



# CMD21

February 5, 2021

*Play to Win*



SANOFI

# Forward looking statements

This document contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements are statements that are not historical facts. These statements include projections and estimates and their underlying assumptions, statements regarding plans, objectives, intentions and expectations with respect to future financial results, events, operations, services, product development and potential, and statements regarding future performance. Forward-looking statements are generally identified by the words “expects”, “anticipates”, “believes”, “intends”, “estimates”, “plans” and similar expressions. Although Sanofi’s management believes that the expectations reflected in such forward-looking statements are reasonable, investors are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of Sanofi, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include among other things, the uncertainties inherent in research and development, future clinical data and analysis, including post marketing, decisions by regulatory authorities, such as the FDA or the EMA, regarding whether and when to approve any drug, device or biological application that may be filed for any such product candidates as well as their decisions regarding labelling and other matters that could affect the availability or commercial potential of such product candidates, the fact that product candidates if approved may not be commercially successful, the future approval and commercial success of therapeutic alternatives, Sanofi’s ability to benefit from external growth opportunities, to complete related transactions and/or obtain regulatory clearances, risks associated with intellectual property and any related pending or future litigation and the ultimate outcome of such litigation, trends in exchange rates and prevailing interest rates, volatile economic and market conditions, cost containment initiatives and subsequent changes thereto, and the impact that COVID-19 will have on us, our customers, suppliers, vendors, and other business partners, and the financial condition of any one of them, as well as on our employees and on the global economy as a whole. Any material effect of COVID-19 on any of the foregoing could also adversely impact us. This situation is changing rapidly and additional impacts may arise of which we are not currently aware and may exacerbate other previously identified risks. The risks and uncertainties also include the uncertainties discussed or identified in the public filings with the SEC and the AMF made by Sanofi, including those listed under “Risk Factors” and “Cautionary Statement Regarding Forward-Looking Statements” in Sanofi’s annual report on Form 20-F for the year ended December 31, 2019. Other than as required by applicable law, Sanofi does not undertake any obligation to update or revise any forward-looking information or statements.

# Agenda CMD21 - part 1

Driving growth with strategic choices	<b>Paul Hudson</b>	CEO
Focus on transformative therapies	<b>Dietmar Berger</b>	Head of Development, CMO
Leveraging our DNA to build our future	<b>Olivier Charmeil</b> <b>Alexandre de Germay</b>	Head of General Medicines Head of Global CV & EP Franchise
Unlocking value	<b>Julie van Ongevalle</b> <b>Josephine Fubara</b>	Head of Consumer Healthcare Chief Scientific Officer, CHC
Our people ambition	<b>Natalie Bickford</b>	Chief People Officer
<b>Q&amp;A</b> <i>(also joining)</i>	<b>Jean-Baptiste de Chatillon</b> <b>John Reed</b> <b>Arnaud Robert</b> <b>Cyril Grandchamp-Desraux</b> <b>Grace Gu</b> <b>Paul Martingell</b>	CFO Head of R&D Chief Digital Officer Head of Diabetes Franchise CFO China General Medicines Head of CHC Global Growth Hub

*Part 2 of Capital Markets Day to start at 3:45 CET / 9:45 EST*



# Driving growth with strategic choices

Paul Hudson

Chief Executive Officer



# Play to Win: Our six-year plan – ahead of schedule



2020-2022

- Refocus with decisive actions
- Growth through winning assets
- Margin expansion



2023-2025+

- Transformative launches
- Agile and efficient resource deployment
- Leading R&D productivity



# Our key growth drivers are delivering



## Dupixent<sup>®</sup>

Maximize patient benefits with ambition to achieve >€10 billion peak sales across type 2 inflammatory diseases

**€3.5bn**

sales in 2020,  
3 years  
after launch



## Vaccines

Expected mid-to-high single-digit growth<sup>(1)</sup>, through differentiated products, market expansion, launches

**8.8%**

growth in 2020



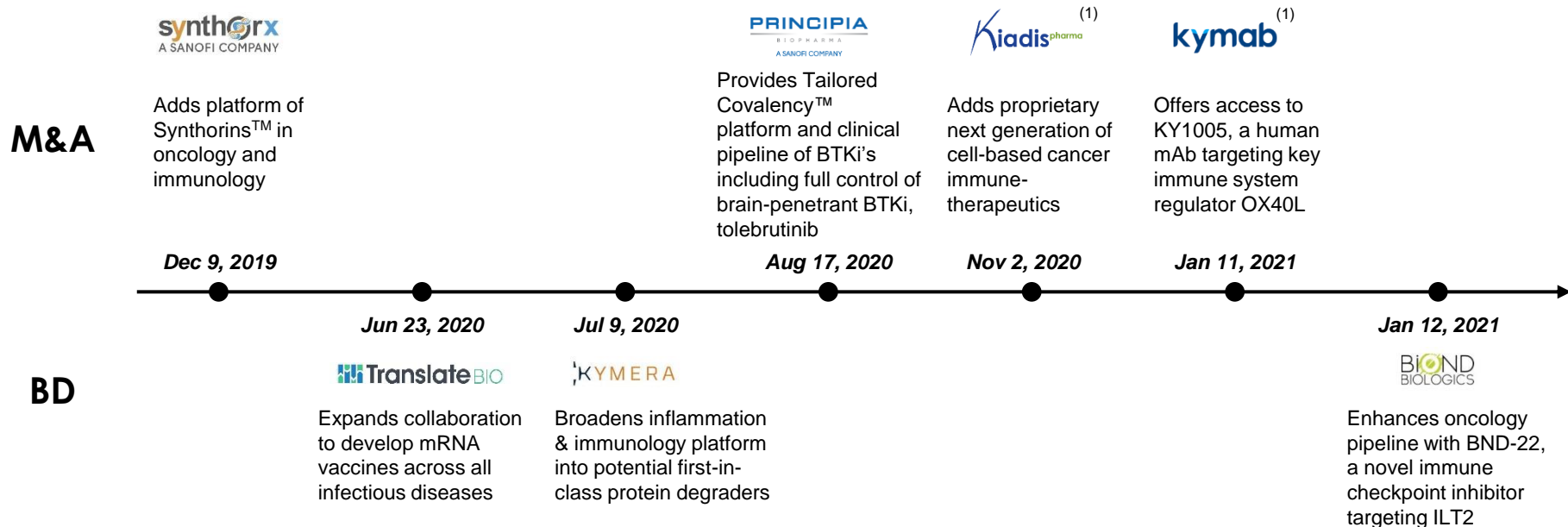
## Pipeline

Prioritize and accelerate portfolio of potentially transformative therapies

**12**

projects entered  
Phase 3  
in 2020

# Clear capital allocation priorities to strengthen R&D



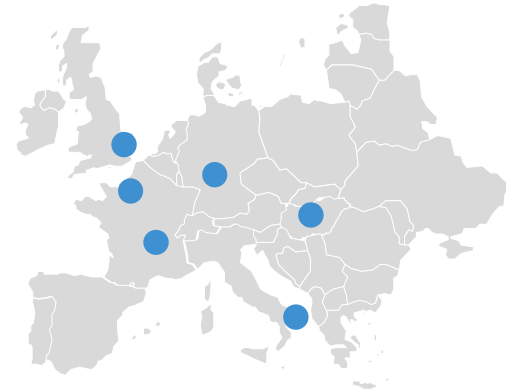
*Sale of equity investment in Regeneron to support execution of 'Play to Win' strategy*

# EUROAPI to become a leading European company providing active pharmaceutical ingredients

## New industry champion with six European manufacturing sites

- Expected sales of ~€1 bn by 2022, world #2
- ~3,200 employees - headquartered in France
- CEO appointed – Karl Rotthier, with ~30 years international experience
- IPO on Euronext Paris by 2022<sup>(1)</sup>
- Debt-free at inception
- Sanofi to hold minority stake of ~30%

**euROAPI**  
Active Solutions for Health



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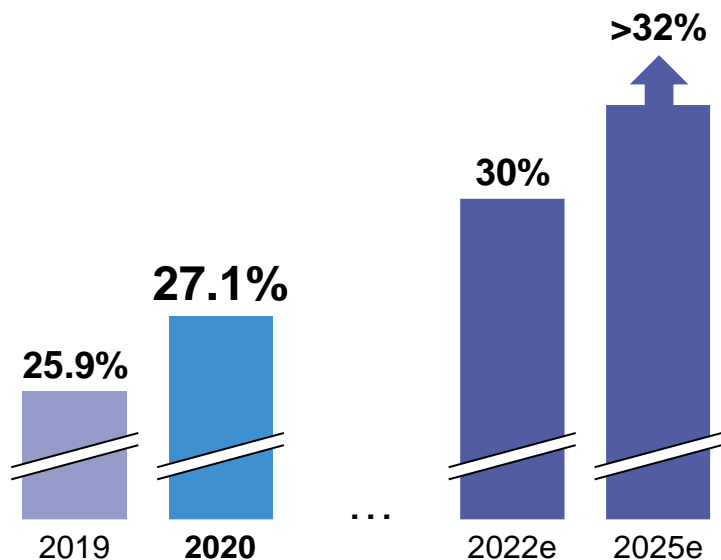
*Carve-out activities on track*

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# BOI margin up 120bps in 2020 tracking toward 2022 target

## Sanofi expected BOI margin evolution



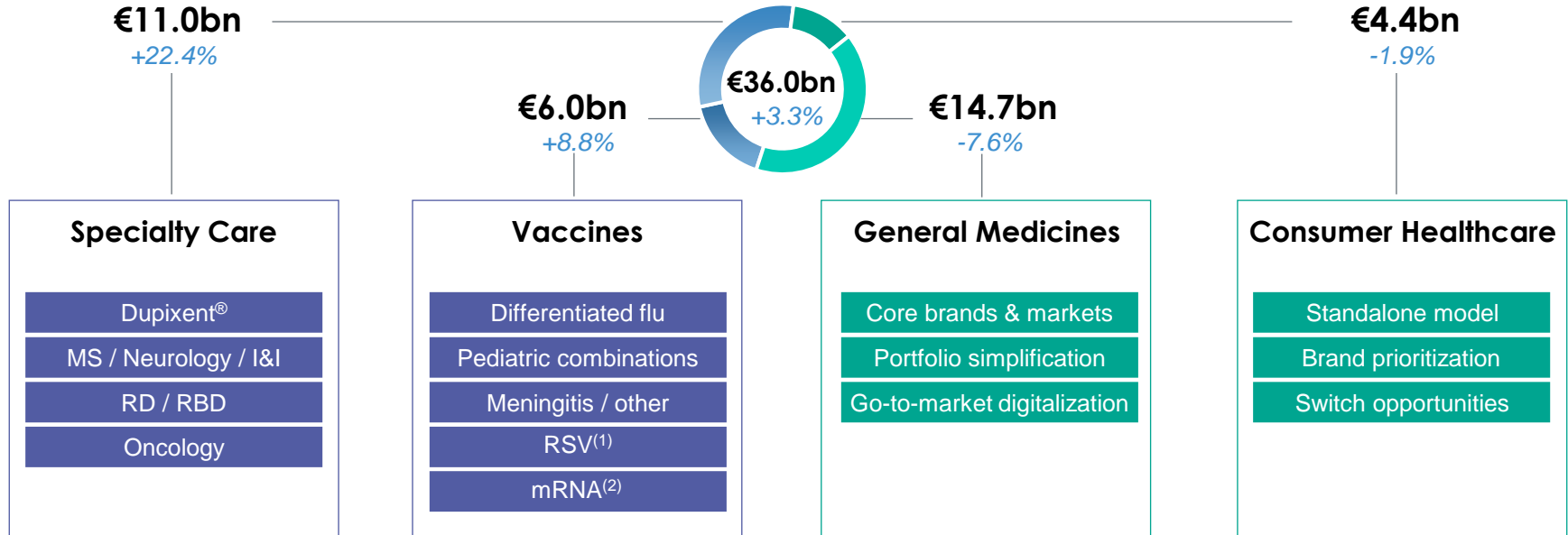
### Expected margin drivers to reach 2022 goal

- 
- A diagram showing two categories of margin drivers. The top category is represented by a blue circle with a white plus sign (+) and includes five items. The bottom category is represented by a purple circle with a white minus sign (-) and includes two items.
- Sales growth
  - Improved mix
  - Smart spending
  - Resource reallocation
  - Operational excellence
- Launch costs
  - Accelerate pipeline

*Dupixent® to become accretive to BOI margin by end of 2022*

# Driving growth with strategic choices

## Company Sales by GBU in 2020



Reallocating to fund core drivers










# Focus on transformative therapies – status update

Dietmar Berger

Chief Medical Officer



# Status update of our late-stage priority assets

Asset	Key progress	Planned initial submission <sup>(1)</sup>
 Dupixent <sup>®(2)</sup>	3 new indications announced and in Phase 3; AD EU 6-11 years <b>approval</b> ; asthma 6-11 years pivotal results	<b>Launched</b>
Amcenestrant	2L/3L mBC Phase 3 (AMEERA-3) data expected in <b>H1 2021</b> ; 1L mBC combo Phase 3 (AMEERA-5) <b>first patients enrolled</b>	 <b>2021e</b>
Fitusiran <sup>(3)</sup> & BIVV001 <sup>(4)</sup>	Fitusiran FDA <b>fast track designation</b> ; patient dosing resumed after voluntary pause; BIVV001 Phase 3 enrollment completed <sup>(5)</sup>	 <b>2022e</b>
Venglustat	ADPKD Stage 1 of Phase 3 fully enrolled and <b>Stage 2 on-going</b> GBA-PD development halted	 <b>2022e</b>
 Nirsevimab <sup>(6)</sup>	<b>NEJM</b> publication of Phase 2b results; Phase 3 ongoing	 <b>2023e</b>
Tolebrutinib	<b>Enrollment on-going</b> in all four pivotal studies	 <b>2024e</b>

 Breakthrough designation

Investigational uses of priority assets have not been approved by regulators for the uses being investigated.

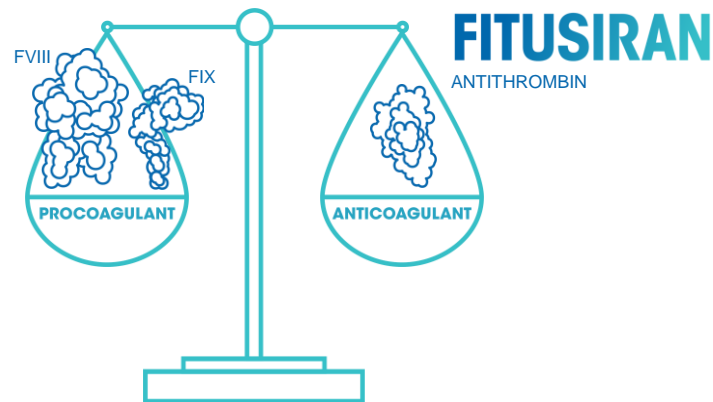
AD: moderate to severe atopic dermatitis; mBC: metastatic breast cancer; ADPKD: autosomal dominant polycystic kidney disease; GBA-PD:

(1) First submission for assets with multiple potential indications; (2) Breakthrough designation for AD 6-11 years. Dupixent<sup>®</sup> in collaboration with Regeneron; (3) Fitusiran 2022 submission subject to future discussion with regulators (4) BIVV001 in collaboration with Sobi, recommended INN: efanesoctocog alfa; (5) Enrollment completed to meet the end of study criterion; (6) In collaboration with AstraZeneca

# Fitusiran pivotal trial dosing resumed – new dose and regimen potentially strengthening target profile

- Fitusiran dosing resumed<sup>(1)</sup> in January, less than 3 months following voluntary pause
- Amendments to protocol to maintain antithrombin levels in target corridor
  - Starting dose lowered (~40%)
  - Starting dosing interval extended (every other month)

Fitusiran has the potential to transform the treatment of Hemophilia



Potential first-in-class siRNA therapy

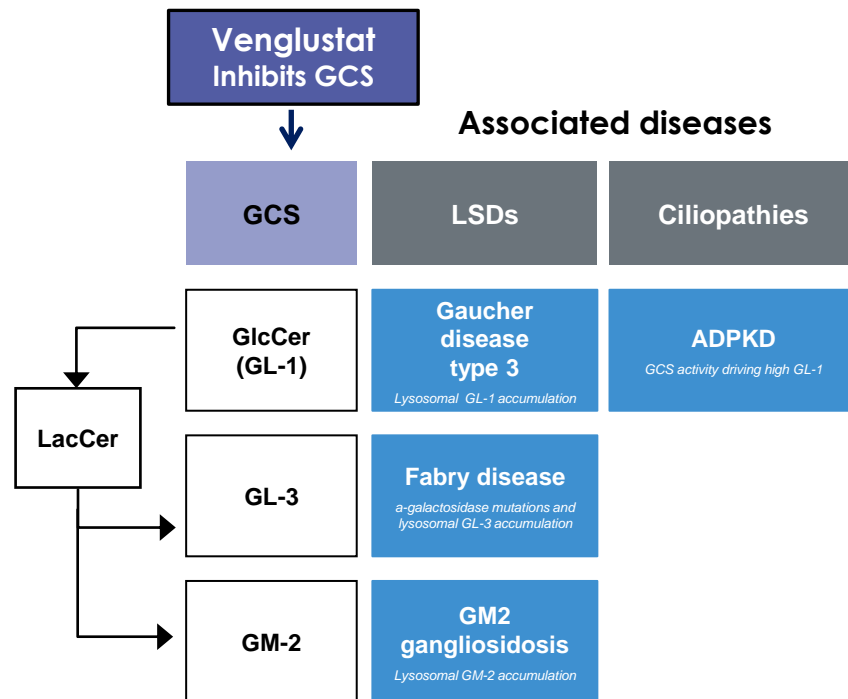
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*Next steps of regulatory path to be discussed with health authorities in H1 2021*

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# Venglustat – a central regulator of GSL pathway, potentially transformative across multiple rare diseases

- Next-generation oral, brain-penetrating GCS inhibitor
  - PoC achieved in Gaucher Type 3 and Fabry Diseases
- Development in Parkinson's Disease halted following MOVES-PD Ph2 readout in GBA-PD end January
  - Did not meet primary or secondary efficacy endpoints; one-year trend favors placebo
  - Biomarkers indicated consistent, predictable GL-1 reductions in both plasma and cerebrospinal fluid
  - Continued favorable safety profile
- Venglustat development continues in ADPKD and LSDs
  - Regulates GSL metabolism linked to cystogenesis in ADPKD
  - SRT with GCS inhibitors established in GD Type 1



**Pivotal data in ADPKD expected in H1 2022**





# Leveraging our DNA to build our future General Medicines

Olivier Charmeil  
Head of General Medicines



Alexandre de Germay  
Head of Global CV & EP Franchise

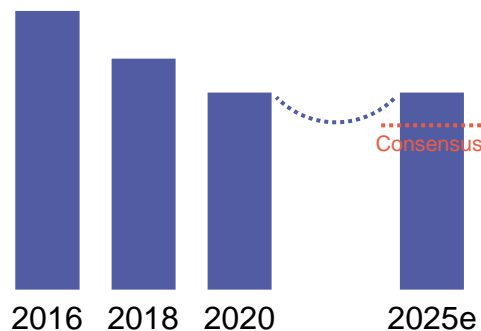
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# Actively managing an accretive<sup>(1)</sup> and resilient business

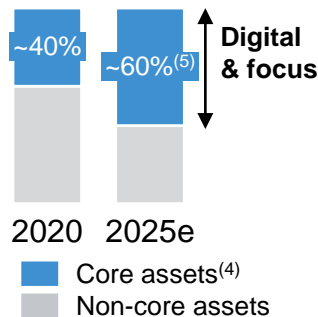
## Stabilize sales and maintain current BOI ratio<sup>(2)</sup>

### GenMed sales<sup>(3)</sup>

Illustrative



### Simplification of portfolio



### • Volume & price

- 2018-2020 decline mostly driven by price vs. stable volumes
- Portfolio remains critical for chronic disease management

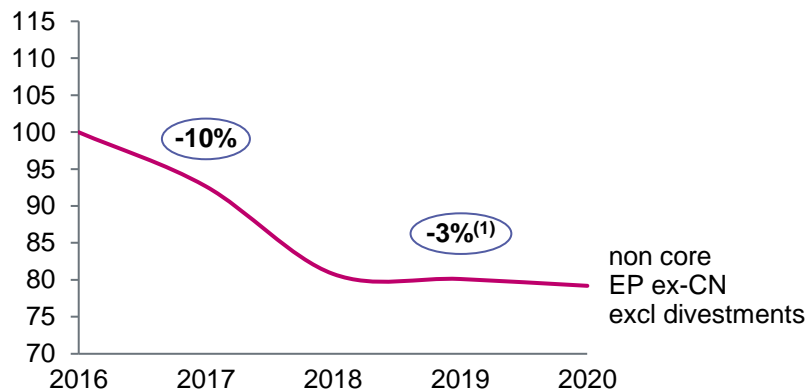
### • Drivers to maintain BOI margin

- Core assets expected to grow to ~60%<sup>(5)</sup> of sales by 2025
- Focus on key markets
- Continued divestments
- COGS improvement



## Funding the Specialty Care pipeline

# Overall, volumes of off-patent EP stabilizing with core assets still benefiting from strong demand in key EMs

## Sanofi EP non-core volume stabilization at low price level



## Lovenox® & Plavix®: Capturing class market growth opportunities in Emerging Markets and China

		
<b>Standard of care</b>	✓	✓
<b>Market potential</b>	<ul style="list-style-type: none"> <li>• LMWH in China &amp; EM: 12% CAGR 2018-2020<sup>(2)</sup></li> <li>• #1 in LMWH with 41% volume share<sup>(2)</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Antiplatelet 10% volume growth<sup>(5)</sup> in China &amp; EM</li> <li>• Market share<sup>(5)</sup> stabilization</li> </ul>
<b>Volume opportunity</b>	<ul style="list-style-type: none"> <li>• China &amp; EM usage ~10x less than Europe<sup>(3)</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Class underpenetrated by 2-4x in China<sup>(6,7)</sup></li> <li>• China post-VBP ~90% volume growth 2020</li> </ul>
<b>Population expansion</b>	<ul style="list-style-type: none"> <li>• CAT<sup>(4)</sup> label expansion expected 1H 2021</li> </ul>	<ul style="list-style-type: none"> <li>• New indication in certain types of stroke</li> </ul>

Source: Sanofi internal data based on ex-factory sales, normalized at 100 from 2016;

- (1) After correction from estimated COVID effect in 2020, and excl. divestments
- (2) IQVIA volume data MAT Oct 2020, excluding Turkey
- (3) IQVIA volume data: syringes per capita consumption

(4) Cancer Associated Thrombosis

(5) IQVIA treatment days MAT Oct 2020

(6) United Nations, Department of Economic and Social Affairs, Population Division (2019)

(7) IQVIA MAT Sep 2020

# Cardiometabolic diseases: Differentiated growth drivers to address patient needs



Patent	✓	✓	✓	✓
Differentiation	<ul style="list-style-type: none"> <li>Only PCSK9i associated with reduction in all-cause mortality<sup>(12)</sup></li> </ul>	<ul style="list-style-type: none"> <li>Only AAD to reduce CV hospitalization</li> <li>1st line &amp; new class 1A rec. in guidelines<sup>(4)</sup></li> </ul>	<ul style="list-style-type: none"> <li>Anticipated further differentiation vs. Degludec insulin with InRange clinical study<sup>(9)</sup></li> </ul>	<ul style="list-style-type: none"> <li>Anticipated differentiation vs. Premix insulins with Solimix clinical study<sup>(10)</sup></li> </ul>
Geographic expansion	<ul style="list-style-type: none"> <li>Rapid China uptake leveraging ACS leadership</li> <li>Germany to re-launch, largest potential in EU</li> </ul>	<ul style="list-style-type: none"> <li>China launch planned late 2021 / early 2022</li> </ul>	<ul style="list-style-type: none"> <li>Sanofi leading BI market<sup>(6)</sup> and Toujeo next generation BI market<sup>(7)</sup></li> <li>Toujeo MAX launch and broadest commercial coverage in U.S.<sup>(11)</sup></li> <li>Double-digit growth EU<sup>(8)</sup></li> </ul>	<ul style="list-style-type: none"> <li>Expansion in countries with high premix use</li> <li>~70% premix volume in China &amp; emerging markets<sup>(6)</sup></li> </ul>
Market expansion	<ul style="list-style-type: none"> <li>PCSK9i market acceleration +52%<sup>(1)</sup></li> <li>Favorable EU guidelines<sup>(2)</sup></li> </ul>	<ul style="list-style-type: none"> <li>New evidence for earlier rhythm control<sup>(5)</sup></li> <li>Stabilized market share U.S.<sup>(3)</sup></li> </ul>	<ul style="list-style-type: none"> <li>Launched in China in 2020</li> <li>Further expansion planned in key emerging markets: India, Algeria, Turkey in 2021</li> </ul>	<ul style="list-style-type: none"> <li>&gt;50% insulin initiation with premix in China</li> <li>Focus in U.S. on post-OAD HbA1c &gt;9%</li> </ul>

## Focus on 13 key markets and digitally-enabled go-to-market model

BI: basal insulin

(1) IQVIA treatment days data MAT Oct 2020, excluding US, Germany and Japan

(2) 2019 ESC/EAS Guidelines for the management of dyslipidemias

(3) U.S. TRx Nov 2020

(4) 2020 ESC Guidelines for the diagnosis and management of atrial fibrillation

(5) Kirchhof P et al. N Engl J Med. 2020 Oct 1;383(14):1305-1316

(6) IQVIA sales data MAT Oct 2020

(7) IQVIA sales data MAT Oct 2020

(8) IQVIA sales data MAT Oct 2020 vs 2019

(9) <https://clinicaltrials.gov/ct2/show/NCT04075513>; results expected H2 2021

(10) <https://www.clinicaltrialsregister.eu/ctr-search/search?query=LPS15017>; results expected mid 2021

(11) Toujeo® returning to coverage with CVS in 2021 - Sanofi estimate of total lives covered

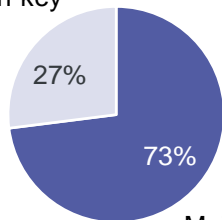
(12) with only nominal statistical significance by hierarchical testing (HR 0.85, 95% CI 0.73, 0.98)

# Critical enablers to transform GenMed

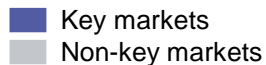
## Focus on 13 key markets

### Expected sales distribution in 2025

Adapting go-to-market in non-key markets

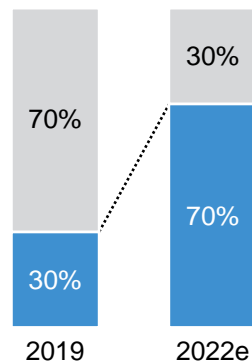


Majority of sales from key markets



## Interacting digitally with our customers

### HCP interactions

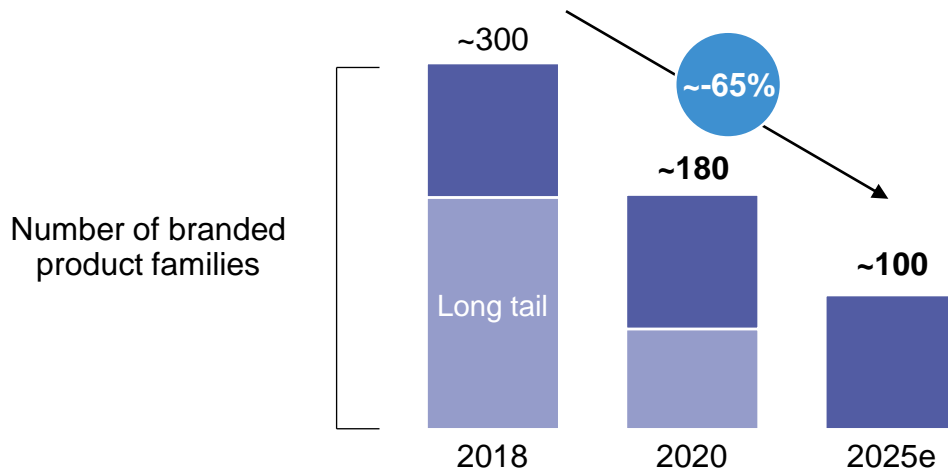


### 2020 status

- Digital transformation (accelerated by COVID)
- **ePermission** for ~60% of our targeted physician universe
- Digital content **centralized production** increased 400% in 2020 with increased standardization and acceptance<sup>(1)</sup>
- OPEX reduction 2019-2020 of ~20%

# Executing on streamlining the tail ahead of target

## Simplification drives COGS improvement



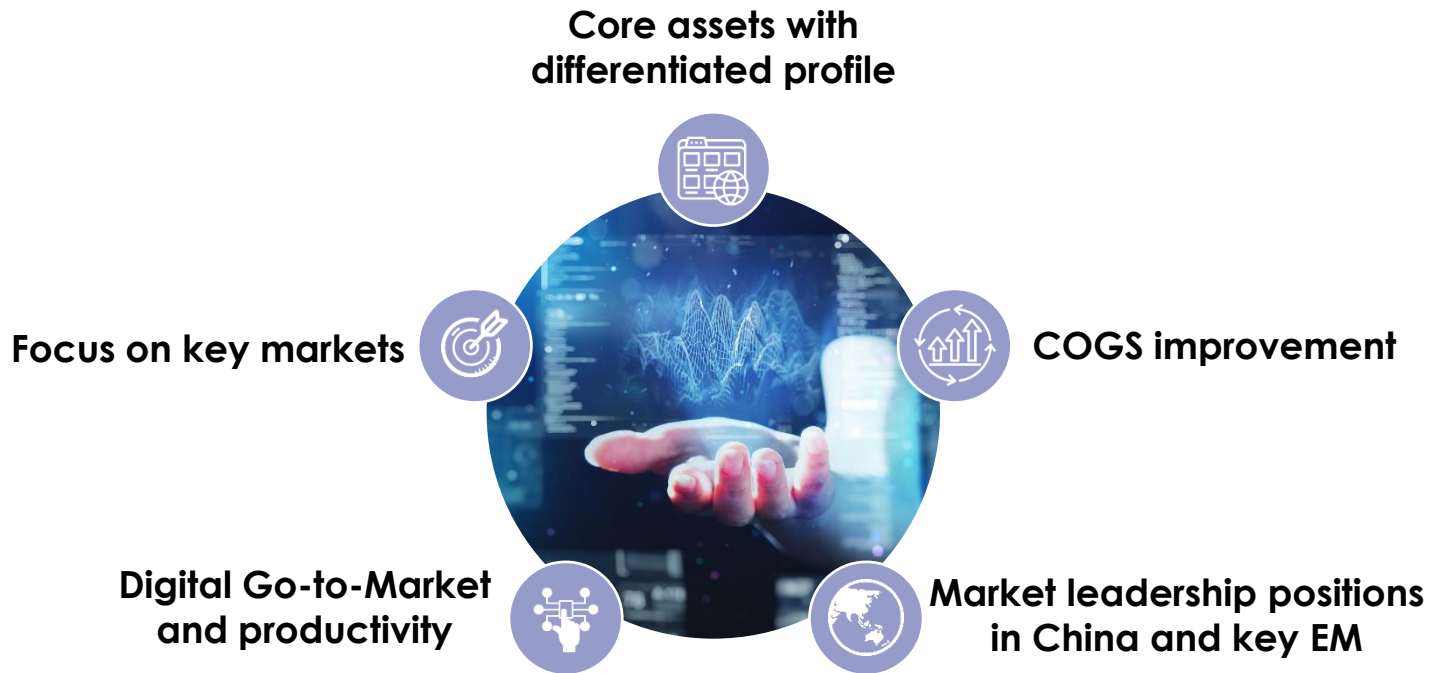
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*~€1.5bn cash proceeds expected in 2019-2025*

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# General Medicines: Accretive and resilient contributor to group BOI margin





## Unlocking value Consumer Healthcare

Julie Van Ongevalle  
Head of Consumer Healthcare



Josephine Fubara  
Chief Science Officer, CHC

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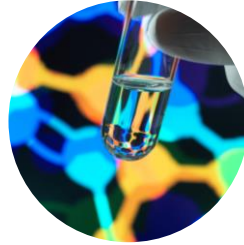
# Sanofi's Consumer Healthcare 'Play to Win' strategy



## Focus on growth

Brand prioritization

Acceleration in U.S.  
and China



## Lead with innovation

Reignite  
innovation engine

Deliver switches



## Accelerate efficiency

Simplify portfolio

Optimize go-to-  
market model



## Reinvent how we work

Become a fast-moving  
consumer healthcare company

Build digital and data edge

Sustainability at the core

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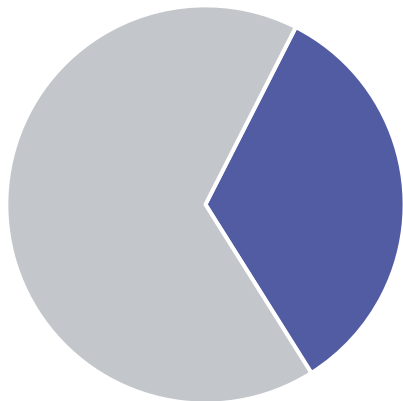
*Ambition to be the fastest growing Global CHC company<sup>(1)</sup>*

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# Global OTC market is growing at 4.5% CAGR 2020-2025<sup>(1)</sup>

## Global OTC Market

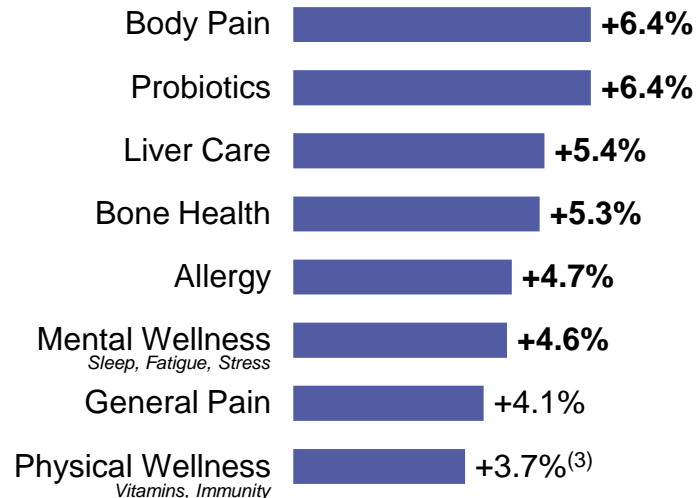
€130bn +4.4%<sup>(2)</sup>



## Our priorities

€51bn +5.9%<sup>(2)</sup>

## CAGR 2020-2025<sup>(1)</sup>



Source Nicholas Hall, Value Growth Retail

(1) CAGR2020-2025 estimates released Q4 2020

(2) Actuals MAT Q3 2020

(3) 3.7% growth in Physical Wellness (below market) represents only the retail growth. VMS (Vitamins, Minerals and Supplements) represents over 60% of e-commerce (Source NH) and grew +25% in 2020 Vs PY

# Growth driven by local, regional and global love brands



# Strengthening our presence in Mental Wellness

- Mental Wellness expected to grow 4.6% over next 5 years
- Sleep represents ~40% of Mental Wellness
  - Double-digit growth in 2020 enhanced by COVID-19
  - Expected to grow 5.3% over the next 5 years
- Established local positions in:
  - U.S. **Unisom**
  - Europe **NOVANUIT**
  - Japan **ドリエル**



French campaign

'No matter what.  
Sleep at night.'



# Standalone CHC on track to be in place end of 2022

## Implementation ongoing



Design and overall planning complete



Relevant social processes on schedule



Operationalize majority of standalone CHC legal entities by end of 2021

## Benefits to growth



Consumer and data at the core of every business decision



Reignite our innovation engine and reduce time-to-market by around 20%



Fully integrated R&D, manufacturing and supply network with dedicated support functions

# First-in-class U.S. switches with €1bn U.S. sales potential

## Cialis®

- >30m<sup>(1)</sup> U.S. men suffer from erectile dysfunction (ED)
- U.S market leader as Rx product (Lilly)
- Anticipate being the first OTC treatment for ED (PDE5i)
- Works up to 36 hours

Label comprehension, self-selection, human factors

*Program underway*

**First patient enters Actual Use Trial this year**

**Expected launch**

**2024**

## Tamiflu®

- 30m<sup>(2)</sup> people suffer from flu in the U.S. annually
- U.S. market leader as Rx product (Roche)
- Anticipate being the first OTC flu antiviral
- Significantly reduces duration & severity of illness

Label comprehension, self-selection, human factors

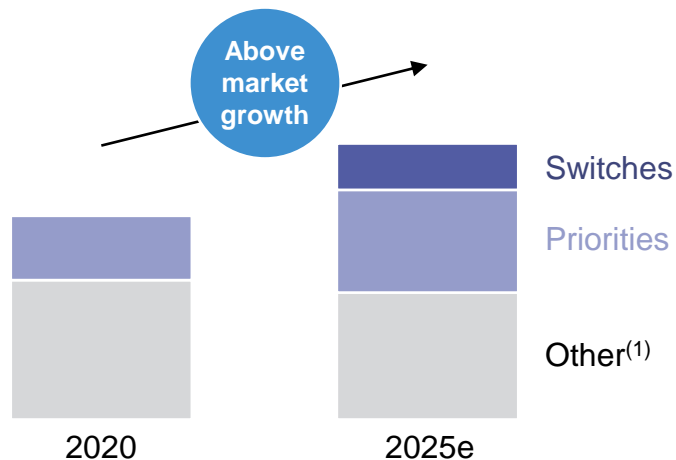
*Program underway*

**First patient enters Actual Use Trial in 2022**

**Expected launch**

**2023/  
2024**

# Invest in brands and geographies of focus for best-in-market growth in 2024/2025



- Ambition for best-in-market growth with switches from 2024/2025
- Grow priority brands above market growth as early as 2022 in key geographies
- Supported by consumer insights, digital and e-commerce channels and a standalone model with dedicated support functions



# Our people ambitions

Natalie Bickford

Chief People Officer



# Our business imperative

## What we need to successfully deliver the 'Play to Win' strategy



# Our 'Play to Win' 2025 people ambitions



## Healthy organization

Sanofi is an agile and competitive organization meeting patient and market needs, with a robust talent pool and the right capabilities



## Purposeful experience

Employees own their career journey, stretching themselves through compelling work experiences



## Winning culture

Our culture allows our people to thrive and enables business success



## Diversity edge

Our business outperforms through our ability to fully leverage the diversity of our people and our partners



# Q&A session



**Paul Hudson**  
CEO



**Olivier Charmeil**  
Head of General Medicines



**Julie van Ongevalle**  
Head of Consumer Healthcare



**Arnaud Robert**  
Chief Digital Officer



**Josephine Fubara**  
Chief Scientific Officer, CHC



**Cyril Grandchamp-Desraux**  
Head of Diabetes Franchise



**Paul Martingell**  
Head of CHC Global Growth Hub



**Natalie Bickford**  
Chief People Officer



**Jean-Baptiste de Chatillon**  
CFO



**John Reed**  
Head of R&D



**Dietmar Berger**  
Head of Development, CMO



**Alexandre de Germay**  
Head of Global CV & EP Franchise



**Grace Gu**  
CFO China General Medicines