects were discontinued in 2013 as a result of unsatisfactory clinical results, notably iniparib, otamixaban and fedratinib.

ACQUISITIONS, COLLABORATION AGREEMENTS AND DIVESTMENTS

2013 was marked by a number of acquisitions and collaboration agreements.

The main acquisitions in 2013 were the completion of the acquisition by Chattem of the worldwide rights to the Rolaids® brand, an over-the-counter antacid that helps relieve heartburn and acid reflux, that has been marketed by Sanofi in the United States since September 2013; and the completion of the acquisition of Genfar S.A. (Genfar), a Colombian pharmaceutical company and a significant player in its home market and other Latin American countries, allowing Sanofi to become the pharmaceuticals market leader in Colombia.

Many partnerships and alliances have also been announced during 2013, notably a collaboration agreement with Transgene SA to create a new state-of-the-art platform dedicated to the production of immunotherapy products, and in particular Transgene's therapeutic products, to be built on the Genzyme Polyclonals site at Lyon (France); a novel collaboration with Regeneron and the American College of Cardiology (ACC) centered on improving clinical research into alirocumab, an investigational monoclonal antibody co-developed by Sanofi and Regeneron that targets PCSK9 (proprotein convertase subtilisin/kexin type 9); and the renewal for three years of a partnership agreement with Aviesan (the French National Alliance for Life Sciences and Health) the objective of which is to work together in developing new treatments targeting unmet medical needs, including in the field of rare diseases.

2013 was also marked by the restructuring of the Sanofi-Bristol-Myers Squibb (BMS) alliance, announced in October 2012 by Sanofi and BMS following the loss of exclusivity for Plavix® and Avapro®/Avalide® in many major markets, and that took effect on January 1, 2013.Under the new agreement, BMS returned to Sanofi its rights to Plavix® and Avapro®/Avalide® worldwide, with the exception of the United States and Puerto Rico for Plavix®, thereby giving Sanofi exclusive control over these products and their commercialization.

Human Vaccines (Vaccines)

FILINGS FOR MARKETING APPROVAL AND NEW VACCINE LAUNCHES

- In April 2013, the European Commission approved the 6in1 pediatric vaccine Hexyon™/Hexacima® for primary and booster vaccination of infants aged six weeks and over, against diphtheria, tetanus, pertussis, hepatitis B, poliomyelitis and invasive infections caused by *Haemophilus influenzae* type b. The new vaccine is marketed under the Hexyon™ trademark by Sanofi Pasteur MSD in Western Europe, and under the Hexacima® trademark by Sanofi Pasteur in Eastern Europe.
- In June 2013, the FDA approved Sanofi Pasteur's supplemental Biologics License Application (sBLA) seeking marketing approval for its Fluzone® Quadrivalent vaccine, a formulation containing four strains of the influenza virus. Fluzone® Quadrivalent is authorized for administration to children aged over six months, adolescents and adults.
- In September 2013, Sanofi Pasteur announced that Menomune®, a quadrivalent vaccine against invasive meningococcal infections licensed by the FDA in 1981, had been prequalified by the World Health Organization (WHO).

RESEARCH AND DEVELOPMENT

- In August 2013, Sanofi Pasteur initiated *Cdiffense*, a Phase III clinical trials program to evaluate the safety, immunogenicity and efficacy of an investigational vaccine for the prevention of primary symptomatic *Clostridium difficile* infection (CDI), one of the leading causes of life-threatening, healthcare-associated infections worldwide;
- In August 2013, Sanofi Pasteur announced preliminary results from a large-scale efficacy trial which demonstrated that the Fluzone® High-Dose vaccine was significantly more effective than standard dose Fluzone® vaccine in preventing influenza among adults aged 65 and over.

Animal Health

FILINGS FOR MARKETING APPROVAL AND NEW VACCINE LAUNCHES

- In September 2013, the US FDA approved NexGard™ (afoxolaner), monthly-administered chewables for the treatment and prevention of flea infestations, and treatment and control of the American Dog tick in adult dogs and puppies. The product was launched in the first quarter of 2014;
- In December 2013, the EMA granted E.U.-wide marketing authorization for Broadline™, a broad-spectrum parasite prevention and cure treatment for cats and kittens. The product is a combination of four active ingredients, and protects cats for one month.

ACQUISITION

In June 2013, Merial, Sanofi's Animal Health division, announced the approval and completion of its acquisition of the animal health division of the Indian company Dosch Pharmaceuticals Private Limited, which markets animal health products and specialties for ruminants, poultry and companion animals.

Significant events subsequent to December 31, 2013

- On January 13, 2014, Genzyme and Alnylam Pharmaceuticals, Inc. (Alnylam) extended their strategic agreement to develop and commercialize treatments for rare genetic diseases. Under the terms of this strategic agreement, Genzyme will obtain significant rights to Alnylam's portfolio of clinical and pre-clinical stage drug candidates, and Alnylam will retain the rights to most of its products in North America and Western Europe, with certain option rights exercisable by Genzyme to co-commercialize with Alnylam. As part of the transaction, Genzyme becomes a major shareholder in Alnylam with an equity interest of approximately 12%, thanks to an investment of $700 million. In addition, Alnylam will from January 1, 2015 receive research and development funding for those programs for which Genzyme has elected to opt-in for development and commercialization. Alnylam may also be entitled to receive milestone payments and royalties.
- In January 2014, Regeneron, Sanofi and some of its subsidiaries (collectively "Sanofi") agreed to amend and restate the original 2007 investor agreement. The new agreement was amended to, among other things, provide Sanofi with the right to nominate a single independent director to the Regeneron's Board of Directors upon reaching 20% ownership of the Company's then outstanding shares of Class A Stock and Common Stock. Sanofi retains its right to acquire up to 30% of the Capital Stock.
- On February 18, 2014, Sanofi announced that the European Commission has approved NexGard™ (*afoxolaner*) for the treatment of flea and tick infestations in dogs. NexGard™ can also be used as part of a treatment strategy for the control of flea allergy dermatitis.

OPERATING AND FINANCIAL REVIEW

- **Net Sales by segment**

Net sales for the year ended December 31, 2013 amounted to €32,951 million, down 5.7% on 2012. Exchange rate movements had a unfavorable effect of 5.2 points, mainly reflecting the depreciation of the yen, the U.S. dollar, the Brazilian real, the Venezuelan bolivar, the Australian dollar and the South African rand against the euro. At constant exchange rates, net sales fell by 0.5% year-on-year.

Reconciliation of the reported net sales for the years ended December 31, 2013 and December 31, 2012 to the net sales at constant exchange rates(1):

(€ million)	2013	2012	Change
Net sales	**32,951**	**34,947**	**-5.7%**
Effect of exchange rates	1,806		
Net sales at constant exchange rates	**34,757**	**34,947**	**-0.5%**

(1) At constant exchange rates, see definition.

The Pharmaceuticals segment

In 2013, net sales for the Pharmaceuticals segment were €27,250 million, down 5.6% on a reported basis and 0.2% at constant exchange rates. The year-on-year change (decrease of €1,621 million) reflects the negative effect of exchange rates (€1,551 million) on the one hand, and the following impacts at constant exchange rates on the other hand:

- the positive performance of growth platforms (€1,684 million), mainly our Diabetes and Genzyme businesses;
- the negative effects of generic competition (mainly on sales of Eloxatin® and Lovenox® in the United States, and of Aprovel® and Plavix® in Western Europe), totaling €1,253 million of net sales lost; and
- other impacts (negative evolution of €501 million), including the negative impact of austerity measures in the European Union and temporary difficulties in distribution channels for our Generics business in Brazil.

Net sales for the Diabetes business amounted to €6,568 million, up 18.7% at constant exchange rates, driven by double-digit growth for Lantus® and Apidra®.

The Oncology business reported net sales of €1,465 million, down 35.3% at constant exchange rates, due mainly to the effects of the expected expiration of exclusivity for Eloxatin® in the United States.

The Genzyme business (which consists of treatments for rare diseases, and treatments for multiple sclerosis) generated net sales of €2,142 million, up 25.9% at constant exchange rates, reflecting the return to full supply capacity for Cerezyme® and Fabrazyme®, an increased number of patients in rare diseases, and the launch of Aubagio® in the United States.

Net sales for the Consumer Health Care business rose by 5.2% at constant exchange rates in 2013, to €3,004 million, driven by growth in Emerging Markets and the United States.

The Generics business reported net sales of €1,625 million in 2013, down 8.2% at constant exchange rates, with the performance adversely affected by temporary difficulties in distribution channels in Brazil and by a decline in sales of authorized generics of Lovenox®, Aprovel® and Taxotere® in the US, and despite organic sales growth in Western Europe.

The Human Vaccines (Vaccines) segment

Net sales for the Vaccines segment amounted to €3,716 million in 2013, down 8.2% at constant exchange rates, reflecting a decline in net sales for Pentacel® and Adacel® triggered by supply limitations lasting from April 2012 until October 2013, and a contraction in sales of Menactra®, largely in the United States where the timing of public procurement tenders was less favorable than in 2012.

The Animal Health segment

The Animal Health segment achieved net sales of €1,985 million in 2013, down 5.3% at constant exchange rates (down 8.9% on a reported basis). Sales of products in the Frontline®/fipronil range were affected by increased competition from prescription products and branded generics, and by unfavorable weather conditions in the United States and Western Europe.

- **Net Sales by Geographical Region**

In the United States, net sales fell by 0.7% at constant exchange rates to €10,433 million. Negative factors included the loss of exclusivity of Eloxatin® in August 2012 (down 97.4% at constant exchange rates), competition from generics of Lovenox® (down 39.5% at constant exchange rates), and supply limitations for Pentacel® and Adacel® in the Polio/Pertussis/Hib vaccines franchise (down 23.8% at constant exchange rates). Positive factors included strong performances by the Genzyme business (up 42.6% at constant exchange rates, at €777 million) and the Diabetes division (up 26.1% at constant exchange rates, at e3,862 million).

In Emerging Markets, net sales were €10,957 million, an increase of 4.4% at constant exchange rates. Growth was slowed by temporary difficulties in the Generics business in Brazil, but was mainly driven by the Diabetes division (up 16.1% at constant exchange rates, at €1,250 million), by the Vaccines segment (up 11.5% at constant exchange rates, at €1,341 million) and by Genzyme (up 33.3% at constant exchange rates, at €461 million). In China, net sales totaled €1,471 million, up 18.6% at constant exchange rates, reflecting strong performances by Plavix®, Aprovel®, Lantus® and the Vaccines segment. Russia posted sales of €901 million, up 12.0% at constant exchange rates, with Consumer Health Care and Generics having the most impact. Net sales in Brazil slipped by 18.2% at constant exchange rates to €1,111 million, affected by temporary difficulties in distribution channels for the Generics business.

Western Europe saw net sales fall by 5.6% at constant exchange rates to €7,831 million, hit by competition from generics of Aprovel® (down 39.1% at constant exchange rates) and Plavix® (down 16.3% at constant exchange rates) and by the impact of austerity measures.

(1) World less the U.S., Canada, Western Europe, Japan, Australia and New Zealand.

In the Rest of the World, net sales were €3,730 million, down 2.9% at constant exchange rates. In Japan, net sales came to €2,507 million (down 4.3% at constant exchange rates), reflecting on the one hand the impact of generic competition on sales of Allegra® (down 18.4% at constant exchange rates, at €280 million) and Myslee® (down 17.1% at constant exchange rates, at €192 million) combined with lower sales of the Imovax® vaccine, but on the other hand a fine performance by Plavix® (up 13.3% at constant exchange rates, at €748 million).

- **Business Net Income**

Business net income[(1)] totaled €6,687 million in 2013 versus €8,101 million in 2012 (down 17.5%), and represented 20.3% of net sales compared with 23.2% in 2012.

Business earnings per share for 2013 were €5.05 versus €6.14 in 2012, down 17.8% based on an average number of shares outstanding of 1,323.1 million in 2013 (1,319.5 million in 2012).

- **Consolidated Statement of Cash Flows**

Net cash provided by operating activities amounted to €6,954 million in 2013, compared with €8,171 million in 2012. Operating cash flow before changes in working capital was €6,819 million, versus €8,503 million in 2012, reflecting the fall in consolidated net income (partly attributable to the decline in revenues from the BMS alliance).

Net cash used in investing activities amounted to €1,273 million in 2013, versus €1,587 million in 2012. Acquisitions of property, plant and equipment and intangible assets totaled €1,398 million (2012: €1,612 million). The main items were investments in industrial and research facilities (€1,058 million, versus €1,324 million in 2012) and contractual payments for intangible rights under license and collaboration agreements (€310 million, versus €293 million in 2012). Acquisitions of investments in 2013 amounted to €319 million, net of cash from acquired companies and after including assumed liabilities and commitments. The main items were the acquisitions of Genfar and Dosch, plus contingent consideration arising from the acquisition of Genzyme. After-tax proceeds from disposals (€409 million) mainly comprised the sale to Covis Pharma of U.S. commercial rights to five pharmaceutical products, the receipt of a $125 million payment associated with changes to the contractual terms of the alliance on Actonel®, and disposals of property, plant and equipment in the United States and France.

Financing activities generated a net cash outflow of €3,726 million in 2013, versus €4,351 million in 2012. The 2013 figure includes net external debt finance raised (net change in short-term and long-term debt) of €599 million (versus €615 million in 2012); the effect of changes in share capital (repurchases of own shares, net of capital increases), amounting to €637 million (compared to €178 million in 2012); and the dividend payout to our shareholders of €3,638 million (€3,487 million in 2012).

The net change in cash and cash equivalents in 2013 was an increase of €1,876 million, compared with a €2,257 million increase in 2012.

- **Consolidated Balance Sheet and Debt**

Total assets stood at €96,065 million as of December 31, 2013, versus €100,409 million as of December 31, 2012, a decrease of €4,344 million.

Debt, net of cash and cash equivalents amounted to €6,043 million as of December 31, 2013, compared with €7,719 million as of December 31, 2012. Our gearing ratio (debt, net of cash and cash equivalents as a proportion of total equity) fell from 13.4% in 2012 to 10.6% in 2013.

The financing arrangements in place as of December 31, 2013 at Sanofi parent company level are not subject to covenants regarding financial ratios and do not contain any clauses linking credit spreads or fees to its credit rating.

Total equity stood at €57,014 million as of December 31, 2013, versus €57,466 million as of December 31, 2012. The net year-on-year decrease in equity was attributable primarily to i) increases: the comprehensive income for the year ended December 31, 2013 (€3,726 million) and the effects of share-based payment plans (€1,236 million); ii) decreases: the dividend payout to our shareholders in respect of the 2012 financial year (€3,638 million) and repurchases of our own shares (€1,641 million).

As of December 31, 2013, the Group held 3.6 million of its own shares, recorded as a deduction from equity and representing 0.27% of the share capital.

Goodwill and other intangible assets (€52,529 million in total) decreased by €5,736 million, mainly reflecting i) decreases: amortization and impairment losses recognized during the period (€4,475 million) and currency translation differences on assets denominated in foreign currencies (€1,766 million, mainly relating to the U.S. dollar); ii) increases: the impact of the Genfar and Dosch acquisitions (€199 million), and acquisitions of other intangible assets (€310 million).

Provisions and other non-current liabilities (€8,735 million) decreased by €2,308 million, due mainly to a net decrease in provisions for pensions and other long-term employee benefits of €1,217 million (primarily as a result of actuarial gains on defined-benefit plans, contributions paid into pension funds, and plan settlements) and to transfers to other current liabilities (€682 million).

Net deferred tax liabilities (€906 million) fell by €647 million year-on-year. This reflects a reduction caused by reversals

(1) See definition.

of deferred tax liabilities relating to the remeasurement of acquired intangible assets (€1,459 million), but also an increase associated with provisions for pensions (€281 million) and accrued expenses (€271 million).

Current and non-current liabilities related to business combinations and to non-controlling interests were €542 million lower year-on-year at €908 million. This reduction reflects the impact of fair value remeasurements to the contingent value rights (CVRs) issued in connection with the Genzyme acquisition and to the contingent consideration payable to Bayer as a result of an acquisition made by Genzyme prior to the latter's acquisition by Sanofi, plus the reversal of contingent consideration relating to the BiPar and TargeGen acquisitions.

OUTLOOK

• Impacts from generic competition

Some of the flagship products of the Group continued to experience sales erosion in 2013 due to generic competition. While Sanofi does not believe it is possible to state with certainty what level of net sales would have been achieved in the absence of generic competition, it is able to estimate the impact of generic competition for each product.

A comparison of the net sales for the years ended December 31, 2013 and 2012 shows that competition from generics was associated with a decline of €1.3 billion in net sales in 2013 (or €1.3 billion at constant exchange rates).

Sanofi expects erosion from generic competition to continue in 2014, with a negative impact on net income.

In 2013, aggregate consolidated net sales generated by all the products in countries where generic competition currently exists or is expected in 2014 were €2,260 million, including €848 million in the U.S., €728 million in Europe and €684 million in Japan. The negative impact on 2014 net sales is liable to represent a substantial portion of this amount, but the actual impact will depend on a number of factors such as the actual launch dates of generic products in 2014, the prices at which they are sold, and potential litigation outcomes.

DEFINITIONS

• Net sales at constant exchange rates

When reference is made to changes in the net sales "at constant exchange rates", the effect of exchange rates is excluded by recalculating net sales for the relevant period using the exchange rates that were used for the previous period.

Reconciliation of the reported net sales for the year ended December 31, 2013 to the net sales at constant exchange rates

(€ million)	2013
Net sales	**32,951**
Effect of exchange rates	1,806
Net sales at constant exchange rates	**34,757**

- **Net sales on a constant structure basis**

When reference is made to the net sales on a "constant structure basis", the effect of changes in structure is eliminated by restating the net sales for the previous period as follows:

- by including sales from an entity or with respect to product rights acquired in the current period for a portion of the previous period equal to the portion of the current period during which Sanofi owned them, based on sales information received from the party from whom the acquisition is made;
- similarly, by excluding sales for a portion of the previous period when Sanofi has sold an entity or rights to a product in the current period; and
- for a change in consolidation method, by recalculating the previous period on the basis of the method used for the current period.

- **Business net income and business earnings per share**

Segment results are reported on the basis of "Business Operating Income". This indicator, adopted in accordance with IFRS 8, is used internally to measure operational performance and to allocate resources. "Business Operating Income" is derived from "Operating income", adjusted as follows:

- the amounts reported in the line items "Fair value remeasurement of contingent consideration liabilities", "Restructuring costs" and "Other gains and losses, and litigation" are eliminated;
- amortization and impairment losses charged against intangible assets (other than software) are eliminated;
- the share of profits/losses of associates and joint ventures is added;
- the share attributable to non-controlling interests is deducted;
- other acquisition related effects (primarily, the workdown of acquired inventories remeasured at fair value at the acquisition date, and the impact of acquisitions on investments in associates and joint ventures) are eliminated; and
- restructuring costs relating to associates and joint ventures are eliminated.

Business net income is defined as "Net income attributable to equity holders of Sanofi", determined under IFRS, excluding (i) amortization of intangible assets; (ii) impairment of intangible assets; (iii) fair value remeasurement of contingent consideration liabilities; (iv) other impacts associated with acquisitions (including impacts of acquisitions on associates and joint ventures); (v) restructuring costs (including restructuring costs relating to associates and joint ventures); (vi) other gains and losses, and litigation; (vii) the tax effect related to the items listed above; as well as (viii) effects of major tax disputes and the tax on dividends distributed to Sanofi shareholders, and (ix) the share of non-controlling interests in items (i) through (viii). Items (i), (ii), (iii), (v) and (vi) correspond to those reported in the income statement line items "Amortization of intangible assets", "Impairment of intangible assets", "Fair value remeasurement of contingent consideration liabilities", "Restructuring costs" and "Other gains and losses, and litigation".

Sanofi has also decided to report "business earnings per share". Business earnings per share is a specific non-GAAP financial measure, which is defined as business net income divided by the weighted average number of shares outstanding.

Business operating income for the year ended December 31, 2013

(€ million)	Pharmaceuticals	Vaccines	Animal Health	Other	Total
Net sales	**27,250**	**3,716**	**1,985**	**—**	**32,951**
Other revenues	295	30	30	—	355
Cost of sales	(8,517)	(1,776)	(689)	—	(10,982)
Research and development expenses	(4,087)	(518)	(165)	—	(4,770)
Selling and general expenses	(7,361)	(588)	(653)	—	(8,602)
Other operating income and expenses	421	3	(1)	26	449
Share of profit/(loss) of associates and joint ventures	48	41	(4)	—	85
Net income attributable to non-controlling interests	(162)	1	(1)	—	(162)
Business operating income	**7,887**	**909**	**502**	**26**	**9,324**

Business operating income for the year ended December 31, 2012[1]

(€ million)	Pharmaceuticals	Vaccines	Animal Health	Other	Total
Net sales	**28,871**	**3,897**	**2,179**	**—**	**34,947**
Other revenues	933	44	33	—	1,010
Cost of sales	(8,745)	(1,629)	(701)	—	(11,075)
Research and development expenses	(4,203)	(538)	(164)	—	(4,905)
Selling and general expenses	(7,650)	(609)	(669)	(1)	(8,929)
Other operating income and expenses	134	(7)	3	18	148
Share of profit/(loss) of associates and joint ventures	432	(1)	(7)	—	424
Net income attributable to non-controlling interests	(171)	—	(1)	—	(172)
Business operating income	**9,601**	**1,157**	**673**	**17**	**11,448**

(1) Includes the impact of applying the revised IAS 19.

Business net income for the years ended December 31, 2013 and 2012

(€ million)	2013	2012 [1]
Business operating income	**9,324**	**11,448**
Financial income and expenses	(503)	(658)
Income tax expense	(2,134)	(2,689)
Business net income	**6,687**	**8,101**

(1) Includes the impact of applying the revised IAS 19.

Reconciliation of business net income to Net income attributable to equity holders of Sanofi

(€ million)		2013	2012[1]
Business net income		**6,687**	**8,101**
(i)	Amortization of intangible assets	(2,914)	(3,291)
(ii)	Impairment of intangible assets	(1,387)	(117)
(iii)	Fair value remeasurement of contingent consideration liabilities	314	(192)
(iv)	Expenses arising from the impact of acquisitions on inventories[2]	(8)	(23)
(v)	Restructuring costs	(300)	(1,141)
(vi)	Other gains and losses, and litigation	—	—
(vii)	Tax effects on the items listed above, comprising:	1,480	1,580
	– amortization of intangible assets	*939*	*1,159*
	– impairment of intangible assets	*527*	*42*
	– fair value remeasurement of contingent consideration liabilities	*(85)*	*2*
	– expenses arising from the impact of acquisitions on inventories	*2*	*7*
	– restructuring costs	*97*	*370*
	– other gains and losses, and litigation	—	—
(iv)/(ix)	Other tax items[3]	(109)	—
(x)	Share of items listed above attributable to noncontrolling interests	4	3
(iv)/(v)	Restructuring costs and expenses arising from the impact of acquisitions on associates and joint ventures[4]	(50)	(31)
Net income attributable to equity holders of Sanofi		**3,717**	**4,889**

(1) Includes the impact of applying the revised IAS 19.

(2) This line comprises the workdown of invetories remeasured at fair value at the aquisition date.

(3) In 2013, this line item corresponds to the tax on dividends distributed to Sanofi shareholders.

(4) This line shows the portion of major restructuring costs incurred by associates and joint ventures, and expenses arising from the impact of acquisitions on associates and joint ventures (workdown of acquired inventories, amortization and impairment of intangible assets, and impairment of goodwill).

CONSOLIDATED INCOME STATEMENTS

(€ million)	2013	2012 (1)	2011 (1)
Net sales	**32,951**	**34,947**	**33,389**
Other revenues	355	1,010	1,669
Cost of sales	(10,990)	(11,098)	(10,865)
Gross profit	**22,316**	**24,859**	**24,193**
Research and development expenses	(4,770)	(4,905)	(4,788)
Selling and general expenses	(8,602)	(8,929)	(8,508)
Other operating income	691	562	319
Other operating expenses	(242)	(414)	(273)
Amortization of intangible assets	(2,914)	(3,291)	(3,314)
Impairment of intangible assets	(1,387)	(117)	(142)
Fair value remeasurement of contingent consideration liabilities	314	(192)	15
Restructuring costs	(300)	(1,141)	(1,314)
Other gains and losses, and litigation	—	—	(327)
Operating income	**5,106**	**6,432**	**5,861**
Financial expenses	(612)	(751)	(744)
Financial income	109	93	140
Income before tax and associates and joint ventures	**4,603**	**5,774**	**5,257**
Income tax expense	(763)	(1,109)	(440)
Share of profit/(loss) of associates and joint ventures	35	393	1,070
Net income	**3,875**	**5,058**	**5,887**
Net income attributable to non-controlling interests	158	169	241
Net income attributable to equity holders of Sanofi	**3,717**	**4,889**	**5,646**
Average number of shares outstanding (million)	1,323.1	1,319.5	1,321.7
Average number of shares outstanding after dilution (million)	1,339.1	1,329.6	1,326.7
– Basic earnings per share (in euros)	2.81	3.71	4.27
– Diluted earnings per share (in euros)	2.78	3.68	4.26

(1) Includes the impact of applying the revised IAS 19.

NON-CONSOLIDATED INCOME STATEMENTS OF SANOFI (THE PARENT COMPANY) FOR THE LAST FIVE YEARS

(€ million)	2013	2012	2011	2010	2009
Capital at period-end					
Share capital	2,649	2,653	2,682	2,622	2,637
Number of shares issued	1,324,320,881	1,326,342,959	1,340,918,811	1,310,997,785	1,318,479,052
Income statement data					
Net sales	298	289	324	603	898
Net income before tax, depreciation and amortization	4,006	5,083	3,133	13,342	4,097
Income tax	210	267	595	340	332
Employee profit-sharing	—	—	—	—	—
Net income after tax, depreciation and amortization	3,626	3,666	2,990	12,758	3,936
Dividends		3,638	3,448	3,264	3,131
Earning per share (in euros)					
Net income after tax but before depreciation and amortization	2.87	3.63	2.34	9.92	2.88
Net income after tax, depreciation and amortization	2.74	2.76	2.23	9.73	3.01
Dividend per share		2.77	2.65	2.50	2.40
Personnel					
Average personnel employed	20	20	20	20	28
Payroll cost	34	33	32	39	35
Paid fringe benefits	12	11	16	16	9

REQUEST FOR ADDITIONAL DOCUMENTS AND INFORMATION

AS SPECIFIED IN ARTICLE R. 225-83 OF THE FRENCH COMMERCIAL CODE

SANOFI

Société anonyme with share capital of 2,648,641,762 €

Registered Office: 54, rue La Boétie – 75008 Paris (France)

Registered number: 395 030 844 R.C.S. Paris

REQUEST FOR ADDITIONAL DOCUMENTS AND INFORMATION

I, the undersigned,

Mrs., Miss, Mr... ....

Surname (or company name)

First name..

Address ....

Town/City ....

Zip code..

Owner of... Sanofi registered shares

Owner of... Sanofi bearer shares (attach a copy of the shareholding certificate "*attestation de participation*" issued by your financial intermediary)

hereby request that I be sent the documents and information relating to the Ordinary General Meeting to be held on May 5, 2014, as specified in Article R. 225-83 of the French Commercial Code.

These documents are also available on our website (*www.sanofi.com/AGM2014*).

Place of signature... Date of signature... 2014

Signature

NOTICE : In accordance with Article R. 225-83 of the French Commercial Code, owners of shares may by a single request have the Company send them the documents and information specified in Articles R. 225-81 and R. 225-83 of the French Commercial Code in advance of all subsequent general meetings. Shareholders wishing to benefit from this option must indicate on this request form that they wish to do so.

Send this request form to: BNP Paribas Securities Services
CTS Assemblées – Les Grands Moulins de Pantin – 9 rue du Débarcadère
93761 Pantin Cedex – France
or to the financial intermediary keeping your share account.

SANOFI

54, rue La Boétie 75008 Paris – France – Tél. : +33 (0) 1 53 77 40 00 – www.sanofi.com