**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, sustainable and environmental goals, other ESG matters, and statements regarding future performance. Forward-looking statements are generally identified by the words “expects”, “anticipates”, “believes”, “intends”, “estimates”, “plans”, “strives”, “ambition”, “goal”, “target” 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, reputational issues related to ESG matters or our inability to reach our ESG goals, volatile economic, geopolitical, and market conditions, cost containment initiatives and subsequent changes thereto, and the impact that COVID-19 will continue to 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. 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, 2022. Other than as required by applicable law, Sanofi does not undertake any obligation to update or revise any forward-looking information or statements.
CHAPTER 04

CORPORATE SOCIAL RESPONSIBILITY

Chapter 4 of 2022 Document d’Enregistrement Universel*

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* This is a free translation into English of the “Chapitre 4, Responsabilité Sociale, Environnementale et Sociétale” of our 2022 Document d’enregistrement universel issued in French. It is provided solely for the convenience of English-speaking readers.
This chapter sets out for 2022 [GRI 3-2] the material issues facing Sanofi in terms of corporate social responsibility (CSR) and the identified risks, in accordance with:

- Articles L. 225-102-1 and R. 225-104 to R. 225-105-2 of the French Commercial Code, which introduced a requirement to publish a statement of extra-financial performance (SEFP) in order to transpose into French law European Directive 2014/95/EU on the publication of non-financial information;
- law no. 2017-399 of March 27, 2017 on the duty of vigilance of parent companies and companies acting as principals; and
- the European Regulation 2020/852 of June 18, 2020 (the “Taxonomy Regulation”).

Tables cross-referencing the contents of this chapter to those legal disclosure requirements are provided in section “4.9., Corporate social responsibility cross-reference tables”.

Our extra-financial reporting principles are based, among others, on the guidelines of the Global Reporting Initiative (GRI). Some GRI indicators are identified in the body of this report within square brackets. A full cross-reference table, the “GRI Content Index”, is available via the Document Center at www.sanofi.com.

This report also follows the guidelines of the SASB (Sustainability Accounting Standards Board) and the TCFD (Task Force on Climate-related Financial Disclosures). The relevant cross-reference tables are available in section “4.8., Corporate social responsibility cross-reference tables” and “4.3.10.2., Resilience to climate change”, respectively.

Sanofi is also a signatory of the United Nations Global Compact, and as such discloses annually the progress achieved against the principles contained in the Compact.

A methodological note on how we report our data is provided in section “4.7., Methodological note on data reporting”.

This chapter forms an integral part of the French-language Rapport de Gestion (Management Report). It has been verified by an independent third party, whose report is presented in section “4.8., Report of the Independent Third Party”.
4.1. CSR strategy and governance

[4.1. CSR strategy and governance]

4.1.1. Sanofi’s commitment to society

Sanofi’s social impact strategy aims to build a healthier, more resilient world by ensuring access to healthcare for the world’s poorest people and bringing focus to addressing broader unmet needs. Sanofi’s commitment to society will continue the fight against infectious diseases such as sleeping sickness and polio, while accelerating our goal of reducing the environmental impact of our products and of our worldwide operations. Key to tackling the global challenges that face our company are our people, who each have a role to play in building a diverse and inclusive workplace.

Sanofi relies on three complementary components that are at the heart of its commitment to society: its Corporate Social Responsibility (CSR) strategy, Sanofi Global Health, which provides access to essential medicines in some of the world’s poorest countries and Foundation S - The Sanofi Collective, Sanofi’s new philanthropic entity, launched in 2022, whose efforts are focused on improving the lives of people in the most vulnerable communities.

Sanofi’s CSR strategy focuses on four building blocks aligned with our “Play to Win” core business strategy:

<table>
<thead>
<tr>
<th>Affordable Access</th>
<th>R&amp;D for Unmet Needs</th>
<th>Planet Care</th>
<th>In and Beyond the Workplace</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Non-profit Business Unit Sanofi Global Health to provide 30 essential medicines to 40 of the world’s poorest countries</td>
<td>• Eliminate sleeping sickness by 2030</td>
<td>• Eco-design for all new products by 2025</td>
<td>• A senior leadership community representative of society by 2025</td>
</tr>
<tr>
<td>• 100,000 vials to be donated to treat people with rare diseases</td>
<td>• Eradicate polio</td>
<td>• Blister free vaccine packs by 2027</td>
<td>• Social &amp; economic engagement in all communities where we operate</td>
</tr>
<tr>
<td>• Global Access Plan for all new products within two years post-launch</td>
<td>• Develop treatments for childhood cancers</td>
<td>• Carbon neutrality all scopes by 2030 including 100% renewable electricity and carbon neutral vehicle fleet</td>
<td>• Social impact integrated in leaders’ career development</td>
</tr>
</tbody>
</table>

4.1.1.1. Affordable Access

A staggering two billion people worldwide still lacked access to quality medicine and healthcare in 2022. Sanofi aims to change this by ensuring affordable access to medicines for underserved communities, while helping to build sustainable healthcare systems.

**Key objectives:**

• we aim to use our expertise to reinforce affordable access and quality care, to ensure underserved populations receive the treatments they need. We have created the Sanofi Global Health Unit (GHU), a non-profit business unit that operates in some of the world’s poorest countries offering at the onset 30 of our essential medicines including treatments for cardiovascular diseases, diabetes, cancer, malaria and tuberculosis;

• we are also committed to helping 1,000 patients living with rare diseases who have no access to treatments, and will donate 100,000 vials of medicine for their treatments each year. This continues our 30-year commitment to patients suffering from rare diseases, such as Fabry, Gaucher or Pompe diseases, for whom access to treatment is often limited; and

• the affordability of our medicines is not the only barrier to access for many people, availability is also key. Our goal is to develop a global access plan for all new products, making them available in selected relevant markets within two years post-launch.

4.1.1.2. R&D for Unmet Needs

As part of our commitment to society, we consider it essential to identify how our science can bring the greatest benefit, especially for vulnerable communities.

**Key objectives:**

• we continue our contribution to the efforts led by the World Health Organization (WHO) to eradicate poliomyelitis and eliminate sleeping sickness, two diseases that afflict marginalized and vulnerable communities, with vaccines and new therapeutics; and

• we have also identified a significant gap in treatment for children who suffer from cancer. Our R&D teams include world-renowned researchers with a deep understanding of the particular challenges of pediatric oncology and a strong awareness of the need to develop appropriate treatments. We have therefore decided to commit our teams to this cause.
4.1.3. Planet Care
We are also mindful of our obligation to do all we can to ensure a healthy planet. Through our “Planet Care” environmental program, we are working to minimize the direct and indirect impacts of our activities and products on the environment. The program covers the entire life cycle of our products, from raw materials to potential end-of-life impact.

**Key objectives:**

On the environment, Sanofi is committed to:

- move towards carbon neutrality by 2030 for Scopes 1, 2 and 3 (SBTi – Science Based Target initiative – approved targets): (i) Reduce greenhouse gas (GHG) emissions from Sanofi activities (Scopes 1 and 2) by 55% and from Scope 3 by 30% by 2030 (base year 2019), offsetting the remaining emissions from 2030 onwards; (ii) reach 100% renewable electricity across all global operations by 2030; and (iii) have a carbon neutral car fleet by 2030; and
- improve the environmental profile of our products through the adoption of an eco-design approach for all new products by 2025. In particular, we will end the use of plastic in blister packs for all our vaccine syringes by 2027. This is a truly complex industrial endeavor that will address the problem of plastic waste in the environment, while also helping to minimize climate impact.

4.1.4. In and Beyond the Workplace
With more than 91,000 employees comprised of 142 nationalities, we work constantly to make our workplace and communities inclusive and diverse.

**Key objectives:**

- gender diversity: to enhance gender equality, we have pledged to reach equal representation of women and men among our senior leaders by 2025 and achieve 40% representation of women in our Executives population by 2025;
- we are fostering inclusion and sustainability in the local ecosystems in which we operate, serving communities through volunteering; and
- we are embedding our commitment to society in our leaders’ career development paths to strengthen the social impact of their decisions. Our Leaders to Citizens program was launched in September 2022, with the objective of engaging our leaders to become active CSR catalysts and continue building CSR into our operations.

4.1.2. CSR governance

Our Board of Directors has a commitment to promoting long-term value creation while taking account of the social and environmental impacts of our activities. A review of our CSR strategy and its performance is therefore conducted by the Board at least once a year.

The Appointments, Governance and CSR Committee of the Board ensures that CSR issues are given due consideration in developing and implementing our corporate strategy. In particular, the Committee ensures that our commitments and policy orientations are consistent with what our stakeholders expect from us. The Committee also regularly reviews the pillars of the CSR strategy.

Our Head of CSR reports to our Head of Corporate Affairs, who in turn reports to our Chief Executive Officer (CEO).

The compensation policy of our CEO is designed to motivate and reward performance, and to ensure that a significant portion of his compensation is contingent on the attainment of financial, operational and social criteria that are aligned with our corporate interest and with creating shareholder value. Since 2020, a specific individual CSR performance criterion has represented 15% of his annual variable compensation package.
4.2. Statement of Extra-Financial Performance

4.2.1. Methodology for selecting risks and issues for the Statement of Extra-Financial Performance (SEFP)

The principal SEFP risks and issues were identified by our Corporate Social Responsibility (CSR) department, in collaboration with our Risk Management department, on the basis of (i) Sanofi’s material risks and issues and (ii) material issues identified in the industry-specific standard (Biotechnology & Pharmaceuticals) issued by the Sustainability Accounting Standards Board (SASB).

In 2022, Sanofi conducted a double materiality assessment with support from an independent third party. This covered the impacts of our activities on society (impact materiality), and impacts that societal changes might have on Sanofi’s performance (financial materiality).

The results of this assessment will inform our preparations for the new European Corporate Sustainability Reporting Directive (CSRD), but do not call into question the list of SEFP risks and issues already compiled, as presented in section “4.2.2. - Table of SEFP risks and Issues”.

Policies and action plans for each of those risks are described in section “4.3., Detailed description of SEFP risks and issues”.

A cross-reference table showing all the information required in the SEFP, including the presentation of the business model, is provided in section “4.9., Corporate social responsibility cross-reference tables”.

4.2.2. Table of SEFP risks and issues

<table>
<thead>
<tr>
<th>Category</th>
<th>Field or activity</th>
<th>Type</th>
<th>Description</th>
<th>Risk mentioned in Item 3.D, &quot;Risk Factors&quot;, of our 2020 Annual Report on Form 20-F</th>
<th>Section in this chapter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social</td>
<td>Human capital</td>
<td>Issue</td>
<td>We rely on the commitment and expertise of our people to attain our strategic objectives in a fast-changing, highly-competitive environment.</td>
<td>x</td>
<td>4.3.1. Human capital</td>
</tr>
<tr>
<td></td>
<td>Attracting and retaining talent</td>
<td>Risk</td>
<td>Risk that we will be unable to attract, integrate or retain people with the necessary profiles and skillsets, which could adversely our ability to implement our strategy and attain our objectives.</td>
<td>x</td>
<td>4.3.1. Human capital</td>
</tr>
<tr>
<td></td>
<td>Access to healthcare</td>
<td>Issue</td>
<td>An integrated approach to access to healthcare, combined with philanthropy, can generate opportunities for growth, innovation, and unique partnerships.</td>
<td>4.3.2. Access to healthcare</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Product pricing</td>
<td>Risk</td>
<td>Risk that our pricing policy will mean access to our products does not meet the expectations of certain stakeholders and/or the market, undermining our commitment to patients and the healthcare system.</td>
<td>x</td>
<td>4.3.2. Access to healthcare</td>
</tr>
<tr>
<td></td>
<td>Product quality*</td>
<td>Risk</td>
<td>Risk that we will fail to comply with good clinical, laboratory, manufacturing, distribution and pharmacovigilance practices and other regulatory requirements relating to product quality through the entire life cycle of our healthcare products, or that other quality issues will arise that could have an adverse effect on patients or healthcare professionals.</td>
<td>x</td>
<td>4.3.3. Product quality</td>
</tr>
<tr>
<td>Societal</td>
<td>Product safety for patients and consumers*</td>
<td>Risk</td>
<td>Risk of product safety breaches, from first administration in clinical trials on humans through to the end of the product’s life cycle, that could have an adverse effect on patients or consumers.</td>
<td>x</td>
<td>4.3.4. Product safety for patients and consumers</td>
</tr>
<tr>
<td></td>
<td>Animal protection*</td>
<td>Risk</td>
<td>We must comply with ethical standards and principles that are essential to the responsible use of animals in scientific and medical activities.</td>
<td>4.3.5. Animal protection</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Supply chain continuity*</td>
<td>Risk</td>
<td>Risk of supply chain interruptions, product recalls or loss of inventories due to unforeseen events, which could harm society (patients and healthcare professionals) and damage our reputation.</td>
<td>x</td>
<td>4.3.6. Supply chain continuity</td>
</tr>
<tr>
<td></td>
<td>Communities and places</td>
<td>Issue</td>
<td>With operations in more than 100 countries worldwide, we must manage our economic, social and environmental impact so that we make a positive contribution to the places around our sites and support the sustainable development of communities.</td>
<td>4.3.7. Communities and places</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ethics and business integrity*</td>
<td>Risk</td>
<td>Risk of non-compliance with the laws and regulations applicable to our operations in jurisdictions where we do business, in particular those relating to combating and preventing corruption and fraud, and also of non-compliance with pharmaceutical industry codes of conduct or our own values and ethical policies.</td>
<td>x</td>
<td>4.3.8. Ethics and business integrity</td>
</tr>
<tr>
<td>Environment</td>
<td>Climate change and carbon footprint</td>
<td>Risk</td>
<td>We must limit the impact of our operations on climate change, and take account of the consequences of climate change (impact of extreme weather events on our infrastructure and supply chain, scarcity of resources, carbon taxes, financial impacts, and the direct or indirect repercussions for human health).</td>
<td>x</td>
<td>4.3.10.2. Resilience to climate change</td>
</tr>
<tr>
<td></td>
<td>Environmental releases*</td>
<td>Risk</td>
<td>Risk that discharges and emissions from our industrial and R&amp;D operations will adversely affect the environment or human health, or will not be appropriately managed by our own staff or by our suppliers or subcontractors.</td>
<td>x</td>
<td>4.3.10.5. Environmental releases</td>
</tr>
</tbody>
</table>

* Indicates risks that apply not only to our own operations, but also to those of our suppliers, subcontractors and partners. See section “4.4.14, Procurement and subcontracting”, for measures taken to manage risks within our supply chain relating to employee health and safety, environmental releases and human rights.
4.3. Detailed description of SEFP risks and issues

[4.3.1. Human capital]

To implement our Play to Win strategy, we must provide a supportive environment to attract and retain a skilled and engaged workforce in a stretched and competitive talent market. That is why Sanofi has defined a People strategy – fully aligned with our business goals – which fuels the passion of our people to bring their whole and best selves, offering an inclusive workplace and innovative ways of working. Our People strategy combines a strategic people-centric design and solid end-to-end human resources delivery services in a fast-changing environment.

Our People & Culture Organization has been structured to be a strategic partner to our business and a key enabler of the Play to Win behaviors that support the delivery of the Play to Win Strategy.

4.3.1.1. A solid framework to guide our people actions

4.3.1.1.1. Our people strategy

Sanofi’s People Strategy is designed so that Sanofi employees can bring their whole and best selves to do amazing work as One Sanofi. The company has designed its People Strategy around four pillars that enable Play to Win:

<table>
<thead>
<tr>
<th>Healthy Organization</th>
<th>Purposeful Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>We need to become an agile, competitive organization with clear accountability to meet patient and market needs. This requires the right people in the right place today, with a robust talent pool for tomorrow, so we can answer all future skill needs and enhance our digital capabilities.</td>
<td>We want to attract and retain the very best talent in the market by sharing with them what’s unique and special about Sanofi – our Employee Value Proposition. A key part of that is our purpose, compelling work, and multiple opportunities for learning and development. In Sanofi, we each own our career journey, stretching ourselves daily through projects, mobility, gigs and much more.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Winning Culture</th>
<th>Diversity Edge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Playing to Win means each playing our part. And when more of us play, all of us win. We are reinventing how we work by living our Sanofi behaviors: We stretch to chase miracles. We take action, ready to fail, learn and progress. We act for the patients and customers who count on us and we always think One Sanofi. Our culture allows people to bring their best selves to work and to thrive.</td>
<td>We want to reflect the diversity of our communities and bring positive change to unleash our whole selves every day to transform the practice of medicine. That means broadening our definition of diversity to include gender, culture and origins, LGBTQIA+, generations and ability. It also means going beyond the workplace to embrace and drive diversity, equity and inclusion with our partners and in the communities we serve.</td>
</tr>
</tbody>
</table>

Sanofi has defined five principles for how its team willmeaningfully deliver the People Strategy within the business:

- Be human-centric - Move away from bureaucracy and process by focusing on being relevant and empathizing with our employees and customers.
- Inspire trust - Enable the business to make decisions and speed up processes – while putting in place the necessary guardrails and accountability mechanisms.
- Be inclusive - Listen and hear the diverse points of view within our team and across the organization as we collaborate with the business.
- Keep it simple - Focus on efficiency by automating, digitizing, and standardizing where possible to preserve energies.
- Foster brilliant people managers - Empower our people managers by being clear on expectations while offering the right level of support.

Although owned by the People and Culture function, this People strategy is a responsibility shared with business leaders. For instance, a People and Sustainability scorecard impacts 20% of the Short Term Incentive payout for our Executive Committee members. For that 20%, more than 80% of the scorecard performance criteria are people-related, with indicators for example focused on gender balance (33%), individual development plans (17%) and progress on Play to Win culture indicators (33%).

4.3.1.1.2. Our governance and organization

People & Culture at Sanofi is led by a Chief People Officer (CPO), who is a member of the Executive Committee and reports directly to our Chief Executive Officer. Progress on our people agenda is discussed on a regular basis with the Executive Committee and the Board, with a deep dive on focused topics when co-creation, reviews, or decisions are important to our progress.

In 2022 the Human Resources Function has been renamed “People & Culture” and has welcomed Real Estate, Facility and Records Management teams to jointly put the employee experience at the center of thinking and create a workplace that is welcoming, inclusive and sustainable; fosters well-being, creativity and collaboration; and ultimately reflects and reinforces our Play to Win behaviors. Our People & Culture function operates on global lines, with harmonized processes and shared people management systems deployed across all of Sanofi.
During 2022 we have made further steps to strengthen and align the People & Culture function in order to continue to advance our goals. The organization is structured around 4 pillars:

- Business Partnering to drive business growth and transformation by developing talent, building capabilities and enabling a winning culture. People Business Partners, supporting each Global Business Unit (GBU), function and region, are aligned with the business organizational structure to ensure total relevance in the way we drive our strategic people agenda and manage senior talent accordingly:
  - GBUs: General Medicines, Vaccines, Specialty Care, and the standalone Consumer Healthcare business;
  - Global Functions: Digital, Research & Development, Industrial Affairs and Corporate functions; and
- Four Centers of Expertise (CoEs) to set strategic directions to enable a best-in-class place to work by developing solutions, programs, and governance. The CoEs lead the development of global People & Culture solutions, which are then translated and deployed by the local People & Culture teams: Talent Management; Reward & Performance; Organizational Capability & Transformation; and Diversity, Culture & Employee Experience.
- People Excellence to deliver the People Strategy locally working with business partners and CoEs, focusing on excellence and highest standards of employee experience as One Sanofi to execute the end-to-end people priorities. People Excellence teams ensure local execution of the People Strategy across GBUs/Global Functions and work with Business Partners and CoEs to execute the end-to-end people priorities.
- People Services to provide comprehensive, harmonized and digital people services to Sanofi employees and execution support to the People & Culture community. Our People Services organization is centered on a global core model, with both local and centralized teams serving the various geographies. It is responsible worldwide for providing streamlined, harmonized and automated processes that make up the entire employee lifecycle, from hiring and onboarding, through the various roles an employee occupies in the organization, to leaving.

Overall, the People & Culture organization is staffed by 1,072 people, plus around 500 people under the People Services organization.¹

We are enabling a robust digital transformation to the four pillars of our People strategy. Our Digital organization is evolving to drive this transformation, working closely with our GBUs, support functions and People & Culture to progress the priority projects. In 2022, the People & Culture digital environment evolved thanks to a number of solutions rolled out in 2021 and consolidated through 2022, helping to deliver our People strategy. Examples include:

- a single Learning Management System across the world;
- a tool for advanced analytics supporting Strategic Workforce Planning;
- an executive scouting candidate relation management (CRM) system;
- an innovative Talent Marketplace;
- a revamped feedback in our career management tool; and
- a new engagement survey platform.

### 4.3.1.1.3. Our Play to Win culture

Progress in executing our Play to Win priority “Reinvent How We Work” means not only restructuring our organization to make sure we are fit for purpose to Play to Win, but also transforming our culture.

We aim to create a place where employees can bring their whole and best selves to work and are able to contribute to our Play to Win strategy. That means changing the way we behave, how we interact with each other, the systems, tools and processes we use, the way we make decisions, and how we spend our time. This plays a key role in attracting and retaining talent and making sure we remain a high performing organization.

Given the importance of culture in delivering our Play to Win strategy, significant effort and attention has been dedicated to accelerating the shift. Through the People strategy, Sanofi ensures that culture, mindset, and behaviors are aligned with:

- our employee value proposition, to attract and retain people in a competitive talent market and meet the aspirations of diverse generations and cultures.
- our compliance rules across the company, to achieve execution of the strategy and deliver on the far-reaching goals of our transformation; and
- our Play to Win strategy by practicing our behaviors and providing a coherent framework to improve talent attraction, retention, and loyalty, and securing the commitment of current and future generations.

During 2020 and 2021 we had a major focus on building awareness and understanding of the Play to Win Behaviors, and on grassroots and leadership activation, of the four behaviors: Stretch, Take Action, Act for Patients and Customers, and Think One Sanofi. The rollout was organic, in a bottom-up and country-driven model, through a network of informal in-country influencers and employee-driven, evidence-based storytelling. Leadership activation was centered around ‘Leading by example’ coaching.

¹ Excluding Real Estate, Facility and Records Management
2022 has been about embedding these behaviors through processes and systems as well as accelerating key levers of transparency, accountability and psychological safety. Fourteen nominated leaders created a leadership group named the Culture Collective that co-created a business-led plan of action that was targeted and more intentional in order to increase our Employee Net Promoter Score (eNPS) by 5 points in 2022 and 10 points in 2023. This eNPS is measured through our ‘Your Voice’ survey. Our teams fed back through this survey in 2021 that they needed help in bringing Play to Win to life in their roles, so the following initiatives have been rolled out under the headlines of Inspire, Playing our Part, Accelerate and Supercharge:

**Inspire:**
- A simplification program, to streamline key processes and systems that create the most friction for our people, showing how Sanofi is bringing Play to Win to life for its people. Examples include removing expense limits for hotels and dining when travelling for work, removing approvals for holiday entitlement, and as new digital onboarding platform to give new joiners a consistent experience.

**Playing our Part:**
- Refreshed activation book hook for Play to Win, to invite all individuals to play their part in the culture transformation.

**Accelerate:**
- Transparent Goals – all leaders shared their top 3 goals for 2022 with each other and their teams for the first time to encourage dialogue and alignment, and challenge what it means to ‘stretch’.
- Meetings Reinvented to bring Play to Win to life in meetings: centered around Purpose, Time and Wellbeing. Reduced meeting times to 25 and 50 mins overall, to save 1 million hours a month in meeting time while supporting wellbeing (time for reflection/break) and increasing efficiency. To date we have saved 0.96 million hours a month in Zoom meetings.
- Cinema Club – for Managers to engage their teams and facilitate discussion and dialogue about how they are playing to win across different themes. By the end of 2022, there will be a film released each quarter focused respectively on Recognition, Thoughtful Risk Taking, Inclusion, and Rest & Recovery (Wellbeing).

**Supercharge:**
- Accessible and agile insight, as a deep focus on two Play to Win behaviors, for key geographies and business units requiring additional support.
- Play to Win Manager Workshops – focus on Take Action and Think One Sanofi (changed from Think Sanofi First – feedback from employees)
- Culture Check up Lite – agile insight specifically on Play to Win behaviors that teams can do any time to drive an action plan.

From the 2022 “Your Voice” survey we moved our question set from awareness to role modelling and embedding of the Play to Win behaviors. We are now measuring using an eNPS score, and we can see that we’ve had an uplift of 11 points in 2022 from 2021 in our line managers role modelling Play to Win behaviors, and a 9-point uplift making progress in embedding Play to Win. We will continue to measure progress through specific questions embedded into our regular people engagement surveys and adapt our efforts accordingly.

Going forward, we will continue to focus efforts on targeted geographies and business units that require additional support, with an emphasis on supporting our people managers to help bring Play to Win to life.

Starting 2022 we have a new Employee Value Proposition (EVP), aligned to our new brand identity launched in Spring 2022. The EVP outlines what employees can expect from Sanofi as an employer. This is set within a new corporate purpose and overall narrative, all aligned with Play to Win. This will help us continue to embed our new culture in a coherent and engaging way. As a premium sponsor of the Paris 2024 Olympic and Paralympic Games, we have also started to look at how we align Play to Win with specific employee engagement activities.
4.3.1.2. Building a clear vision of the workforce to support long term business success

4.3.1.2.1. A glance at our global workforce

Sanofi had 91,573 employees under contract at the end of 2022, including apprentices, which is 4% fewer than at the end of 2021.

External staff represented a total of 6,129 full-time equivalents in 2022 (6,565 in 2021), comprising 5,169 temporary staff (5,593 in 2021), and 960 third-party sales forces staff (972 in 2021).

**Distribution of employees under contract by type of contract, work time, gender and region**

<table>
<thead>
<tr>
<th>Employees under contract as of December 31</th>
<th>Worldwide</th>
<th>Europe</th>
<th>United States</th>
<th>Rest of the world</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2022</td>
<td>2021</td>
<td>2022</td>
<td>2021</td>
</tr>
<tr>
<td>Employees under contract</td>
<td>91,573</td>
<td>95,442</td>
<td>35,815</td>
<td>47,039</td>
</tr>
<tr>
<td>%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>39.1%</td>
<td>49.3%</td>
</tr>
<tr>
<td>% women</td>
<td>48.7%</td>
<td>47.7%</td>
<td>50.5%</td>
<td>48.8%</td>
</tr>
<tr>
<td>% men</td>
<td>51.3%</td>
<td>52.3%</td>
<td>49.5%</td>
<td>51.2%</td>
</tr>
<tr>
<td>Permanent contracts</td>
<td>88.1%</td>
<td>88.4%</td>
<td>92.8%</td>
<td>92.7%</td>
</tr>
<tr>
<td>% women</td>
<td>48.2%</td>
<td>47.2%</td>
<td>50.4%</td>
<td>48.7%</td>
</tr>
<tr>
<td>Fixed-term contracts</td>
<td>11.9%</td>
<td>11.6%</td>
<td>7.2%</td>
<td>7.3%</td>
</tr>
<tr>
<td>% women</td>
<td>51.8%</td>
<td>51.4%</td>
<td>50.8%</td>
<td>49.6%</td>
</tr>
<tr>
<td>Part-time employees</td>
<td>3,072</td>
<td>3,450</td>
<td>2,973</td>
<td>3,294</td>
</tr>
<tr>
<td>Full-time equivalents</td>
<td>2,350</td>
<td>2,653</td>
<td>2,278</td>
<td>2,529</td>
</tr>
<tr>
<td>% women (full-time equivalents)</td>
<td>86.4%</td>
<td>85.5%</td>
<td>86.7%</td>
<td>86.5%</td>
</tr>
</tbody>
</table>

(a) For a list of countries included in the Europe region, refer to section “4.6.2.1.2., Regions”.

**Distribution of employees under contract by activity**

<table>
<thead>
<tr>
<th>Employees under contract as of December 31</th>
<th>Worldwide</th>
<th>Pharmaceuticals</th>
<th>Vaccines</th>
<th>Consumer Healthcare</th>
<th>Other (^{(a)})</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2022</td>
<td>2021</td>
<td>2022</td>
<td>2021</td>
<td>2022</td>
</tr>
<tr>
<td>Employees under contract</td>
<td>91,573</td>
<td>95,442</td>
<td>56,415</td>
<td>60,964</td>
<td>15,863</td>
</tr>
<tr>
<td>%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>61.6%</td>
<td>63.9%</td>
<td>17.3%</td>
</tr>
<tr>
<td>Production</td>
<td>34,310</td>
<td>37,431</td>
<td>37,935</td>
<td>37,873</td>
<td></td>
</tr>
<tr>
<td>Research and development</td>
<td>16,487</td>
<td>16,223</td>
<td>15,446</td>
<td>15,538</td>
<td></td>
</tr>
<tr>
<td>Sales force</td>
<td>19,613</td>
<td>21,113</td>
<td>25,203</td>
<td>26,178</td>
<td></td>
</tr>
<tr>
<td>Marketing and support functions</td>
<td>21,163</td>
<td>20,675</td>
<td>20,828</td>
<td>20,620</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>91,573</td>
<td>95,442</td>
<td>99,412</td>
<td>100,409</td>
<td></td>
</tr>
</tbody>
</table>

(a) The “Other” column comprises employees of our global support functions (Medical Affairs, External Affairs, Finance, Human Resources, Legal Affairs, Information Solutions & Technologies, Sanofi Business Services, etc.).

**Distribution of employees under contract by global function**

<table>
<thead>
<tr>
<th>Employees under contract as of December 31</th>
<th>2022</th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production</td>
<td>34,310</td>
<td>37,431</td>
<td>37,935</td>
<td>37,873</td>
</tr>
<tr>
<td>Research and development</td>
<td>16,487</td>
<td>16,223</td>
<td>15,446</td>
<td>15,538</td>
</tr>
<tr>
<td>Sales force</td>
<td>19,613</td>
<td>21,113</td>
<td>25,203</td>
<td>26,178</td>
</tr>
<tr>
<td>Marketing and support functions</td>
<td>21,163</td>
<td>20,675</td>
<td>20,828</td>
<td>20,620</td>
</tr>
<tr>
<td>Total</td>
<td>91,573</td>
<td>95,442</td>
<td>99,412</td>
<td>100,409</td>
</tr>
</tbody>
</table>

**Workforce in main countries where Sanofi operates**

<table>
<thead>
<tr>
<th>Employees under contract as of Dec. 31</th>
<th>Worldwide</th>
<th>France</th>
<th>United States</th>
<th>Germany</th>
<th>China</th>
<th>India</th>
<th>Brazil</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>2022</td>
<td>2022</td>
<td>2022</td>
<td>2022</td>
<td>2022</td>
<td>2022</td>
<td>2022</td>
</tr>
<tr>
<td>Employees under contract</td>
<td>91,573</td>
<td>95,442</td>
<td>19,399</td>
<td>25,245</td>
<td>12,444</td>
<td>7,236</td>
<td>7,201</td>
</tr>
<tr>
<td>% of total employees under contract</td>
<td>100.0%</td>
<td>100.0%</td>
<td>21.2%</td>
<td>26.5%</td>
<td>13.6%</td>
<td>7.9%</td>
<td>7.5%</td>
</tr>
</tbody>
</table>
Distribution of employees under contract by age bracket

<table>
<thead>
<tr>
<th>Workforce as of December 31</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 21 years</td>
<td>0.3%</td>
<td>0.2%</td>
</tr>
<tr>
<td>21 to 25 years</td>
<td>4.3%</td>
<td>4.4%</td>
</tr>
<tr>
<td>26 to 30 years</td>
<td>10.3%</td>
<td>10%</td>
</tr>
<tr>
<td>31 to 40 years</td>
<td>29.7%</td>
<td>29.8%</td>
</tr>
<tr>
<td>41 to 50 years</td>
<td>29.3%</td>
<td>29.8%</td>
</tr>
<tr>
<td>51 to 60 years</td>
<td>22.3%</td>
<td>22.4%</td>
</tr>
<tr>
<td>Over 60 years</td>
<td>3.9%</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

The average age of our employees in 2022 was 42.6 years (versus 42.5 years in 2021).

New hires and departures by region

<table>
<thead>
<tr>
<th>Workforce as of December 31</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees under contract</td>
<td>91,573</td>
<td>95,442</td>
</tr>
<tr>
<td>Permanent staff(2)</td>
<td>88.1%</td>
<td>88.4%</td>
</tr>
<tr>
<td>Total number of new hires</td>
<td>12,841</td>
<td>12,865</td>
</tr>
<tr>
<td>of which permanent contracts</td>
<td>7,204</td>
<td>6,056</td>
</tr>
<tr>
<td>of which permanent contracts %</td>
<td>56.1%</td>
<td>47.1%</td>
</tr>
<tr>
<td>Total number of departures</td>
<td>16,381</td>
<td>16,850</td>
</tr>
<tr>
<td>of which permanent contracts</td>
<td>11,191</td>
<td>11,078</td>
</tr>
<tr>
<td>of which permanent contracts %</td>
<td>72.7%</td>
<td>65.7%</td>
</tr>
<tr>
<td>Resignation rate on permanent contracts(3)</td>
<td>5.5%</td>
<td>6.7%</td>
</tr>
<tr>
<td>Turnover – permanent contracts(3)</td>
<td>11.9%</td>
<td>10.2%</td>
</tr>
</tbody>
</table>

New hires and departures by region(5)

<table>
<thead>
<tr>
<th>Workforce as of December 31</th>
<th>Worldwide</th>
<th>Europe(6)</th>
<th>United States</th>
<th>Rest of the world</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees under contract</td>
<td>91,573</td>
<td>43,816</td>
<td>13,763</td>
<td>33,933</td>
</tr>
<tr>
<td>Permanent staff(2)</td>
<td>88.1%</td>
<td>92.8%</td>
<td>99.9%</td>
<td>77.3%</td>
</tr>
<tr>
<td>Total number of new hires</td>
<td>12,841</td>
<td>4,610</td>
<td>2,179</td>
<td>5,112</td>
</tr>
<tr>
<td>of which permanent contracts</td>
<td>7,204</td>
<td>2,004</td>
<td>2,708</td>
<td>2,492</td>
</tr>
<tr>
<td>of which permanent contracts %</td>
<td>56.1%</td>
<td>43.5%</td>
<td>99.6%</td>
<td>45.2%</td>
</tr>
<tr>
<td>Total number of departures</td>
<td>16,381</td>
<td>7,792</td>
<td>1,852</td>
<td>6,737</td>
</tr>
<tr>
<td>of which permanent contracts</td>
<td>11,191</td>
<td>5,566</td>
<td>1,845</td>
<td>4,500</td>
</tr>
<tr>
<td>of which permanent contracts %</td>
<td>72.7%</td>
<td>71.4%</td>
<td>99.6%</td>
<td>66.8%</td>
</tr>
<tr>
<td>Resignation rate on permanent contracts(3)</td>
<td>5.5%</td>
<td>6.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turnover – permanent contracts(3)</td>
<td>11.9%</td>
<td>10.2%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(a) Data on movements (new hires and departures) cover more than 99% of the reporting scope. Internal transfers are not included.
(b) For a list of countries included in the Europe region, refer to section “4.6.2.1.2., Regions”.
(c) Employees on permanent contracts.
(d) Resignation rate on permanent contracts = Voluntary departures of permanent staff / Total permanent staff at year-end.
(e) Turnover of employees on permanent contracts = (New hires of permanent staff + departures of permanent staff)/2 / Total permanent staff at year-end.

The number of departures:

<table>
<thead>
<tr>
<th>Workforce as of December 31</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of departures</td>
<td>16,381</td>
<td>16,850</td>
</tr>
<tr>
<td>Resignations:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>of which voluntary departures: fixed-term contract employees(2)</td>
<td>37.2%</td>
<td>48.1%</td>
</tr>
<tr>
<td>of which voluntary departures: permanent contract employees</td>
<td>27.6%</td>
<td>29.9%</td>
</tr>
<tr>
<td>Layoffs</td>
<td>45.5%</td>
<td>34.5%</td>
</tr>
<tr>
<td>Expiration of fixed-term contracts</td>
<td>12.6%</td>
<td>12.3%</td>
</tr>
<tr>
<td>Retirement</td>
<td>4.2%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Other (death and incapacity)</td>
<td>0.6%</td>
<td>0.7%</td>
</tr>
</tbody>
</table>

(a) 78.6% of these were in China, where all new hires are generally on fixed-term renewable contracts.

4.3.1.2.2. Strategic workforce planning

In the context of our Play to Win strategy, we are adapting our organizational structure to align on our strategic objectives and to meet the operational challenges that go with transformation and product launches. The aim: to develop a structure and working practices that enable us to continue meeting patients’ needs fully across all our markets, while developing the capabilities required for the future and encouraging the emergence of a new generation of leaders.

To execute this strategy, Sanofi identifies and forecasts critical resourcing needs, issues, risks, and trends in the areas of demographics, skills, and profitability. This helps to holistically address the risks and opportunities related to Human Capital Readiness, as identified through the yearly global risk assessment. These dimensions are mapped to Strategic Workforce Planning (SWP), which is articulated around three imperatives:

- right size/growth: workforce allocation is optimized and balanced between higher productivity and operating expense constraints;
- right skills: we source and develop critical skills and attract the right talents to prepare for the future; and
- right organization: we ensure our organizational structure is aligned with business evolution and our operating models.
Focus on several areas is required to mitigate the risks:

• connect workforce planning and business planning to match our workforce capabilities with the ambition: for example, in the Dupixent® ramp-up, we ensured staffing was fully in line with the product launch strategy in each country;

• build effective governance to ensure better connection and execution between global and local levels;

• attract and retain talent by designing career management and offering customized people development solutions; and

• promote an attractive working environment in a context of transformation to maintain engagement and foster diversity.

Since 2020, we have embedded the SWP approach in our Business Strategic Planning exercises through specific analysis, highlighting the most critical areas in terms of competency development needs, with a pattern of delivery adjusted to priority business needs. A Common SWP methodology and a dedicated “Plan to Win” tool are in place.

Strategic Workforce Planning is currently structured at three levels within Sanofi:

• SWP Center of Excellence (CoE)

• SWP Leader by Global Business Unit

• Local People Partners working on SWP

The SWP CoE has two key roles:

• leading in the implementation and development of SWP, methodology, governance, solutions and training for Sanofi; and

• supporting key strategic SWP projects (like Dupixent® in 2021 and Oncology & Neurology in 2022).

SWP Leaders nominated by Business Units are in charge of selecting key SWP projects within their scope and driving the initiative. The key SWP projects rolled out across our businesses in 2022 were:

• Specialty Care: Dupixent®, Oncology and Neurology

• Vaccines: mRNA, Vaccines Manufacturing & Supply and Vaccines R&D

• Research and Development (R&D): Quantitative refresh for the full R&D scope, with a special focus on Global Operations

Local People Partners are involved in global SWP projects within their specific scope of operations.

4.3.1.3. How we attract and retain talent to deliver on our strategy

4.3.1.3.1. Efficient hiring and fostering internal mobility

Insights from Strategic Workforce Planning (SWP), supplemented by external benchmarking, bring the necessary understanding of our internal strengths and overall challenges to focus our efforts on what matters most when it comes to attracting and retaining the talents we need to succeed. This leads to a sourcing strategy which combines external talent attraction (for selected hard-to-upskill/reskill jobs and emerging new jobs) with internal transfers and promotions, while fostering diversity.

The new Employee Value Proposition (EVP) was launched early 2022 to ensure competitive positioning of Sanofi as an employer of choice, reflecting the Play to Win transformation internally and aligning on external talent market dynamics. This will allow Sanofi to attract and retain the talents needed to deploy next phases of our Play to Win strategy.

Our newly established Executive Recruitment and Scouting team enables us to access talents in the market and to support our effort to secure solid succession plans, with reliance on headhunters limited to specific cases. There were positive results in 2022 as the team supported more than 15 hirings, avoiding agency costs in excess of €4 million. Strong roots have been established with Research & Development, Manufacturing & Supply, Vaccines and Global Support Functions. The team is expected to keep on growing, and to broaden the service out to other GBUs and Global Functions in 2023.

Downstream, our recruitment model fully supports our transformation by delivering high permanent recruitment volumes (20% increase), with spikes in the United States and Europe. Overall, our internal hiring rate remains high (over 40% of permanent positions), enriching the pipeline of our next generation of leaders and offering diversified career opportunities. In 2022, we were able to attract key skills to deliver our strategy, specifically in Dupixent®, Oncology, R&D, mRNA, and Digital. We also appointed several key executives through internal promotion.

Beyond traditional ways to fill positions, we are giving managers rapid access to skilled resources thanks to our global Talent Marketplace launched in early January this year in our career management tool. This Talent Marketplace enables all our managers to use automated skills to match project staffing needs with talents from diverse geographies, functions or GBUs within Sanofi. For employees, this represents an opportunity to create internal job alerts and to browse for development opportunities such as mentoring, networking, feedback, etc. This digital initiative enables Sanofi to accelerate cross-functional moves, improve career experiences, and bring a competitive advantage in attracting talent.

As a result:

• 72% of our high potential talents are in the succession pipeline;

• 935 of our employees moved to a new position in another function in 2022; and

• the turnover rate of our high potential talents in senior and executive positions was 3.1% in 2022.
Our performance indicators for internal hires and job transfers/promotions are summarized in the table below:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Internal recruitment rate</strong>&lt;sup&gt;(a)&lt;/sup&gt; (Senior Leaders population)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Executive posts</td>
<td>74%</td>
<td>76%</td>
</tr>
<tr>
<td>Grade 5 posts</td>
<td>82%</td>
<td>81%</td>
</tr>
<tr>
<td><strong>Total workforce excluding executive posts (in %)</strong></td>
<td>47%</td>
<td>42%</td>
</tr>
<tr>
<td><strong>Succession planning</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Executive posts</td>
<td>43%</td>
<td>45%</td>
</tr>
<tr>
<td>Inter-entity job transfers&lt;sup&gt;(c)&lt;/sup&gt; (cross-GBU/GSF)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees eligible for variable compensation (STI)</td>
<td>1,811</td>
<td>4,300</td>
</tr>
<tr>
<td><strong>Promotion rate</strong>&lt;sup&gt;(d)&lt;/sup&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees eligible for variable compensation (STI)</td>
<td>15.0%</td>
<td>16.0%</td>
</tr>
<tr>
<td><strong>Staff turnover</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Permanent contracts</td>
<td>11.9%</td>
<td>10.2%</td>
</tr>
<tr>
<td>Employees eligible for variable compensation (STI)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Voluntary&lt;sup&gt;(f)&lt;/sup&gt;</td>
<td>7.7%</td>
<td>8.9%</td>
</tr>
<tr>
<td>Total&lt;sup&gt;(g)&lt;/sup&gt;</td>
<td>14.2%</td>
<td>13.8%</td>
</tr>
<tr>
<td>High Potential employees eligible for variable compensation (STI)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Voluntary&lt;sup&gt;(f)&lt;/sup&gt;</td>
<td>8.0%</td>
<td>8.3%</td>
</tr>
<tr>
<td>Total&lt;sup&gt;(g)&lt;/sup&gt;</td>
<td>11.1%</td>
<td>10.0%</td>
</tr>
</tbody>
</table>

(a) Requisition filled internally in period / Total requisitions filled in the period
(b) See section “4.6.2.1.5. Employee grades”.
(c) Inter-entity job transfers also include corrections to organizational data, and movements due to the reorganization of our GBUs and global support functions.
(d) Promotion rate = Number of promotions of employees eligible for STI / Average total number of employees eligible for STI.
(e) Turnover of employees on permanent contracts = [(New hires of permanent staff + departures of permanent staff)/2] / Total permanent staff at year-end
(f) Voluntary staff turnover = Voluntary departures of employees eligible for STI / Total number of employees eligible for STI at year-end.
(g) Total staff turnover = All departures of employees eligible for STI / Total number of employees eligible for STI at year-end.

4.3.1.3.2. Investing to develop our employees

Our new Leadership Framework for all employees defines four skills and four behaviors that are important if we are to excel and execute our strategy, and that will help employees role model the “Play to Win” behaviors that underpin our corporate culture. This framework is now embedded in our talent acquisition and development processes, driven by our People strategy principles: people-centric, inclusive, efficient, and simple, enabling brilliant people management.

This framework is a major symbolic step forward in our “Play to Win” culture transformation because it gives all our employees an open and transparent view of how they can develop their leadership skills. It encourages everyone to be a leader no matter where they are in the organization, inspiring and delivering results with and through others, and leveraging their diverse backgrounds and their blend of experiences.

Talent development is embedded in our strategic business agenda. Our Executive Committee conducts substantial talent discussion and reviews quarterly, focusing on specific areas in line with SWP, as well as digging into selected senior roles to ensure that talents are given the right attention and that Individual Development Plans (IDPs) and succession plans are managed with the right discipline.

We also continue to execute a yearly Talent Management cycle throughout the entire organization. HR is partnering with managers to support them with talent reviews and succession planning. Many local talent events are conducted in the various countries to encourage talent discovery, discussion of succession plans, and the development needed to support identified successors.

Our Talent Management playbook has been updated to provide managers with guidance and resources to support development discussions.

As part of the Talent Management playbook, we have focused our collective efforts on:

- pivotal roles: present across the organization, these roles call for the creation of ‘Talent Pools’ for succession, supporting greater transversality. A number of pools are being developed over time (starting in 2021 with General Managers), using a common framework for requirements and potential development pathways;
- Next Generation of Female Executives: to reinforce our pipeline, we have begun to identify the next generation of female executives. They will be given specific attention so that a solid comprehensive development plan is drawn up and executed, covering networking, exposure, and training; and
- Rising Stars: we are also paying specific attention to the next generation of leaders further along the pipeline by deploying fast-track programs for accelerated development; this is currently being piloted in China and the International region.
4.3.1.3.2.1. Our career hub: enabling employees to drive their career journey
Every employee owns the creation and execution of an impactful Individual Development Plan (IDP) based on the “70-20-10” model\(^1\), with support from their manager and their People Partner, as a key approach for development and growth.

Many global and local campaigns are regularly deployed to promote the IDP. Employees and their managers can easily access and identify the learning resources at their disposal. As a result, an IDP has been completed or is in progress for 69% of all employees in scope, and more than 90% for high potential employees.

To facilitate this and take full advantage of emerging digital solutions, we started in 2021 to deploy our Career Hub, a centralized platform which enables employees to identify and access various career development opportunities, using different tools and resources such as:

- Talent Marketplace: a talent mobility platform using smart technology to match employees’ skills with opportunities across Sanofi, within or outside their own organization. This provides all employees access to short term projects (gigs) to develop their skills, as well as personalized recommendations for full time roles based on their skills. In 2022, 828 gigs were created enabling more than 1300 employees to participate in projects, develop new skills and extend their network.
- Networking: employees can connect and interview co-workers to learn more about different positions or work areas; and
- Mentoring: employees can identify an available mentor and start a mentorship to develop a skill, gain exposure, or explore possible career journeys.

4.3.1.3.2.2. Our competency frameworks: enabling focused, relevant development
We now have more than 70% of Sanofi’s workforce mapped to our competency framework, enabling them to voluntarily self-assess against target proficiency levels. Progress has also been made through competency survey campaigns covering more than 13,000 employees. The deployment of the competency framework has continued throughout 2022:

- assessment of team competency gaps, to shape learning strategies for various job segments, and hence the deployment of relevant training offers;
- dialogue between employees and managers to deliver focused Individual Development Plans; and
- engagement of a broad capability-building community to support the entire organization in identifying company-wide competency gaps and proposed remedial actions.

4.3.1.3.2.3. A broad learning offer through Sanofi University
Sanofi continues to invest substantially in offering multiple learning opportunities that are critical to our competitive advantage and success in tomorrow’s world and are aligned with our Play to Win strategy. Sanofi University is a key resource to help our employees to own their skills for today and tomorrow by accessing learning content from across our eight Learning Institutes (People Development, Research & Development, Medical, Digital, Manufacturing & Supply, Sales Transformation, Corporate Expertise, and Global Marketing Excellence). It empowers everyone to drive their own development, helping to unleash their potential and equip them to Play to Win.

The world-class learning and development resources are easily accessible to all our people across the world through our iLearn shared platform and Sanofi Learning Hub, launched in June and engaging the employees with a simple and personalized hub to organize all their learning. These include learning opportunities from prestigious academic institutions, carefully curated short duration learning, TED talks, playlists specially compiled by learning experts and thought leaders, and much more. Open 24/7 and mobile, it encourages employees to learn when and where they want, fostering a culture of continuous learning to support employees’ career evolution and prepare them for their next roles.

### Training performance indicators\(^2\)(based on the iLearn\(^3\) system)

<table>
<thead>
<tr>
<th>Training performance indicators(^3) (based on the iLearn(^3) system)</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees receiving training</td>
<td>98,740</td>
<td>105,959</td>
</tr>
<tr>
<td>Number of training modules</td>
<td>122,160</td>
<td>118,723</td>
</tr>
<tr>
<td>Number of training hours (total)</td>
<td>2,754,989</td>
<td>2,628,618</td>
</tr>
<tr>
<td>Number of training hours (women)</td>
<td>1,324,731</td>
<td></td>
</tr>
<tr>
<td>Number of training hours (men)</td>
<td>1,427,199</td>
<td></td>
</tr>
<tr>
<td>Number of training hours (gender not declared)</td>
<td>12,899</td>
<td></td>
</tr>
</tbody>
</table>

\(^{a}\) These figures do not include training programs followed by subcontractors.

\(^{b}\) iLearn delivers all compulsory and support function training.

In 2022, the number of training hours per employee receiving training increased by approximately 12% (24.8 hours per employee receiving training in 2021 and 27.9 hours per employee receiving training in 2022, i.e. 27.1h per female employee and 28.5h per male employee). At the same time, the portfolio of available training courses continues to be optimized and streamlined with a slight increase by almost 3%, in particular by making available shorter formats that are better adapted to the needs of employees. 100% of employees completed at least one training module.

\(^1\) The 70-20-10 model is based on the fact that learning comes 70% from job-related experiences, 20% from interactions with others, and 10% from more formal training.
The following examples demonstrate Sanofi’s actions in 2022 and their impact on developing our employees:

- **Medical - Set the standard for best-in-class:**

  Early 2022, we set up an aligned competency framework covering the whole of Medical, including a mixture of functional and transversal competencies. Medical Strategy & Planning; Medical Evidence Generation, Interpretation, and Support; Stakeholder Engagement and the Medical Healthcare Environment were identified as the core competencies for focus, with the largest proficiency gaps reported by employees and managers. In response to this data and our changing healthcare landscape and Medical colleagues’ needs, we created the Med-Core strategy. The goal of Med-Core is to accelerate learning of core Medical capabilities to decrease time to proficiency. Med-Core also fosters customized, learner-centric, blended, flexible learning approaches through three distinct learning pathways.

  The first pathway, Med-Aware, is for new Medical hires and includes a supplementary self-paced e-learning curriculum and the Med-Aware live workshop. The e-learning curriculum consists of 14 modules, 12 medical functional and 2 transversal, which amounts to approximately 4.5 learning hours. Med-Aware raises foundational awareness of Medical Contribution to Strategy, Medical Insights Generation, the Scientific Engagement Model, and Medical Evidence Generation. The Med-Aware live workshop is 4.5 hours of peer learning per learner. Med-Aware launched in the fourth quarter of 2022 and had reached 13% of new Medical hires by October 2022, delivering 405 workshop hours and 405 e-learning curriculum hours.

  The second and third pathways in the Med-Core Strategy are planned for 2023.

- **Winning Healthy Minds:**

  This program, aiming to help everyone to develop strategies to improve their own wellbeing, is part of the People strategy which supports Sanofi employees to bring their whole and best selves. The focus is on resilience, energy management and productivity. The program consists of a set of best-in-class learning resources: wellbeing self-assessment, instructor-led workshops, self-directed learning experiences and nudges. Since April 2022, 2,750 Sanofi employees have enrolled onto 95 instructor-led sessions. The initial feedback from participants has been very positive: 97% of Executive Leaders felt the content was relevant, 100% of People Managers felt inspired to think differently and 96% of Individual Contributors rated the session very good or excellent. Many initiatives have been set up along similar lines to this program, both at the global and local levels, particularly in Brazil where 2,069 (around 70%) employees have completed courses related to emotional health, mental health, work-life balance, and cancer prevention.

- **New Potential for Growth Model- 40,000 employees assessed**

  Our new Potential for Growth Model has already impacted around 40,000 employees; of these, 7% have been identified as the highest potential for growth and 71% are on a succession plan (up from 56% in 2021). This opens up opportunities to have concrete discussions with these employees to ensure they are ready to develop and take on further responsibilities. It also ensures that our managers know their employees, and their aspirations and potential, and that helps us better identify our leaders for today and tomorrow.

### 4.3.1.4. An engaging work environment

#### 4.3.1.4.1. Reward, Performance and employee benefits

#### 4.3.1.4.1.1. A thoroughly thought-out compensation policy

Our compensation policy is designed to reward employee performance by delivering fair, market-competitive rewards, while ensuring alignment with Sanofi’s strategy via a strong link between corporate and employee performance. It aims to promote a culture of performance and employee development, contributing to the sustainable success of Sanofi.

The compensation arrangements of our Chief Executive Officer and the Chairman of our Board are described in “Item 6. Directors, Senior Management and Employees — B. "Compensation" of our 2022 Annual Report on Form 20-F.

The key components of our compensation policy are:

- fixed reward is in the form of base salary established according to the employee’s skills, level of contribution to the organization, and market practices;
- Short-Term Incentive (STI) compensation is our annual variable cash incentive compensation. STI rewards employees individually for their contribution to the attainment of Sanofi’s annual corporate goals. The overall STI budget is based on Sanofi’s annual performance, which in turn is derived from the annual performance of identified key performance indicators (KPIs), which may vary from year to year; and
- equity-based programs:
  - Long Term Incentive (LTI) compensation is delivered using performance shares, designed to build loyalty and motivate critical employees and key talents towards achieving Sanofi’s long-term goals. Along with the STI, this is a key component of our compensation programs. Awards of performance shares are approved by our Board of Directors, and delivery of the shares is contingent upon Sanofi attaining performance criteria over three financial years; and
  - our Employee Stock Purchase Plan (ESPP) is a company-run program in which employees can become Sanofi shareholders by acquiring our shares on preferential terms.

<table>
<thead>
<tr>
<th>(€ million)</th>
<th>2022</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>42,997</td>
<td>37,761</td>
<td>36,041</td>
</tr>
<tr>
<td>Personnel costs</td>
<td>9,991</td>
<td>9,340</td>
<td>9,079</td>
</tr>
<tr>
<td>Ratio of personnel costs to net sales</td>
<td>23.2%</td>
<td>24.7%</td>
<td>25.2%</td>
</tr>
</tbody>
</table>
4.3.1.4.1.2. High quality employee benefits

The employee benefits offered by Sanofi are primarily plans providing for retirement benefits, reimbursement of medical expenses, and death and disability benefits.

Sanofi strives to ensure that all employees worldwide receive high-quality benefits covering health, old age, incapacity, disability, and death. Those benefits comply with national regulations, are adapted to local cultures, and provide the coverage that best meets employees’ needs. On a regular basis, we take part in a comprehensive market survey, conducted in over 70 countries, to ensure that the employee benefits we offer are in line with current local practices. We also make sure that our employee benefit plans are designed for the long term. In all countries, employees (and, in general, their spouses and children) receive a fair level of reimbursement of medical expenses as well as death benefits.

In the majority of countries, Sanofi also offers benefits covering temporary or permanent incapacity. In France for example, all Sanofi employees, irrespective of the type of contract they hold (fixed-term or permanent, part time or full time), are entitled to the same medical and welfare benefits from the moment they are hired.

Following best market practice, Sanofi prefers defined contribution plans (where the employer’s commitment is restricted to paying the amount of its annual contribution) over defined benefit plans (where the employer’s commitment is to pay the amount of the future benefit).

Regarding “insured” plans, Sanofi seeks to optimize funding and reduce administrative costs by using a captive insurance company. This program not only offers economies of scale for Sanofi subsidiaries, but is also designed to ensure financial oversight and optimal governance. Sanofi has had a dedicated Steering Committee since 2010. The remit of the Committee, which is chaired by our Chief Financial Officer and our Chief People Officer, is to:

- review and approve Sanofi’s overall employee benefits strategy; and
- review and approve the implementation or amendment of any defined-benefit pension plan.

Whenever possible, Sanofi provides personalized employee benefit programs (medical, vision, dental, etc.) that allow employees to adjust their coverage according to their family situations and personal needs. These types of programs have been instituted in China, US, UK, and Ireland, for example.

In some countries, medical benefits also include programs focusing on prevention, vaccination, screening (e.g. diabetes and skin cancer), nutritional advice, wellbeing, etc.

In 2022, Sanofi reinforced its global initiative to support the wellbeing of our employees. Called “All Well”, it is based upon four pillars: Healthy Minds, Healthy Bodies, Healthy Culture and Healthy Financials (for details see “4.3.1.5.3.1. – Establishing a global wellbeing program”).

4.3.1.4.2. A welcoming, inclusive and sustainable workplace

Our workplace strategy aims to transform our workplaces into healthy and safe spaces where every Sanofi employee feels included, valued, and can bring their whole selves to work every day, and unleash the full creative potential of individuals and teams. It supports our Play to Win strategy and the transformation of the way we work.

By 2025, we want to ensure that 100% of our sites are fully accessible, equipped with inclusive technologies, and adapted to ways of working that allow everyone to be fully productive in the workplace. Our goal is that every Sanofi employee can come to our sites to work because we created the right spaces and environments for all.

4.3.1.4.3. Fostering dialogue to pursue progress

Labor relations within Sanofi are based on respect and dialogue. In this spirit, management and employee representatives meet regularly to exchange views, negotiate, develop or update specific agreements, and to organize their implementation. Social dialogue is structured differently from country to country, as local circumstances call for a differentiated approach. Information, consultation and negotiation processes may take place at the national, regional, or company level and may be organized on an interprofessional or sectoral basis, or both. Social dialogue may be informal or institutionalized, or a combination of both methods. Whatever the situation, Sanofi encourages employees to voice their opinions, helping to create a stimulating work environment and encourage participation in decisions aimed at improving the way we work.

These efforts reflect one of the principles of our Social Charter: that improvements in working conditions and the need to adapt to our environment go hand-in-hand.

Since 2015, Sanofi has applied a worldwide policy on freedom of association that applies to all employees; see the Vigilance Plan, section “4.4.6., Fundamental human rights at work”.

Approximately 51% of Sanofi employees are covered by a collective agreement. In countries where no collective agreement exists, there are other approaches through a specific employee relations Center of Expertise, focus groups, Speak-Up events, or similar opportunities which are in place to ensure ongoing involvement of employees at all levels.
Focus on France

As part of the organizational change to serve the new Play to Win strategy, a collective group agreement was signed in February 2022: GEPP, an approach to anticipate and prepare for the future. The purpose of GEPP (which stands for Gestion des Emplois et des Parcours Professionnels – Job and Career Path Management) is to plan and adapt our operational needs in terms of jobs and skills so as to align on our Play to Win strategy and to changes in our environment in France. It supports voluntary internal transfers and external career projects (on a voluntary basis only for external career projects involving a “sensitive position”\(^2\)). This program has started in October 2022. This approach makes it possible to support major changes in the company, in order to:

- anticipate and support the transformation of what we do, and prepare for the jobs of the future;
- provide transparent information about evolving job profiles, so that employees can play an active role in their career path; and
- promote tools and support to enable skills development and mobility for all.

Focus on Germany

Employees are represented through the Works Council or the Employee Representatives Committee. Both bodies are affiliated with the German chemistry sector, and delegates are elected by employees for a four-year term. All discussions with these bodies are conducted in such a way as to strike a balance between the interests of the employees and of the company. During 2022, negotiations were conducted with these bodies on a range of issues:

- reorganization projects affecting mainly Manufacturing & Supply (continuation and finalization of negotiations begun in 2020 to establish the Frankfurt Insulin Cluster) and the General Medicines GBU (start of negotiations on a new sales force model, with planned implementation in 2023), alongside ongoing enhancements to our existing people management systems (Workday, iLearn), with the Central Works Council agreeing to the rollout of new functionalities;
- implementation and roll-out of the new global Individual Performance & Impact process in connection with a new Short-term incentive (STI) system; implementation of all components of the Tariff Agreement for the chemical industry, which was agreed upon in 2022; and
- agreements for new global WellBeing components offered by People & Culture such as Volunteering, Employee Assistance Program, Health Checks & the Your Voice survey.

4.3.1.4.3.2. Continuous feedback

Feedback is another important lever in enabling our employees to practice Play to Win behaviors. Employees need to feel supported and safe to take action with calculated risks and share their learnings through the following examples:

**Individual and team feedback:**

Having more feedback (informal and formal), and check-ins between managers and teams (as well as between peers, colleagues, and stakeholders), helps everyone to grow and develop. In 2021, we made a start with embedding continuous feedback, and in 2022 we launched Performance Impact, our new approach to Performance. Performance Impact focuses on setting stretch goals aligned with the business and driving a feedback culture to deliver more impact, as well as stronger individual and collective performance. Performance Impact is about regular one-to-one conversations between managers and team members to review progress on goals and discuss career development and wellbeing topics. These conversations are designed to help everyone thrive and be successful.

As part of Performance Impact, in 2022 we also implemented ‘Manager90’, a development tool for managers which consists in receiving feedback from team members to help managers become better coaches and people managers.

**All-employee feedback:**

Sanofi conducts regular employee engagement surveys to help us listen to feedback from our teams on their experience and level of engagement.

In November 2022 Sanofi launched “Your Voice 2022” to our employees. Again the main purpose was to identify any gaps in how we are progressing with our Play to Win transformation, and the experiences our teams were having in the everyday; and to engage managers in driving actions that would help build a more purposeful employee experience and create a winning culture.

“Your Voice” uses a confidential external platform via a third party. It operates in real time, meaning that aggregated and anonymized results were available to managers directly after the survey closed. Managers are empowered to build responses and take action directly with their teams by agreeing on a plan that will directly improve their employee experience. Specific questions from previous “Culture Barometers” were integrated into “Your Voice”, ensuring that we were able to continue measuring the same milestones.

\(^2\) Sensitive positions: Professions in which expected economic, technological, regulatory, strategic, scientific or organizational developments are likely to lead to major changes in terms of skills and/or the workforce, over and above the evolution of natural departures.
With a response rate of 75%, initial analysis shows that our employees are most positive about the fact that they feel encouraged and supported in their development, they appreciate the autonomy and flexibility they have to do their work and they also value relationships with their peers. They also know what they are expected to deliver and how to support team objectives. Areas for further improvement include connecting what we do every day with our mission and purpose; optimizing our ways of working to ensure our people can thrive; and promoting a culture of openness and recognition.

This platform enables managers to have regular check-ins with their teams and ask for feedback.

### 4.3.1.5. Creating our Diversity Edge

[GRI 405-1, GRI 405-2]

#### 4.3.1.5.1. Our “All In” strategy

Diversity, Equity & Inclusion (DEI) is part of our larger Play to Win strategy and a key flagship in our Corporate Social Responsibility plan, helping us reinvent how we work and enabling our cultural transformation. In this strategic context, we launched our first ever global DEI strategy in June 2021 called “All In”, focused on delivering strong outcomes across three key pillars and against nine KPIs by 2025:

<table>
<thead>
<tr>
<th>Building representative leadership (focused on our workforce)</th>
<th>Creating an inclusive work environment where we can bring our whole and best selves (focused on our workplace)</th>
<th>In and beyond the workplace - inclusion and diversity among our people and communities (focused on our marketplace)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Gender parity: 50/50 for senior leaders and 60/40 men/women for executives</td>
<td>• 100% of employees have access to flexible working arrangements, subject to job activity</td>
<td>• Year on Year % increase of clinical trials achieving diversity targets</td>
</tr>
<tr>
<td>• Year on Year % increase of local workforce diversity representation for hiring and career progression</td>
<td>• 80%+ score in our Diversity &amp; Inclusion Index</td>
<td>• 100% of senior leaders are active in CSR programs</td>
</tr>
<tr>
<td>• Recognized as a Top 10 Employer for different strands of diversity</td>
<td>• 100% of people with disabilities have workplace accessibility</td>
<td>• Spend at least €1.5 billion with diverse suppliers</td>
</tr>
</tbody>
</table>

We know that the best way to deliver impact is by doing it together as an organization with our people, our suppliers, our stakeholders, and society. Together we will deepen our understanding by having constant conversations and putting in place more deliberate actions to drive greater equity across five key strands of diversity: Gender, Race/Ethnicity/Faith, Disability, Age and LGBTQ+.

2022 was a year spent embedding the “All In” DEI strategy, and the resources for all employees to engage and interact with it. We established the planned Employee Resource Groups (ERG) at both global and local levels with a universal framework and playbook to drive adoption. The five Global ERGs (Gender+, Pride+, Ability+, Generations+ and Culture & Origins+) were launched in the first quarter of 2022, with leaders selected from over 200 applicants. The ERGs worked with their sponsors and their Global DEI partners to create their foundational strategies, which were presented to the whole organization during an ERG Festival in November 2022. A Global ERG Forum was held in person in Paris in December 2022 to foster experience sharing and synergies.

The global ERGs will play a key role in the preparation of the Sanofi Paris 2024 pre-selected volunteer cohort, by welcoming volunteers to join ERGs so they can raise their cultural competence prior to serving as Sanofi ambassadors at the Paris Olympics.

In addition, we also support Affinity groups in each country based on local needs, e.g. Cancer at Work.

Alongside this, the Global DEI team on-boarded five members of the Executive Committee to voluntary roles as senior sponsors to an ERG. The Diversity, Equity and Inclusion (DEI) board launched on schedule in the second quarter of 2022. Chaired by our Chief Diversity Officer, there are three high profile DEI leaders, plus the remaining five members of the Executive Committee including the CEO and CPO (key drivers of the strategy) as well as one of our global ERG leaders.

A new way-of-working, governance and communications framework has been established along with a dedicated DEI communications working group, with additional investment in the Global DEI team through increased headcount to further support and embed the annual roadmaps in place to enable our 2025 KPIs.

In addition, in November 2022 a confidential voluntary demographic survey was embedded into the Your Voice survey to drive improvements in employee engagement with uptake in 48 countries, with at least one question (beyond age/gender) asked in connection with our five key DEI strands (gender, age, culture, disability status and sexual orientation). All participating countries conducted legal reviews in order to ensure any demographic questions are lawful and appropriate. The insights gained will help us to understand different segments of the organization and ensure that a more equitable and fair experience is available to all of our people.

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1 LGBTQ+ stands for lesbian, gay, bisexual, transgender, queer, and others.
Below are some examples of DEI deliverables that helped increase the cultural competence of our teams, further connecting us to our Play to Win strategy and the patients and customers that we serve:

- Challenge Your Bias (CYB) workshops - 3,373 completions, plus a further 1,796 who have completed Inclusive Leadership workshops in 2022. Globally, we have approximately 130 facilitators for CYB and approximately 90 for Inclusive Leadership, many of whom are Sanofi people. This shows that DEI is becoming a people-led culture activator within Sanofi.
- An ERG Leader development toolkit to upskill volunteer DEI leaders throughout Sanofi was deployed in the fourth quarter of 2022.
- An allyship guide, created with the global ERGs, was launched in the fourth quarter of 2022.
- ‘Outside In’ DEI sessions with Dr Rohini Anand were held in the fourth quarter of 2022 for all Global People and Culture team employees, to help grow the cultural competence of this key cohort of professionals.

4.3.1.5.2. Building representative leadership
Sanofi demonstrates an intentional focus on diversity and inclusion in:

- talent acquisition, through inclusive recruitment processes and diversification of talent sourcing (global Inclusive Job posting template for hiring managers & recruiters checking for gender-coded words);
- talent development, ensuring equal learning and development opportunities for all; and
- talent retention, with specific attention to diversity in our succession plans.

Our hiring managers are being trained in effective and inclusive recruitment through inclusion nudges, and we are equipping our search firms with our DEI strategy and expectations.

Wherever possible, relevant country targets and ambitions have also been put in place, with a few examples below:

- US: 37% people of color representation by 2025;
- UK: 25% representation of people from a minority and/or ethnic background at final interview stage for senior positions; and
- Brazil: 30% of hired black/brown people and 20% of employees aged over 50 by 2025

Variable targets set across countries to increase representation of people with a disability (organizational relationship with Valuable 500 initiated).

In France, Sanofi has for many years been working with young people to support their training and improve their employability (through internships, apprenticeships, or “VIE” – Volontariat International en Entreprise – the French international internship program). The national “1 jeune, 1 solution” plan is fully implemented by Sanofi through recruitment and support programs. This investment is accelerating from year to year, reflecting our responsibility as a large French company to help young people integrate with the world of work. The following areas highlight our commitment further:

- Recruitment/placement toward greater diversity:
  In 2022, more than 1,685 apprentices joined our staff, with an increased focus on inclusive hiring. Of those apprentices, 9.7% come from deprived neighborhoods and were recruited through the Place d’Avenir program, which supports efforts to combat self-censorship in employment and improve job opportunities.

  We also organized a Career Forum in conjunction with our healthcare ecosystem, bringing together 40 partners to offer employment opportunities to all young people at Sanofi.

  In 2022, out of 703 permanent contact hires, 152 were former apprentices, interns or VIE interns, i.e. 21.6% (vs. 20.4% in 2021)

- Training:
  Beyond the professional training that we offer, we innovated in 2022 with the Passeport Formation (“Training Passport”), to better prepare young employees by developing their soft skills and know-how. 200 young people have started a certified training program around three topics: personal development/efficient working, project management, and engaging and motivating employees; and

  In parallel, we have strengthened our mentoring program by fully integrating it into our CSR and People & Culture policies, and through partnerships with five major non-profits (Télémaque, Nos Quartiers ont des Talents, Capital Filles, Sport dans la Ville and Proximité). In 2022, we had nearly 250 Sanofi mentors, who contributed to the economic and social inclusion of young people from underserved areas. The mentoring approach is also part of the first pillar (“Raising awareness”) of the French government’s “PaQte” program, to which Sanofi has been contributing since 2018.

Globally, the following initiatives have been activated within diversity strands:

For LGBTQ+ talents, we have partnered with MyWork to attract more diverse profiles beyond gender balance (building a safe and rewarding space for employees with diverse sexual orientations and gender identities), as well as supporting and connecting with the community (through networking and career events). We sponsored the 2022 WorkPride event organized by MyWork, and delivered training sessions open to all employees on Allyship and Psychological Safety. We also participated in an LGBTQ+ Talents Workfair in October to hire diverse profiles from the community. Our Pride+ Global ERG organized one of our largest internal events, attracting 6,500 employees for Pride month, and also delivered their Allyship guide globally.

For Generations: we have partnered with OneYoungWorld to identify and develop Young Talents of Sanofi to advocate change and lead on our Sustainable Development Goals.
In 2022, Sanofi sponsored five talented women to take part in a scholarship program and attend the summit in Manchester (UK) bringing equity to female talent from China, Jordan, Netherlands, Nigeria and the United States.

### Population of millennials

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>New hires of people aged 30 or under as a % of total new hires</td>
<td>49%</td>
<td>51%</td>
</tr>
</tbody>
</table>

### Number of interns and apprentices hired (excludes apprentices in Germany):

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apprentices</td>
<td>1,449</td>
<td>1,451</td>
</tr>
<tr>
<td>Interns</td>
<td>3,051</td>
<td>3,037</td>
</tr>
</tbody>
</table>

#### 4.3.1.5.2.1. Focus on gender balance

We have committed to achieving gender balance of 50% in senior leadership and 40% of women in our executive teams by 2025. Supporting KPIs are included in the performance objectives for the annual variable compensation of all our executive teams.

To achieve this commitment, we are combining several actions covering Talent Management, Talent Acquisition, and Talent Development. In 2022 specifically:

- A “Career Development Journey for Women” program was launched in February 2022. It will help 135 talented women to progress towards more demanding executive roles through exposure, networking and coaching; 25% of the participants have made a career move since the start of the program.
- We are ensuring that every final interview round for any Senior leaders’ open role will have at least 50% women candidates.
- Offering gender-neutral paid parental leave of 14 weeks (see 4.3.1.5.3.3).
- We have global partnerships in place with Catalyst, the Healthcare Businesswomen’s Association (150 members), WIN (Women’s International Networking), the Women’s Forum and WeQual.
- We have over 30 Gender+ ERG leads across all geographies, covering more than 4,000 members and providing career development tools, visibility and advocacy for women at all professional levels.

In addition, we are embedding gender balance in our hiring, mobility, and succession planning processes, and are monitoring progress through several meaningful indicators to ensure we meet our global 2025 ambition. Our 2022 data show that we are progressing.

#### Gender balance

<table>
<thead>
<tr>
<th>Performance indicators</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our ambition is to achieve gender balance in Sanofi Senior Leaders (approximately 2,340 positions) by 2025.</td>
<td>41.7% women</td>
<td>40.1% women</td>
</tr>
<tr>
<td>Our ambition is to achieve 40% women in our Executive population (approximately 500 positions) by 2025.</td>
<td>37.2% women</td>
<td>34.2% women</td>
</tr>
</tbody>
</table>

*(a) Both indicators are included in the collective qualitative criteria for variable compensation of the Executive Committee (counts for 10%).

#### Gender balance by grade

| Employees under contract as of December 31 | Worldwide | Non-manager | Manager *(a)* | Senior leader *(a)* | Executive posts *(a)* | Executive Committee *
|--------------------------------------------|----------|-------------|-------------|-----------------|------------------|-----------------
| Employees                                  | 91,573   | 95,442      | 73,846      | 77,210          | 17,727           | 2,352           | 2,346          | 521            | 530            | 13             | 13             |
| % men                                      | 51.3%    | 52.3%       | 50.5%       | 51.4%           | 54.5%            | 55.9%           | 58.3%          | 59.9%          | 62.8%          | 65.8%          | 84.6%          | 76.9%          |

*(a) See section “4.6.2.1.5., Employee grades”.

At Sanofi, the gender pay gap is driven primarily by higher representation of one gender in traditionally higher and/or lower paid skill sectors/jobs and locations. As of December 2022, Sanofi has an average global pay gap of 5.7% in favor of women, mainly driven by our gender distribution in job families and geographical footprint. The nature of the calculation means that the pay gap may fluctuate year on year, influenced by our business model and strategy.
4.3.1.5.2.2. Ensuring pay equity

At Sanofi we believe in paying equitably for similar work. This does not necessarily mean everyone doing the same job will receive the same pay. Any differences in salary should be clearly explainable in line with Sanofi’s pay policies (grade, job profiles, location, skills, etc.).

In 2021 we launched a Global Pay Equity Action Plan to track and reinforce practices to ensure and promote pay equity. This action plan includes three core global commitments:

- Regularly monitor gender pay equity across all countries via the dashboards available and develop action plans to remediate any unjustified pay gaps.
- Push further for equity in all pay decisions, develop Pay Equity mindset and addressing factors that may impact pay gaps at each critical pay step (hiring, pay review, etc.).
- Encourage local processes to review base salary for employees returning from parental / family leave, preventing disparities.

We aim to avoid any discrimination (e.g. based on gender, race, etc) while making compensation decisions and base those decisions on Sanofi pay policies. Where disparities exist, we seek opportunities to allocate specific budgets to address pay gaps in one or multiple steps. For example, in France, 0.1% of the total salary mass was allocated to reducing the pay gap between women and men. Similarly, many other countries also kept a dedicated budget to address pay equity related adjustments during 2022.

Sanofi once again ranks in the top third of companies in the official French gender equality index, achieving scores ranging from 89 to 99 out of 100 in the latest index (published March 2022) and a headcount-weighted average of 93.3/100 (the average for all companies with more than 1,000 employees was 86/100). The index awards scores out of 100 on five key gender equality criteria: pay gap (basic and variable pay plus bonuses); gap in distribution of individual pay raises; gap in distribution of promotions; percentage of female employees receiving a pay raise on return from maternity leave; and number of women in the ten highest-paid employees.

4.3.1.5.3. Creating an inclusive work environment where everyone can bring their whole and best selves

4.3.1.5.3.1. Establishing a global wellbeing program

Sanofi strongly believes in the importance of supporting the wellbeing of all employees around the world as we implement our business strategy. As a company with high performance ambitions, we need to support our colleagues to thrive and be successful by energizing them and creating a collaborative working environment where they feel optimistic, hopeful about the future, and passionate about what they do.

In 2022, Sanofi reinforced its initiative to support the wellbeing of our employees. Called “All Well”, it is based upon four pillars:

- Healthy Minds: supporting emotional and mental wellbeing
  - We do whatever it takes to support the emotional and mental wellbeing of everyone at Sanofi. As part of the “Healthy Minds” pillar, Sanofi is adopting a multi-level approach to the prevention of psycho-social risks.
  - We offer an Employee Assistance Program (EAP) to all employees globally. This allows confidential access to speak to a counselor, 24 hours a day, 365 days per year.
  - We also launched in 2022 a global learning program, Winning Healthy Minds. This has the objective of helping employees build tools to support their mental resilience.

- Healthy Bodies: supporting physical health, focusing on prevention and quality healthcare
  - As a global healthcare company, Sanofi believes an employee’s physical health is key to their long-term wellbeing. Within this pillar, Sanofi focuses on prevention and quality healthcare.
  - Sanofi supports employees in healthy behaviors with practical tools on nutrition. We will support local programs wherever possible in our sites to ensure access to a gym (onsite in many places) and encourage competitive team initiatives such as walking challenges.
  - We also offer global prevention programs such as vaccinations, stop smoking and eat well campaigns.
  - And we offer access to medical insurance to all employees and their families everywhere around the globe.

- Healthy Working Culture: promoting a respectful, supportive and inclusive environment
  - Sanofi believes in a healthy culture which is supportive and where managers and employees can thrive in their work and feel empowered to innovate and grow. All managers are required to talk to their team members about their wellbeing and ensure that Sanofi is providing the support they need. In 2022:
    - We launched a global policy of offering 14 weeks of paid gender-neutral parental leave for all employees in all countries.
    - We established a global flexible working policy so that employees can adapt their working environment and patterns to their individual needs.
    - We launched a global Speak Up Portal so that all employees can openly bring up any concerns around unethical and unwelcome conduct.
• Healthy Financials: promoting employee confidence to control finances at whatever stage of life

Financial security is key to the wellbeing of our employees. Through our new global hotline, all our employees worldwide can access financial advice to help them plan better for specific events (e.g. home purchase, retirement planning) or deal with difficult situations (e.g. debt).

In addition to the suite of financial savings and pension vehicles provided by Sanofi to its employees around the world in line with market practices, Sanofi is globally committed to support employees to save money through its Employee Share Purchase Plan, which provides an attractive way for employees to purchase Sanofi shares at a discounted rate.

4.3.1.5.3.2. A global framework for flexible work

Our Play to Win priorities (Growth, Innovation, and Efficiencies) can only be successful with the fourth priority: Reinvent How We Work. Only by changing how we work can we transform the practice of medicine and create a place where everyone can bring their whole and best selves to work. Working flexibly is an important part of this: it builds inclusion, helps all of us to unleash our full creative potential, and fosters our new culture by helping us live the Play to Win behaviors.

A well-balanced, flexible workplace helps everyone feel more included because it shows that Sanofi acknowledges and caters to individual needs and working styles.

As part of the new D&I strategy, Sanofi’s “Global Flexible Work guidelines” have been updated based on a consistent global framework launched in May 2021. The global guidelines are applied locally through country-wide policies defined and implemented by Sanofi’s local country teams in full compliance with local labor law and practices.

By 2025, Sanofi is committed to offering access to flexible working arrangements to 100% of employees, subject to their job profile.

4.3.1.5.3.3. Global gender-neutral paid parental leave policy

In line with our DEI strategy, we are rolling out a global standard for inclusive and equal parental leave. From January 1, 2022, Sanofi grants 14 weeks paid parental leave to any Sanofi employee welcoming a new child through childbirth or adoption, no matter which country they are working in and irrespective of gender or sexual orientation, as long as the employee is recognized as the child’s parent as per local legislation or practice.

Since pioneering this policy in Latin America in 2020, we have seen first-hand the concrete and positive impact it can have for employees becoming parents. It will give our employees the freedom to determine the childcare arrangements that work best for them as a family and provide quality time to better bond together: a step forward for driving equality in the workplace. In 2022, 2,915 employees took parental leave, 57% women and 43% men respectively.

4.3.1.5.3.4. Attention to disability

In 2022, Sanofi increased focus on accessibility with a series of actions including:

• Hiring a Global Accessibility Adviser, reporting to the Global Head of DEI, to partner with functions and define a global disability strategy.
• Facilities Management launched Physical Accessibility Assessments across all Sanofi sites in the second quarter of 2022.
• The Digital team have now defined a catalogue of accessible software available to all employees without requirement for budgetary approval.
• We built on our strategic relationship with the Valuable 500 by inviting the founder and CEO to join our DEI Board.

Locally, Sanofi subsidiaries define specific programs.

For example, Sanofi in France is continuing to demonstrate commitment with the fifth renewal of its Group Agreement on disability for the period 2021-2023, built on five pillars:

• priority monitoring of employees with disabilities to ensure they can remain in their job;
• ongoing integration of employees with disabilities, whatever the nature of the disability;
• strengthening communication and information through awareness initiatives;
• constantly improving the accessibility of workstations and information (for example, making Tadeo – a computer-assisted solution which facilitates communication with deaf or hard of hearing people – available to all employees); and
• maintaining strong, ongoing relationships with organizations such as the protected and adapted work sector. A network of 32 disability delegates in the workplace provides local focus and attention.

Sanofi is committed to achieving a direct employment rate of 6% for disabled workers by the end of the agreement in 2023. In France, Sanofi had 1,430 employees with disabilities in 2022.

As another illustration, Spain has implemented the “Aflora” plan. Since 2018, “Talento sin Etiquetas” / “Talent without Labels” has helped inclusion for disabled people, creating a culture of normalizing and raising awareness around disability. Employees with a disability, or who have a child with a disability, are given a monthly allowance. In 2022, 31 employees benefited from these allowances.
4.3.1.5.4. Working with Cancer in France

As another illustration, Sanofi in France is improving its “Cancer & Work: Acting Together” program to support individuals and teams facing cancer. In 2017, Sanofi joined the “Club des Entreprises” launched by the French National Cancer Institute (INCa), and was one of the first companies to draft and sign the “Cancer & Work” charter to improve support for employees with cancer and promote health. To meet the commitments of this charter, Sanofi has set up discussion and solidarity spaces in each of its sites in France, combining the real-life experience of employees affected by the disease (patients, caregivers, managers) and the expertise of support functions (occupational health, social services, People and Culture)

- These are confidential spaces open to all employees, and currently include 150 volunteers trained in counseling.
- To date, the network has given support to more than 260 employees, with a 98% satisfaction rate, and 100% of respondents would recommend it to their colleagues. We are also involved in two research projects with external partners:
  - a thesis aiming at identifying barriers and levers in managing these complex situations in a workplace setting; and
  - a multidisciplinary open innovation project led by Le Nouvel Institut, and supported by the INCa and the French Ministry of Labor. The aim is to trial a “cancer and work recovery module”, and glean new inputs/insights to help government bodies identify changes needed to the legal and employment-related framework.

In this way, the “Cancer & Work: Acting Together” program contributes to society in and beyond the workplace.

4.3.1.5.5. A global volunteering framework

Every day at Sanofi, we chase the miracles of science to improve people’s lives. That reflects our commitment to society: to shape a better quality of life for people and communities around the world. Because we can do more and we want our people to have a purposeful experience, we are taking this mission to the next level with “We Volunteer,” our company-wide employee volunteering program.

Sanofi has a history of engagement with communities through volunteering. Thousands of employees have contributed, and many continue to do so. Run by Sanofi and our partners, our volunteering activities support our CSR goals, which are all about social and economic engagement in all communities where we operate.

To facilitate and encourage employees to be actively involved in volunteering activities, the “We Volunteer” program:

- has clear global guidelines;
- is deployed via a shared global platform, which 21 countries have already joined in 2022; and
- provides all employees with one paid day-off per year (or two at the discretion of country-level management) to participate in volunteering activities for good causes proposed by Sanofi.

In October 2022, the first “We Volunteer Month” provided an occasion to promote and celebrate volunteering across Sanofi.

Key figures:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of volunteers</td>
<td>6,825</td>
<td>4,975</td>
</tr>
<tr>
<td>Number of hours of volunteering</td>
<td>46,976</td>
<td>26,906</td>
</tr>
<tr>
<td>Number of countries</td>
<td>33</td>
<td>36</td>
</tr>
<tr>
<td>Number of NGO partners</td>
<td>371</td>
<td>253</td>
</tr>
</tbody>
</table>

We Volunteer allows our employees to do good for the communities we care about, develop strong and lasting relationships, and learn and grow together as individuals, living our One Sanofi culture and giving back to communities.

4.3.2. Access to healthcare

4.3.2.1. Context and approach

Sanofi strives to provide better health and access to quality medicines and vaccines for patients and populations who need them around the world. The company shares this responsibility with the actors of local healthcare systems, and is committed to playing its part. Sanofi employs an approach adapted to the specifics of both healthcare systems and local needs, through different access models (commercial, social, and philanthropy).

Sanofi’s commercial model reflects the commitment to broadly expanding patient access to medicines and vaccines while ensuring sustainability for all stakeholders, and incentivizing continued investment in R&D. Broad access to medicines and vaccines requires wealthier countries to partner with the biopharmaceutical industry and make a commitment commensurate with their ability to pay, in order to incentivize continued investment in innovation. Policies that reward the value of innovation ultimately improve the lives of patients around the world. This shared responsibility also enhances and accelerates patient access to Sanofi products for middle- and low-income countries or underserved populations, including country-scaled access solutions based on new affordable models of access and programs that strengthen healthcare systems.

Sanofi’s social model to broaden access is channeled through the Sanofi Global Health Unit, the first initiative of its kind to provide access to a broad portfolio of medicines in 40 of the world’s poorest countries and across several therapeutic areas, while funding local support programs as well as innovative private companies.
Finally, Sanofi’s philanthropy model supports people, patients, and communities around the world.
Sanofi’s approach to access to healthcare is applicable to all Global Business Units (GBUs) and countries where the company operates.

4.3.2.2. Our R&D endeavors to address unmet needs

4.3.2.2.1 Contribute to sleeping sickness disease elimination in 2030
Sanofi has collaborated with the World Health Organization (WHO) since 2001, with the objective of contributing to eliminate sleeping sickness, or Human African Trypanosomiasis (HAT), by 2030. Sleeping sickness is a Neglected Tropical Disease, which affects mostly poor populations living in remote rural areas of sub-Saharan Africa. If left untreated, the parasitic disease is usually fatal. Since the start of Sanofi’s collaboration with the WHO, the number of cases of sleeping sickness has fallen by 97%, from 26,950 in 2001 to 805 in 2021, dropping below 1,000 for the fourth consecutive year.
Sanofi has collaborated with the Drugs for Neglected Diseases initiative (DNDi) to develop a new all-oral monotherapy, fexinidazole, which was first approved at the end of 2018 in the Democratic Republic of Congo (DRC). While previous treatments required long hospitalizations and intravenous administration, this new, all-oral monotherapy reduces treatment to a ten-day once-a-day treatment that is effective in both the first and the second stages of the disease in adults and children aged six years and older and weighing 20 kg or more. Fexinidazole also received WHO prequalification in March 2019, and was approved in Uganda and the United States in 2021. It has been included in the WHO Essential Medicines List and WHO sleeping sickness treatment guidelines, as a first-line treatment for first stage and non-severe second stage.
In September 2020, Sanofi and DNDi signed an agreement to develop and roll out acobizorole, a second innovative sleeping sickness treatment. Once approved, the treatment could be administered in a single dose at the point of diagnosis making it a game-changer to support the sustainable elimination of the disease. This new chemical entity has been tested in Phase II/III clinical studies in DRC and Guinea. The results, which were published in The Lancet Infectious Diseases medical journal in November 2022, showed that the 18-month treatment success rate for acobizorole was 95% in late-stage g-HAT patients, corresponding to the best results from studies with existing treatments (94%). In addition, 100% of the 41 patients with early-stage g-HAT were considered as treatment successes at all timepoints. The study shows that acobizorole has a favorable safety profile, with no significant drug-related safety signals being reported. These pivotal results will form the basis of Sanofi’s dossier submission to the European Medicines Agency (EMA), and represent another milestone in the quest to eliminate sleeping sickness.
Through Sanofi’s partnership with the World Health Organization (WHO), the company supports disease management, including screening of populations, disease awareness campaign, capacity building, and drug donation. At the end of 2022, Sanofi’s total contribution to this WHO program was $110 million. The partnership agreement was renewed in 2020 for another five years, with a commitment to contribute $5 million annually from Sanofi. The program includes controls over the quality and use of the products, as well as distribution, which is handled jointly with Médecins Sans Frontières (MSF). This long-term commitment is key to achieving the sustainable elimination of sleeping sickness by 2030, as per the WHO Neglected Tropical Disease roadmap.
As of October 2022, the Neglected Tropical Diseases program is managed by Foundation S – the Sanofi Collective. Foundation S is committed to donate acobizorole until sleeping sickness is eliminated worldwide.

4.3.2.2.2 Develop innovative treatments for childhood cancer
Cancer remains the leading cause of death from disease in children in the developed world. Most of the medicines we use to treat children today – with some exceptions – were approved in the 1950s, 1960s and 1970s. Today, there is no established business model for developing innovative treatments for childhood cancers, as they are a constellation of rare and ultra-rare diseases. Also, a perception exists that there are regulatory hurdles to studying new drugs in children. As a result, progress in new therapeutic development has been limited despite regulatory requirements and incentives.
As part of its CSR strategy, Sanofi has set itself the ambition to develop innovative treatments to eliminate cancer deaths in children. To achieve this, Sanofi will leverage its R&D capabilities to develop highly effective, less toxic novel therapeutics for children with cancer. In addition, the median time between the first-in-human adult trial and first-in-child clinical trial is currently 6.5 years. Sanofi aims to reduce delays in launching clinical trials for children with cancers to less than 3 years relative to adult trials. The company is looking at compounds at very early stages of development – ideally before entering human trials – to consider what additional laboratory data is needed, and be ready to initiate pediatric clinical trials on a timely basis.
Collaboration with the pediatric cancer community will continue to be central to meeting current challenges. In 2021 and 2022, Sanofi established collaborations with the Innovative Therapies for Children with Cancer’s Pediatric Preclinical Proofs of Concept Platform (ITCPC4) and Convening Experts in Oncology to Address Children’s Health (COACH). In addition, Sanofi is working with experts at institutions and other childhood cancer research networks — including the Children’s Oncology Group, MD Anderson Cancer Center, Institut Gustave Roussy, Memorial Sloan Kettering Cancer Center, and Children’s Hospital of Philadelphia — to help prioritize pipeline drugs for development based on emerging data and unmet patient need. Sanofi is continuing to conduct additional pre-clinical evaluations to support prioritization and is preparing for the first clinical trial under this initiative, with an estimated launch in 2024.

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2 European Journal of Cancer, Volume 112, May 2019, Pages 49-56
4.3.2.2.3 Develop Global Access Plans for our innovation pipeline

Global Access Plans systematically establish the access conditions to Sanofi’s pipeline (starting from Phase Ib of R&D), determining which products, which countries and what access solutions should be developed based on issues to solve. This end-to-end process considers all the steps, implications, and challenges to be solved alongside the value chain of Sanofi innovation: R&D, including clinical trial site localization; manufacturing; supply; regulatory or price and reimbursement conditions.

Sanofi’s ambition is to develop a Global Access Plan for all new products and major innovations to make them available within two years after first launch, wherever we can make an impact for patients, and when external conditions allow. Sanofi:

- focuses on geographies where a significant unmet medical need remains, and the healthcare ecosystem can support safe integration into clinical practice (feasibility);
- aims to go beyond making products available by supporting healthcare capability building when necessary to ensure patients have effective access; and
- searches for all possible ways to provide access from commercial, social, and philanthropic approaches.

After running a pilot for fitusiran in 2022, Sanofi is now starting to roll out the Global Access Plan at full scale for all assets in the pipeline from Phase II-b of Research and Development.

4.3.2.3. Our commercial endeavors to improve access to healthcare

Sanofi has a long history of working with healthcare systems to make its treatments accessible and affordable to patients in need.

4.3.2.3.1. Eradicate Polio

Polio is a contagious disease that mainly affects children under five. One in 200 infections leads to irreversible paralysis. Over the last 30 years, under the Global Polio Eradication Initiative (GPEI), 2.5 billion children have been immunized against polio resulting in a 99% reduction in the number of cases worldwide. At the end of 2022, polio was endemic in only two countries (Afghanistan and Pakistan) with 30 wild polio virus cases reported (compared with six in 2021). As a result of the global effort to eradicate the disease, almost 20 million people have been saved from paralysis.\(^3\)

The polio strategy aims for all polio viruses to have been sustainably eradicated worldwide – meaning no cases have been detected for three years – by 2026.\(^4\) Since 1988, Sanofi has been a key partner of the Global Polio Eradication Initiative and has supplied more than 14 billion doses of Oral Polio Vaccine (OPV) and 1.5 billion doses of Inactivated Polio Vaccine (IPV) in the world. In 2022, Sanofi supplied a total of 47 million doses of IPV vaccine to UNICEF for GAVI countries. In addition, 32 million doses of polio vaccine were provided to Brazil, India, Indonesia and the Philippines.

Sanofi has expanded its IPV production capacities and is in a position to contribute greatly to the demand of doses needed for this unprecedented global rollout of polio vaccination. Between 2014 and 2022, Sanofi supplied 395 million IPV doses to UNICEF.

4.3.2.3.2. Access to Diabetes Care

Diabetes is a global pandemic: approximately 6% of the world´s population – more than 537 million people – live with either Type 1 or Type 2 diabetes. Over three in four adults with diabetes live in low- and middle-income countries (LMICs) and this prevalence has been rising more rapidly in these countries than in high-income countries. Importantly, almost one in two adults living with diabetes is undiagnosed.\(^5\) Since 2021, analog insulins have been added to the WHO list of Essential Medicines (EML), to help ensure effective treatment options are available for people living with diabetes.

There are many barriers to access to diabetes care beyond price, such as R&D, manufacturing, market registration, procurement, supply, prescribing, dispensing and treatment. Sanofi is committed to improving access to prevention, treatment and care for people living with Diabetes in LMICs and underserved communities, in full support of the United Nations 2030 Agenda for Sustainable Development and with a commitment to ensuring access to medicines on the WHO EML. Sanofi’s commitment was renewed in November 2022 at a meeting between the WHO and companies active in diabetes care.

Since early 2022, as part of Sanofi’s overall commitment and strategy for diabetes care, Sanofi has piloted a new commercial model in selected countries, where it partners locally with governments and other entities to co-create an agile, adapted solution for the local context. The main criteria in selecting countries were the commitment of government to tackle non-communicable diseases (NCDs); the priority of diabetes on the healthcare agenda; and government interest in incorporating analog insulins, recently included in the WHO EML. These agile solutions will provide the blueprint to scale up the program within the pilot countries, as well as to expand to other countries over the next three to five years. Sanofi aims to launch the program in Ghana and Nigeria in 2023, where local teams worked to define the solution and reach the local government and partners for implementation. By rolling out this new commercial model, we are aiming to impact the lives of 190,000 people living with either Type 1 or Type 2 diabetes within 5 years.

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3 World Health Organization (2022) Poliomyelitis Factsheet
4 Polio-Eradication-Strategy-2022-2026-Delivering-on-a-Promise.pdf (polioeradication.org)
In addition, Sanofi has expanded its access to insulin commitment for underserved communities in the United States. From July 2022, uninsured people living with diabetes in the US have been able to obtain Sanofi insulins (Lantus®, Insulin Glargine U-100, Toujeo®, Admelog®), and Apidra®) from Sanofi’s Insulins Valyou Savings Program with a valid prescription for a fixed price of $35 for a 30-day supply. Previously, the program offered a 30-day supply of Sanofi insulins for $99. The Insulins Valyou Savings Program has helped thousands of people living with diabetes save on their prescription costs since its launch in 2018. In 2022, the Insulins Valyou Savings Program was used more than 98,600 times. The update is intended to offer more savings to individuals participating in the program. Sanofi continues to offer other patient-centric savings programs to make insulins accessible and affordable.

4.3.2.3.3. Product pricing

Making products, treatments and associated services more affordable is an important aspect of improving access to healthcare. Sanofi is committed to working with governments to strengthen national healthcare systems and ensure that people can access affordable care and medicines.

In a highly competitive environment where payers are subject to tight budgetary constraints, decisions by governments and health authorities - and cost reduction measures - have a growing influence on the pricing and reimbursement of our products. In response, Sanofi is committed to:

- addressing increased scrutiny of the value and price of medicines, whether by the general public or external stakeholders, by clearly explaining the value that underpins how a product is priced; and
- improving affordability and offering solutions to access issues by adopting differentiated approaches in developed countries and emerging markets.

Policies, action plans and performance indicators

Given the growing concerns over rising healthcare costs, Sanofi’s approach to pricing reflects its continued efforts to support patient access while minimizing its contribution to healthcare cost inflation. This is why Sanofi has laid down principles for pricing in response to government and market pressures.

We published our Global Access & Pricing Principles in March 2022. They provide a framework for pricing and providing access to our new treatments and vaccines globally and are founded on two pillars:

- Clear rationale for pricing and access at the time of launch of a new medicine or vaccine. This rationale is built around four factors:
  - holistic assessment of value;
  - availability or anticipation of similar treatments at the time of launch;
  - ability of market to afford new medicines; and
  - unique factors specific to the medicine or vaccine at the time of launch.
- Inclusion of affordability criteria into pricing considerations for new launches. For all new product launches, Sanofi systematically considers country affordability (capacity to pay) through different indicators published by the World Bank and International Monetary Fund on an annual basis. Sanofi specifically looks at country wealth (GDP per capita and growth rate); healthcare system ability to pay (public health spending); and the burden of health cost on individuals (individual contribution to health care expenditures) and use these criteria to determine our net price flexibility for the country.


Limited price increases for Sanofi medicines in the United States

Given the unique nature of the United States healthcare system, we also publish an annual transparency report specific to the U.S. market.

Sanofi’s U.S. prescription medicine pricing principles focus on three key areas:

- clear rationale for pricing on a worldwide scale when Sanofi launches a new medicine;
- limited price increases for its medicines in the United States; and
- transparency around its gross and net prices in the United States.

Throughout 2022, we followed the pricing principles established in 2017. Under those principles, we committed to limit any list price increase on one of its medicines to a level at, or below, the projected US National Health Expenditure (NHE) growth rate for that year, as estimated and published annually by the Centers for Medicare & Medicaid Services (CMS) of the US federal government.

If Sanofi takes a price increase above the NHE growth rate for a given medicine that results in a list price increase greater than $15 for a full course of treatment per year, the company will provide its rationale, highlighting clinical value, real world evidence, regulatory change, new data, or other circumstances that support the decision.

The CMS issued a projected average US healthcare cost growth rate for 2022, which was updated from a projection of 5.1% to 4.6% on April 27, 2022.

During 2022, Sanofi increased the price of 48 of its 83 prescription medicines. For those price increases, none were exceptions to our pricing principles and none are expected to trigger an inflation penalty under the new Inflation Reduction Act of 2022.
Transparency around Sanofi’s prices in the United States

Sanofi’s policy reflects a desire both to help its stakeholders better understand its pricing decisions and to advance a more informed discussion of issues related to the pricing of medicines. The data Sanofi provides may help illustrate how pricing changes accrue to manufacturers versus others in the value chain, highlighting that manufacturers are just one player in the broader US healthcare environment.

While list prices (gross prices) often receive the most attention, they are not the prices typically paid by the insurers, employers or pharmacy benefit managers (PBMs) who purchase Sanofi’s medicines on behalf of patients. Sanofi negotiates significant discounts and rebates with these payers, to ensure greater access and affordability for patients. That negotiated price is the net price. Net prices more accurately reflect the prices we are paid as the manufacturer, and are the most accurate gauge to measure effective price increases.

However, the level of discounts and rebates varies, and is often not visible to patients. It is important to note that decisions on patient cost-sharing are ultimately made by payers, not manufacturers. Simply put, the out-of-pocket payments made by patients depend on how their respective health insurance plan is structured and the extent to which or whether that plan, their employer, or PBM chooses to use the negotiated discounts to directly lower costs for prescription drugs for patients.

This is why we have committed to publish annually the overall increase or decrease in our gross (list) prices and net prices in the United States:

<table>
<thead>
<tr>
<th>Year</th>
<th>Aggregate annual change in average list price</th>
<th>Aggregate annual change in net price</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>+4.6%</td>
<td>-8.0%</td>
</tr>
<tr>
<td>2019</td>
<td>+2.9%</td>
<td>-11.1%</td>
</tr>
<tr>
<td>2020</td>
<td>+0.2%</td>
<td>-8.0%</td>
</tr>
<tr>
<td>2021</td>
<td>+1.5%</td>
<td>-1.3%</td>
</tr>
<tr>
<td>2022</td>
<td>(b)</td>
<td>NA</td>
</tr>
</tbody>
</table>

(a) For the entire portfolio of Sanofi prescription medicines.
(b) 2022 data will be published in our Prescription Medicine Pricing Principles factsheet by April 2023, and made available in the CSR document center on our website Sanofi.com.

4.3.2.3.4. Patent Management

Patents should not be an obstacle to access to healthcare, and Sanofi believes that being transparent and flexible with its patents can help in responding to urgent health challenges in developing countries. Since December 2019, Sanofi has publicly disclosed the patent status of its essential medicines and vaccines in developing countries. Sanofi’s disclosure was updated in 2022, in line with the new List of Essential Medicines published by the WHO in 2021. Sanofi has also confirmed that it will not file or enforce patents in Least Developed Countries (LDCs) or Low-Income Countries (LICs). This also applies to some lower-middle and upper-middle income countries. The disclosures are provided in full in our “Access to Healthcare” factsheet, available in the Document Center on www.sanofi.com.

4.3.2.4. Sanofi Global Health: The cornerstone of Sanofi’s Social Business approach

As part of the different access models described above, Sanofi’s social model is channeled through the Sanofi Global Health Unit (GHU; launched in April 2021), a non-profit business unit with a remit to increase access to medicines considered essential by the World Health Organization (WHO) for patients in some of the least developed regions of the world, by selling its medicines at affordable prices while also funding local support programs. The Sanofi Global Health Unit is self-financed to ensure it remains sustainable over time, charging just enough to cover local implementation projects. Its target is to provide access to affordable and quality medicines to two million non-communicable disease (NCD) patients by 2030.

Sanofi Global Health is equipped with a portfolio of 30 products manufactured by Sanofi, covering both infectious and non-communicable diseases. It has a multi-pronged approach, combining both its medicines and its expertise to achieve sustainable access to medicines for the most vulnerable:

• Provision of essential medicines: The Global Health Unit will operate in 40 countries among those with the lowest Gross Domestic Product (GDP) per capita, and will supply 30 of Sanofi’s most essential medicines, including treatments for diabetes, cardiovascular disease, tuberculosis, malaria and cancer. In July 2022, Sanofi Global Health announced the launch of Impact®, a new brand of standard of care medicines produced by Sanofi dedicated to non-profit distribution to at-risk populations in the world’s most impoverished countries.
• Screening, disease management and training programs: As the provision of medicines is not enough in itself to meet unmet needs, the GHU will also work with local health authorities and care providers to train healthcare professionals and raise disease awareness, and help set up sustainable healthcare systems for diseases that require chronic treatment and complex care.
4.3. Detailed description of SEFP risks and issues

- Funding for inclusive businesses: In 2022, Sanofi also announced the establishment of a €25 million Impact Fund that will support startup companies and other innovators who can deliver scalable solutions for sustainable healthcare in underserved regions. By providing inclusive business financing and technical assistance, the fund will complement the GHU's mission of leveraging global, regional, and local investment to support the training of healthcare professionals and aiding communities in running sustainable care systems.

In 2022, the Sanofi Global Health Unit expanded its reach to patients with non-communicable diseases:

<table>
<thead>
<tr>
<th>Disease targeted</th>
<th>Main implementing partner</th>
<th>Countries</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diabetes &amp; hypertension</td>
<td>Medtronic Labs</td>
<td>Tanzania, Sierra Leone</td>
<td>Integrated patient-centered model of care to improve diagnosis and disease management for diabetes and hypertension, using digital technology to allow providers to manage a cohort of hypertensive or diabetic patients remotely thereby improving patient outcomes. To date, more than 71,000 people have been screened for diabetes and hypertension; over 24,000 have been enrolled into hypertension and diabetes care, and are being followed up by the project. Over 140 community health workers and over 260 healthcare professionals have been trained in diabetes and hypertension.</td>
</tr>
<tr>
<td>Diabetes &amp; hypertension</td>
<td>eNCD</td>
<td>Sub-Saharan Africa, Haiti</td>
<td>eLearning and tele-expertise platform for healthcare professionals across Africa in partnership with UNFM (Global Francophone Digital University) and the University of Geneva. Educational program initiated with diabetes, and now extended to hypertension and mental health. New approach piloted in 4 countries (Niger, Chad, Rwanda, Uganda), with extension to further countries (Central African Republic, Burundi, DRC, Guinea, Benin, Comoros, Djibouti, Haiti).</td>
</tr>
</tbody>
</table>

Since 2021, Sanofi Global Health Unit has engaged with Ministries of Health and other partners in several countries, including Rwanda, Uganda, Tanzania and Cambodia. Selected examples of projects supported are described below:

- **AFYA IMARA (Tanzania) and Betteh Lyfe (Sierra Leone)**: Targeted at Diabetes & Hypertension. Medtronic Labs was the main implementing partner. The project focuses on Tanzania and Sierra Leone, integrating comprehensive health services into HIV/Tuberculosis and NCD programs. It emphasizes the need for sustainable care systems and has contributed to the training of healthcare professionals.

- **eNCD/UNFM** (Diabetes & Hypertension): This project targets eNCD in Sub-Saharan Africa, Haiti, partnering with OPHID. It integrates NCD services (diabetes and hypertension) into tuberculosis/HIV services, providing comprehensive health services to at-risk populations in HIV (PLHIV) and adults from the general population. The project has led to over 260 healthcare professionals being trained in diabetes and hypertension, with a focus on sustainable care systems.

- **Integration of NCD screening and treatment into HIV care and treatment services** (Diabetes & Hypertension): Partnering with OPHID, this project targets Zimbabwe. It integrates NCD services into tuberculosis/HIV services, improving disease surveillance and care.

- **City Cancer Challenge – Scale Up, Scale Deep, Scale Out**: This project targets Cambodia and Rwanda. With a focus on Oncology, the City Cancer Challenge program has integrated NCD screening and treatment into tuberculosis/HIV services, improving disease surveillance and care.

**4.3.2.5. Sanofi’s Philanthropy Approach**

As part of the different access models described above, Sanofi’s philanthropy model supports people, patients, and communities around the world. Through our Rare Disease Humanitarian Program, we help patients and families access life-changing medicines. Through Foundation S – the Sanofi Collective, our new philanthropic organization launched in 2022 – we support vulnerable communities around the world by focusing on children and families impacted by childhood cancer; helping communities in low- and middle-income countries (LMICs) adapt and build resilience to the effects of climate change; supporting the global ambition of eliminating sleeping sickness by 2030; and helping displaced populations during times of humanitarian crises with financial aid and medicine donations.
4.3.2.5.1. Provide rare disease treatment to those without access

Rare diseases are serious, chronic conditions that are severely debilitating and potentially fatal. More than 300 million people globally live with one or more of the 7,000 identified rare diseases.¹ Most rare diseases are genetic, and the majority start in childhood. As well as physical symptoms, rare diseases are often accompanied by a significant psychological burden for patients and their families. Even in countries with developed healthcare systems, patients may encounter difficulties accessing treatments for rare diseases due to limited health insurance cover, non-reimbursable treatments, and many other reasons ranging from the severity of the condition to age and immigration status. To address such cases, Sanofi has been operating a humanitarian program over the past 30 years to supply free treatments to people with lysosomal disorders, such as Fabry, Gaucher or Pompe diseases, while also working with governmental authorities, patient groups and health sector decision-makers to develop sustainable access solutions.

As part of our commitment to society, we have set a target of helping 1,000 patients living with rare diseases who have no access to treatments each year, by donating 100,000 vials of medicine for their treatments annually. In 2022, more than 120,000 vials were shipped, enabling more than 1,100 patients with rare diseases to receive treatment. In 2022, Sanofi not only exceeded its target, but also added two new treatments to the program: Xenpozyme⁷ and Nexviadyme⁸/Nexvizyme⁹, which treat Acid Sphingomyelinase Deficiency (ASMD) and Pompe disease, respectively. The program now reaches patients in 70 countries across six continents. Cumulatively, the program has supported more than 3,550 people with six types of lysosomal storage disorder in more than 100 countries over the last 30 years. 100 patients have been receiving free therapy for twenty years or longer through the program.

4.3.2.5.2. Fighting Childhood Cancer: My Child Matters

Worldwide, nearly 400,000 cases of cancer are diagnosed in children under the age of 19 every year. Nearly 80% of them live in countries with limited resources where survival rates are as low as 20% to 30%, while in the US and other developed nations 80% of children with cancer survive.²

The ‘My Child Matters’ program (MCM) was launched in 2005 to increase childhood cancer survival rates by providing financial support to families and children living with cancer. The program aims to strengthen healthcare systems in LMICs by improving their ability to diagnose and treat childhood cancers. The program focuses on training healthcare professionals, improving data collection through cancer registries, raising public awareness, improving the quality and speed of diagnosis, ensuring treatment continuation and adherence, and improving access to and the delivery of pain relief and palliative care. MCM is a collaboration between partners such as the Groupe Franco-Africain d’Oncologie Pédiatrique (GFAOP), the International Society of Pediatric Oncology (SIOP), numerous non-governmental organizations (NGOs), and healthcare experts from hospitals across the world. Since 2005, My Child Matters has provided support to 51 hospitals and NGOs in 33 countries, helping more than 140,000 children, and training over 40,000 healthcare professionals. The program has been credited with considerably increasing survival outcomes.

To foster best-practice sharing between experts and countries, the MCM program launched an open data platform in 2022. The aim is to highlight all MCM programs globally and to ensure all stakeholders fighting childhood cancer can benefit from critical data, know-how and the most recent scientific publications in pediatric oncology.

4.3.2.5.3. Providing Disaster Relief: Humanitarian donations in Pakistan and Ukraine

Foundation S provides humanitarian aid to communities and displaced populations during times of emergency and crises. Through multiple partnerships such as with TULIPE, Foundation S provides medicine donations to countries around the world. In 2022, TULIPE donations included Sri Lanka, Nigeria, Chad and the Democratic Republic of Congo. In total in 2022, Foundation S donated essential medicines equivalent to 45 million daily treatments to treat 22 million patients. The value of these donated products was approximately €26 million.

Donations in 2022 included:

− Ukraine: Through the Red Cross, Foundation S donated medicines and vaccines to support Ukrainian patients and refugees:
  - 37 million daily treatments (21 million people treated) for diabetes, cardiovascular disease, epilepsy, and other life-threatening and chronic conditions, as well as 450,000 vaccines (300,000 diphtheria and tetanus doses, and 150,000 flu doses).
  - Financial contribution of €4 million to the Red Cross to support people in Ukraine and neighboring countries, and €1 million to UNHCR to assist refugees.
  − Matching of employee donations (2,800 employees) to Ukraine, which reached €700,000.

− Pakistan: Through UNICEF and the Red Cross, Foundation S provided support to people and communities displaced and impacted by the unprecedented floods in Pakistan. The donation included:
  - €60,000 in cash and 3.9 million daily treatments of antibiotics, reaching approximately 560,000 people treated.

− Lebanon: Through TULIPE, the Lebanese Ministry of Health, and the Centre de Crise et de Soutien (CCDS) of the French Foreign Affairs Ministry, Foundation S was able to mobilize aid to support people during a cholera outbreak. The donation included:
  - 13,500 cholera vaccines, reaching 13,500 people.

¹ Rare Diseases International (2019), https://www.rarediseasesinternational.org
² World Health Organization (2021), https://apps.who.int/iris/handle/10665/347370
4.3.3. Product quality

4.3.3.1. Organization
Sanofi’s dedicated Global Quality function supports our Global Business Units and Global Support Functions, and our country-level and industrial entities, in line with our Play to Win strategy.

Global Quality is headed up by our Chief Quality Officer (CQO), who is directly accountable to our Chief Executive Officer for developing our Quality policy. The CQO also has responsibility for coordinating and implementing that policy within the relevant Sanofi entities, and for compliance with regulatory and Sanofi internal standards.

Our CQO represents Sanofi’s senior management on all matters related to quality. The CQO reports directly to our Executive Vice President of Manufacturing & Supply and is a member of Sanofi’s Manufacturing & Supply Board, Risk Committee and Compliance Committee.

Global Quality organization:

Global Quality implements our Quality management system on a harmonized basis, so as to guarantee the quality of all our products and services across their entire life cycle (from discovery and development to manufacture, distribution and commercialization). Our Global Quality management system is based on our strong commitment to improving patients’ lives and meeting public health needs.

At local level, quality managers are appointed at each site and each sales office. Their role is to manage and control the way in which the principles of the Sanofi quality management system are implemented, so that we can be sure that our products meet quality and regulatory standards.
4.3.3.2. Policy and action plan

The fundamental principles of Sanofi’s Global Quality policy are set out in a document signed jointly by our Chief Quality Officer and our Chief Executive Officer. This policy document is made available to all our employees in all countries; the latest version was revised and approved in September 2022.

The structure and key processes of our quality management system are described in the Sanofi Quality Manual, which must be applied by everyone at every level in our organization. The Sanofi Quality Manual includes the following processes:

- product life cycle processes: research, lab trials, medical and clinical trials, manufacturing and distribution;
- transverse processes: documentation management, improvements to products and processes, training and certification, management of third-party suppliers, information system management; and
- organizational processes: quality systems management, quality audit, quality risk management.

Our quality management system has built-in flexibility, so that it can incorporate quality standards specific to each of our product families. In line with our overall principles of risk management and continuous improvement, we constantly adapt our quality management system in anticipation of regulatory changes and to ensure an optimal response to Sanofi’s strategic objectives.

The electronic tools that underpin our quality management system are also evolving, with the benefit of state-of-the-art technologies. This digital transformation is intended to drive continual improvements in our systems and processes.

The Sanofi quality management system is wholly in line with the requirements described in guideline Q10, “Pharmaceutical Quality System”, published by the International Council on Harmonization (ICH). It also incorporates all good practice rules - Good Clinical Practice (GCP), Good Distribution Practice (GDP), Good Laboratory Practice (GLP), Good Manufacturing Practice (GMP) and Good Pharmacovigilance Practice (GPVP) - as well as other regulatory requirements relating to human health.

Our Quality Policy and Quality Manual are the cornerstones of our quality management system. They serve as vectors to ensure that our quality management principles are fully deployed within Sanofi, and are central to our vision of Quality culture.

Practical measures taken to implement the Sanofi quality management system include:

- our Global Business Units, sites, country-level operations and global support functions are subject to regular audits by a dedicated Global Quality Audit team, tasked with giving senior management a clear and impartial evaluation of compliance with the Sanofi quality management system. A risk-based approach is used to determine the frequency and duration of audits, and the number of auditors involved. The audit approach and system used by Sanofi has ISO/IEC 17020:2012 accreditation. The Global Quality Audit team also handles preparations for official inspections of Sanofi entities and functions, so as to ensure that we are in compliance with all our regulatory obligations and commitments;
- throughout the physical journey undertaken by Sanofi products, we maintain the same levels of quality, security and traceability for all our products. To do this, we use technology to protect our products against attempts at misappropriation, counterfeiting or falsification. And at every stage in the logistics chain, Sanofi ensures that products are stored, transported and delivered in appropriate conditions compatible with maintaining product quality;
- quality risk management is integral to Sanofi’s control and governance system. This means we can take appropriate decisions and provide assurances to regulators about our ability to anticipate and prevent potential crises. Our approach addresses risk both reactively and proactively. In reactive mode, we deal rapidly and efficiently with any quality issue, deploying corrective actions and adequate preventive measures. In proactive mode, we monitor internal and external information sources to identify potential risks so that we can take preventive measures; and
- Sanofi has identified the quality culture as an essential factor in our corporate performance and in delivering on our strategy. To catalyze the impact on enterprise value, we founded our Quality Academy, which offers training programs to help ensure that our people are always properly trained and qualified. The Academy is complemented by practice communities, which share and discuss quality-related issues and processes.

Highlights of 2022 were:

- Business Process Owners within the Sanofi quality system redefined their processes to reflect recent technological developments and the results of a survey of 14 other pharmaceutical companies. This resulted in practices being simplified, optimized and harmonized across the entire value chain of our products, from R&D through to sales, delivering newly streamlined and integrated data management flows. There were regular exchanges throughout the year to inform users about the upcoming changes, at both operational (processes) and technical (systems) levels. A change support plan was put in place to ensure a smooth transformation, based on a network of local representatives coordinated by a global team, ready for a rollout from July 2023 onwards.
- A new simplified process for managing minor deviations, based on risk management theory, was rolled out across 23 of our major industrial sites. This new approach relies on a simplified, immediate investigation into the event, combined with a quarterly trend analysis to identify recurring issues and early warning flags. This has cut the average shutdown time for minor deviations from 29 days to fewer than 4 days, freeing up resources so that major and critical deviations can be analyzed better.
- A performance indicator calculation tool linked to the Sanofi “data lake” was developed, so that claims can be tracked in real time. The machine learning and artificial intelligence capabilities embedded in this tool help provide timely support in classifying incoming claims, improving our claim turnaround time.

1 Available in the Document Center at www.sanofi.com
4.3.3.3. Performance indicators

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal quality audits</td>
<td>204</td>
<td>210</td>
<td>161</td>
</tr>
<tr>
<td>Note: includes audits of Sanofi entities and third-party audits</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regulatory inspections</td>
<td>235</td>
<td>190</td>
<td>177</td>
</tr>
<tr>
<td>of which European inspections</td>
<td>48</td>
<td>55</td>
<td>55</td>
</tr>
<tr>
<td>of which US FDA inspections</td>
<td>24</td>
<td>13</td>
<td>22</td>
</tr>
<tr>
<td>Number of regulatory actions taken(^{(a)})</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Note: Confirms Sanofi’s excellent level of compliance, with no regulatory actions taken in the last three years.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recalls</td>
<td>40</td>
<td>38</td>
<td>39</td>
</tr>
<tr>
<td>of which Class 1 recalls(^{(b)})</td>
<td>4</td>
<td>3</td>
<td>2</td>
</tr>
</tbody>
</table>

(a) US FDA Warning Letter, US FDA Consent Decree, suspension/withdrawal of GMP certificate.
(b) Definition as per EMA SOP/INSP/2018 and US 21CFR part 7.

4.3.4. Product safety for patients and consumers

Sanofi develops, manufactures and sells a vast portfolio of healthcare solutions around the globe, from prescription medicines and consumer health products to vaccines and medical devices. We are obliged to meet legal and regulatory requirements on the safety of products through their entire life cycle, from research to end use, and also aim to:

- protect patient health by monitoring the safety of our medicines and constantly assessing the benefit/risk profile of our products;
- supply physicians, healthcare professionals and patients with full and up-to-date safety information, including potential risks associated with a product;
- report to the regulatory authorities on a timely basis, in accordance with international and local regulatory requirements and our own Global Quality standards; and
- set up a dedicated and holistic approach to fight against falsified medicine and illicit trafficking, to protect patients and preserve trust in the supply chain.

4.3.4.1. Pharmacovigilance

4.3.4.1.1. Organization

The Chief Safety Officer (CSO) is responsible for our Global Pharmacovigilance (GPV) organization; this is supervised by our Chief Medical Officer (CMO)/Global Head of Development, who in turn reports to Sanofi’s Global Head of R&D. This governance model ensures that information flows directly and rapidly to Sanofi’s decision-making bodies, especially in the event of a potential or actual public health crisis.

GPV is Sanofi’s center of excellence for assessing and monitoring the safety and benefit/risk profile of the full spectrum of Sanofi products, except the Consumer Healthcare portfolio (see below).

All pharmacovigilance activities relating to the use of the product portfolio report to GPV. Staff from GPV deploy their specialist expertise at all stages of the product life cycle, from pre-development to the end of the commercialization cycle.

To meet the expectations of the supervisory authorities, patients and healthcare professionals, GPV has specialist scientific and medical teams for each therapeutic range. These multi-disciplinary teams prepare the supporting evidence needed for monitoring the benefit/risk ratio and for identifying and assessing potential signals, and for implementing risk minimization measures. This pragmatic, evidence-based approach to the benefit/risk ratio protects patients and consumers in an ethical, scientifically sound and transparent way. GPV also has a team of pharmaco-epidemiologists, tasked with establishing the methods and/or scientific rationale to be applied in evaluating the efficacy, risk, benefit and use of our medicines in real-life situations over large populations or patient groups, or via specialist databases.

A pharmacovigilance signal (or safety signal) is a hypothesis of a possible risk between taking a medicine and an adverse event, derived from data from one or more of many possible sources. In practice, a safety signal occurs when a parameter (such as the number, incidence or frequency of an adverse event) deviates from what is expected or accepted. This hypothetical deviation then needs to be analyzed, so it can be confirmed or rejected.

To maintain the safety of our Consumer Healthcare (CHC) Portfolio, a dedicated Pharmacovigilance organization has been established, which went live in January 2022. The Head of the Consumer Safety & Evidence team reports to the Science Hub Officer, who in turn reports to the Executive Vice President Head of CHC. This organizational setup ensures rapid information exchange and full managerial oversight. At the same time, efficient and effective collaboration with all other scientific functions is assured by embedding the Pharmacovigilance organization in the Science Hub.

The CHC Pharmacovigilance organization is organized into three main functions: the Therapeutic Area (covering Signal Management aspects), Risk Management, and PV Science. The QPPV Office oversees PV activities, including Quality and Compliance as well as Training activities. The PV Operations team maintains our Pharmacovigilance tools and is in charge of periodic Safety Reports.
4.3.4.1.2. Policy and action plans

GPV proactively monitors national and international regulations and recommendations. A centralized regulatory watch unit within GPV analyzes changes in pharmacovigilance legislation in real time, so that we can always adapt our work processes to align on the latest requirements and good practices. GPV draws upon a worldwide network of local and regional managers trained in pharmacovigilance. GPV provides a range of services to this network; these include allocating sufficient resources and budgets to fulfill our mission; monitoring good practices; maintaining regulatory compliance; training; and access to the tools needed for the network to discharge its responsibilities in accordance with quality standards.

Sanofi systematically aligns on the most exacting standards of Good Pharmacovigilance Practices.

We also have a dedicated quality system and dedicated compliance teams in place, to ensure that all our pharmacovigilance activities comply with official regulations.

Sanofi holds memberships in well-established international initiatives such as scientific consortia, international pharmaceutical industry associations, and professional networks working on predictive pharmacovigilance scenarios.

Pharmacovigilance is a constantly changing field, whether scientifically and medically or in terms of data processing. To ensure that as a responsible pharmaceutical company we continue to apply best practice in the changing landscape, GPV is constantly improving its governance structure. We have identified the following strategic areas as having the highest priority:

- capitalizing on human capital and strengthening our medical capabilities by rolling out an individualized skillset development model. In 2022, we regularly added to our skillset directory so that our pharmacovigilance staff are up to speed with the latest regulatory and scientific practices, and qualified to meet future needs; and
- integrating digital strategies by delivering an ambitious technological development plan to automate and apply artificial intelligence to the processing of our pharmacovigilance data. This was seen as a pre-requisite not only for managing the growing volume of data but also for addressing the diversity of sources of safety information, including social media and patient support programs.

The ramp-up of our new technological platform shows evidence of delivering business value and quality, with highly satisfactory key performance indicators in line with initial expectations. For GPV, 2023 will be a milestone year in the full global implementation of the pharmacovigilance tech platform. The rollout will be accompanied by a transparent, proactive communication policy towards regulatory bodies at key steps in the process. The platform will leverage artificial intelligence and automation to support safety experts in their assessments by:

- deploying a structured approach to benefit/risk profile evaluations, relying if necessary on population-based epidemiological statistics; and
- integrating real-life and epidemiological data in our strategies for detecting and evaluating potential signals associated with the use of Sanofi products.

In parallel with these pharmacovigilance-oriented improvements, from an organizational perspective, GPV has continued on the Sanofi Transformation Journey:

- extending its scope of expertise and onboarding new competencies:
  - in the growing field of acquisitions and divestments, and portfolio management (e.g. the CHC carve-in, Principia, Translate Bio, Kiadis, Kadmon, etc.); and
  - creating a translational safety center of expertise. This innovative approach relates to clinical and nonclinical safety assessments used to support drug discovery and development, and encompasses the steps that must be taken to translate nonclinical safety findings into predictions of adverse outcomes in humans; and

- creating the conditions to simplify our PV organization in selected geographies and countries by identifying partners capable of ensuring sustainable distribution of our portfolio of medicines and vaccines for patients.

One of Sanofi CHC’s key objectives in 2022 has been to set up and maintain a Pharmacovigilance system that complies with all internal and external requirements and is best adapted to CHC’s specific portfolio, consisting mainly of medicinal products, medical devices, food supplements and cosmetic products. Over the course of 2022, Sanofi CHC Pharmacovigilance continued to use the Sanofi PV tools and systems and followed all system related PV processes, in particular those related to case management, signal management, risk management, periodic safety reporting and literature searches. CHC is subject to internal audits, and one Health Authority PV inspection was successfully concluded in 2022.

In 2023 further activities will be initiated aiming to increase the level of autonomy of CHC PV through establishing dedicated digital PV tools and revising processes and ways of working. A key aspect of this transformation will be the migration of CHC PV data into a dedicated Pharmacovigilance database.

4.3.4.1.3. Performance indicators

<table>
<thead>
<tr>
<th>Signals assessed</th>
<th>2022</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total signals</td>
<td>333</td>
<td>375</td>
<td>344</td>
</tr>
<tr>
<td>of which PRAC/HA signals&lt;sup&gt;(a,b)&lt;/sup&gt;</td>
<td>126</td>
<td>188</td>
<td>125</td>
</tr>
</tbody>
</table>

(a) PRAC = Pharmacovigilance Risk Assessment Committee of the European Medicines Agency; HA = Health Authorities.
(b) The difference between total safety signals and PRAC/HA signals represents signals derived from the Sanofi Pharmacovigilance database.
Pharmacovigilance audits and inspections

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of audits</td>
<td>37</td>
<td>41</td>
<td>33</td>
</tr>
<tr>
<td>Number of inspections</td>
<td>4</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

These audits and inspections are included in the figures reported in the Product quality section (“4.3.3.3., Performance indicators”).

Our performance indicator of submissions of individual pharmacovigilance cases to the European healthcare authorities by the regulatory deadline reached 98.9% in 2022.

Performance indicators for Consumer Healthcare are included in the above values.

4.3.4.2. Fight against falsified medicine and illicit trafficking

4.3.4.2.1. Organization and governance

Under the auspices of Sanofi Global Security, Sanofi has established a transversal, centralized organization to design a dedicated strategy, coordinate action plans, and respond quickly to incidents or crises reported by our Global Business Units, and our Legal, Manufacturing & Supply, Quality, Regulatory, Pharmacovigilance, Medical, and Corporate Affairs departments.

Seasoned intelligence and investigation experts identify illicit sales of falsified products in the field and on the internet.

Our dedicated Central Anti-Counterfeiting Laboratory (LCAC) based in Tours (France) analyzes suspicious samples and provides scientific information useful for the public health authorities and for potential prosecutions.

The Sanofi Global Security network supports the implementation of actions to combat falsified medicine and illicit trafficking in liaison with the industry, law enforcement, and health authorities. This provides a capacity to detect medicine trafficking globally and to deploy a consistent level of security measures to prevent risks to products and patients.

4.3.4.2.2. Policy and action plans

The fight against falsified medicine and illicit trafficking strategy includes the following actions:

- monitoring online sales offers (search engine marketplaces, social media, online pharmacies) to request the takedown of illicit offers and investigate sellers;
- analyzing suspicious Sanofi products in our dedicated LCAC Laboratory;
- securing the supply chain to ensure integrity and thus avoid infiltration;
- authenticating products via Simple Authentication and Security Layer (SASL) labels and an innovative digital solution (eSASL);
- conducting awareness programs for 40 of the world’s poorest countries in the world with the Sanofi Global Health entity;
- actively working within and partnering a wide variety of institutions, professional organizations, and international, regional, and national associations, both public and private (WHO, Europol, G5 Santé, PSI, OCLAESP, Unifab, Leem, EFPIA, etc.) to help design and implement joint programs and initiatives such as:
  - compliance with WHO recommendations by reporting all confirmed cases to national health authorities (Access to Medicine index - ATMi - being a key benchmark); and
  - supporting the implementation of specific legislation on the danger of counterfeit or falsified medicines for public health to be integrated into specific laws such as the Digital Service Act; and
  - supporting law enforcement bodies and customs in their effort to dismantle criminal networks, by providing key information and specialized training;
- supporting efforts by public authorities to maintain the highest standards of drug quality and safety and to combat pharmaceutical crime (e.g. serialisation) by:
  - working closely with local authorities and professional organizations to deliver information and design educational programs to create awareness and fight against falsified medical products and their potential damage to patient health; and
  - raising internal and external awareness about the risks associated with falsified medicines and vaccines.

This comprehensive strategy shows Sanofi’s strong commitment from the market to remove dangerous medical products and thus protect the patients.
4.3.4.2.3. Performance indicators

Since the first quarter of 2020, the COVID-19 pandemic and the successive lockdowns imposed in countries have led to a drastic decrease in field investigations and law enforcement operations. These factors explain the reduction in the number of seizures and dismantling of illicit manufacturing sites since 2020 (a situation faced by all pharmaceutical companies).

<table>
<thead>
<tr>
<th>Fight falsified medical products and illicit trafficking as of December 31, 2022</th>
<th>2022</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of seizures (doses)</td>
<td>193,385</td>
<td>706,477</td>
<td>2,859,054</td>
</tr>
<tr>
<td>Number of illicit falsified medicine manufacturing facilities</td>
<td>21</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Number of suspect product analyses conducted by LCAC since 2008</td>
<td>47,097</td>
<td>45,955</td>
<td>44,022</td>
</tr>
<tr>
<td>Sanofi legal actions against falsified medicines (including pre-litigation)</td>
<td>38</td>
<td>42</td>
<td>46</td>
</tr>
<tr>
<td>Web monitoring(a)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of fraudulent offers detected</td>
<td>5,912</td>
<td>2,062</td>
<td>1,230</td>
</tr>
<tr>
<td>Number of takedowns (offer removed)</td>
<td>5,822</td>
<td>1,548</td>
<td>ND</td>
</tr>
<tr>
<td>Number of illicit online pharmacies detected</td>
<td>2,266</td>
<td>1,800</td>
<td>ND</td>
</tr>
<tr>
<td>Number of takedowns (offline sites)</td>
<td>1,356</td>
<td>1,109</td>
<td>ND</td>
</tr>
</tbody>
</table>

(a) Reduce illicit offers and mitigate risks on patient’s health, a proactive web monitoring and takedown process (since 2021) on life savings products in key markets (North America, Europe, Asia) have been accelerated. All actionable evidence is systematically shared with local authorities to leverage results against criminal networks involved in pharmaceutical fraud.

4.3.5. Medical ethics and bioethics

4.3.5.1. Scientific and medical integrity – Patient safety in clinical trials

4.3.5.1.1. Organization

Bioethics at Sanofi

At Sanofi, we are keen to constantly improve our bioethics governance, and review it regularly to ensure that we take account of changing stakeholder expectations, enhance the central role of patients, and ensure greater transparency. During 2022, in line with the new strategy and changed remit of Sanofi’s Ethics and Business Integrity (EBI) function, bioethics become part of EBI in order to help drive an ethical culture across everything Sanofi does. Bioethics governance was reviewed, and now comprises the following key elements:

• Our internal Bioethics Committee, set up in 2012, is still chaired by our Chief Medical Officer, and its composition has been adjusted to reflect Sanofi priorities. It obtains assurance that the rules applied to our scientific and medical activities meet the highest ethical standards. The Bioethics Committee receives contributions from newly-formed internal working groups, and recommendations from the Advisory Bioethics Council (ABC).

• Supervised by the Bioethics Committee, the seven working groups are responsible for briefing notes that facilitate decision-making by the Committee, drawing up roadmaps in their respective fields, and liaising with operational teams on bioethics issues. They are made up of in-house experts and Bioethics Committee members.

• The ABC was set up in 2018, and is made up of independent international members with acknowledged expertise in bioethics, which gives advice on key bioethics issues so we can improve our practices and anticipate potential ethical issues when developing innovative healthcare solutions. The independent bioethics experts who form the ABC have varied university backgrounds (medicine, law, philosophy), and work in Europe, Asia or North America. The ABC continued to operate remotely though 2022.

• Our EBI network and key internal partners will help strengthen interactions with internal and external stakeholders, so that our practices can evolve and keep pace with innovation.

The Bioethics Committee establishes Sanofi’s positions on bioethics, and ensures that its policies are implemented operationally. We have also reaffirmed our determination to move towards greater transparency, both on clinical trials and on the policies adopted by our Bioethics Committee. Issues addressed by the Bioethics Committee are suggested by its members, based on the latest developments in the field or questions raised internally. A Bioethics Committee 2022-2026 roadmap has been prepared, and will be updated regularly as recommended by Committee members or the ABC.
4.3.5.1.2. Policy and action plans

Recommendations from our Bioethics Committee may lead us to implement policies and good practice guidelines, responsibility for applying which rests with the relevant Global Business Units. In 2022, we reviewed and reissued, with no major changes, our policies on access to products (post-trial access policy), compassionate use, humanitarian donations of medicine, gene therapy and genetic engineering technology and other policies related to the use of animals.

4.3.5.1.2.1. Bioethics and research

Our Bioethics Committee takes a close interest in the ethical use of new technologies in our scientific activities. In particular, we have published a policy on gene editing and gene therapy technologies (reviewed in 2022), which describes the opportunities for those technologies but also sets limits on their use. We have also issued principles on the use of artificial intelligence, which applies in particular to our scientific and medical activities.

4.3.5.1.2.2. Medical ethics and clinical trials

Clinical trials are a mandatory part of the approval process for any new healthcare solution. Their purpose is to collect data about the efficacy and safety of products in healthy subjects and patients, so that the benefit/risk profile can be evaluated. Sanofi organizes clinical trials all over the world. Clinical trials may also be carried out post-marketing approval to develop new indications for a drug, or monitor its safety.

Sanofi applies international standards: the Declaration of Helsinki, the recommendations of the International Council for Harmonization (ICH), and in particular Good Clinical Practices (GCP). In addition to those international standards, Sanofi complies with all national and international rules and laws applicable to clinical trials including European Directives 2001/20/EC (on the implementation of good clinical practice in the conduct of clinical trials on medicinal products for human use, published in Official Journal L 121 of May 1, 2001, page 34, as amended in 2006 and 2009) and 2005/28/EC (laying down principles and detailed guidelines for good clinical practice as regards investigational medicinal products for human use, as well as the requirements for authorization of the manufacturing or importation of such products, published in Official Journal L 91 of April 9, 2005, pages 13-19); the CFR21 regulations issued by the US Food and Drug Administration (FDA); and the regulations issued by the Japanese Ministry of Health, Labor and Welfare (MHLW).

We conduct clinical trials in low-to-middle-income countries in certain very specific circumstances, applying the same quality and ethical standards as we do in higher-income countries (see also section “4.3.2., Access to healthcare”). In particular, our Sanofi Pasteur vaccines business conducts trials of the pediatric hexavalent vaccine SHAN6, which was specifically developed for such countries. We also participated in the Clinical Research in Resource-Limited Settings working group of the Council for International Organizations of Medical Sciences (CIOMS), which issued its final report in June 2021.

Sanofi ensures that all participants enrolled in clinical trials (or their legal representatives) give their free and informed consent. Consent must be given before any procedure or intervention required by the study protocol is carried out on a participant, and before any data are collected. All documents related to clinical trials, in particular the consent form, must comply with applicable legislation and must provide participants with exhaustive, easily understandable information. To simplify the consent form supplied to participants and reflect recent major changes in the ethical landscape (especially in terms of informed consent), our teams use an internal reference document that is subject to regular review; the latest version was issued in 2022.

Sanofi has for many years implemented an internal audit program covering clinical trials, associated systems and any subcontractors involved in the conduct of trials. The aim is to obtain assurance that the conduct of trials complies with our quality standards and the applicable regulations, and to continually improve our practices. Our audit program is designed to cover clinical trials of which Sanofi is the sponsor, in various countries and regions around the world. We also perform regular audits of subcontractors retained to improve clinical trial performance.

Finally, we are subject to inspections by health authorities to ensure that we are complying with ethical standards and legislation.

4.3.5.1.2.3. Diversity in clinical trials

As of January 2022, 100% of our clinical trials in the US have set diversity enrollment targets. We have allocated dedicated resources to lead Diversity in Clinical Trials in the US and globally to ensure we increase the number of our clinical trials achieving their diversity targets.

To measure our progress, we have implemented a real-time view of D&I enrollment data in our Clinical Trials in the US through the dashboard DIMO (Diversity & Inclusion Metrics Overview). We are also providing our Clinical project teams with a D&I toolkit to enhance the selection and training of trial sites to include more diverse communities and to involve more diverse investigators to increase diverse participation in our trials.

4.3.5.1.2.4. Transparency of medical and clinical data

We are committed to providing healthcare professionals, patients and the public with all useful information about our medical research, development projects and products so that they can make informed medical decisions. This applies not just to information provided in advance of clinical trials (as described in section “4.3.5.1.2.2., Medical ethics and clinical trials”), but also to the sharing of the data generated by those trials.

Sanofi abides by the principles on the responsible sharing of clinical trial data adopted by PhRMA and EFPIA members in July 2013(1). In addition to those core principles, we apply our own policy on sharing and transparency of clinical data. Our commitments are described (and fully accessible) on our corporate website.

https://www.phrma.org/Codes-and-guidelines/PhRMA-Principles-on-Conduct-of-Clinical-Trials

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(1) https://www.phrma.org/Codes-and-guidelines/PhRMA-Principles-on-Conduct-of-Clinical-Trials
4.3. Detailed description of SEFP risks and issues

4.3.6. Supply chain continuity

As a global healthcare leader, we are committed to organizing our supply chain so that it will deliver medicines and vaccines to the market without interruption, with the goal of protecting patients’ health every day.

Global demand for medicines is rising, due to improved access to healthcare in many regions of the world. While this is a good thing, it nevertheless raises issues about the capacity of manufacturing sites and their suppliers to adjust rapidly. Pressures on supplies of raw materials and active ingredients are intensifying, due in particular to more stringent environmental standards in China and other Asian countries. In the short term, this is causing the temporary shutdown of a number of manufacturing facilities, including some that supply active ingredients to the pharmaceutical industry. Tougher environmental regulations may temporarily reduce production capacity while manufacturing processes are upgraded. Finally, because some of our products require long and complex production processes, interruptions may occur at any point in the chain.

We have for decades applied a regionalized production strategy in our network of in-house sites. Our dependence on India and China is approximately 8% and our global service level on prescription products (general medicines and specialty care) is approximately 97.4%.

4.3.6.1. Organization and policy

The Manufacturing & Supply department at Sanofi has a governance structure that establishes the sourcing policy for our products; its core mission is to select and allocate the resources of our in-house and third-party manufacturing networks. The sourcing policy lays down rules for securing production of the principal active ingredients and currently marketed products, and on back-up sites for products in the launch phase (double or triple in-house/third-party sourcing).

We also have a supply chain continuity program in place that applies in priority to vital medicines, new and key products, and to pandemics and other major crises.

The program evaluates supply chain risks (from raw materials sourcing to active ingredient manufacture and product shipment), and includes fallback plans. It is integrated with our supply chain, and with our global risk management approach. We also have an ongoing multi-disciplinary process in place to analyze risks relating to the raw materials included in our products, and to the suppliers we source those materials from. That process is built into the governance of our supply chain continuity program, facilitating a coordinated approach to the referencing of suppliers and back-up manufacturing sites. This helps secure supply chain continuity by reducing mono-source risks and critical regional dependency.

Our Manufacturing & Supply Risk Committee, which includes representatives from our technological platforms and support functions (such as Quality, HSE, Procurement, Biological Platform, and Dispensing Systems Development), is tasked with identifying and evaluating major risks relating to our industrial operations, and with ensuring that action plans are implemented.

We have also set up a global operational committee to address the risk of product shortages; the committee coordinates and activates fallback solutions to reduce the risks, and supports the process of notifying health authorities.

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1 This calculation relates only to chemical active ingredients, which tend to be manufactured in Asia. It does not include biological active ingredients or vaccines.
2 The service level rate measures the service achieved considering the sales loss due to ruptures (measuring non-achieved or delayed turnover on sell in location).
For vital products (i.e. Sanofi medicines and vaccines for which there is no therapeutic equivalent or local alternative available), we make every effort to ensure that they are always available in sufficient quantities. Our Global Medical Department has for several years been working with our subsidiaries to identify vital products in each country where we do business. This list can then be used to determine production priorities and emergency responses in the event of a pandemic, or of a major incident (such as fire or natural disaster) at one of our production sites.

4.3.6.1.1. Ensuring day-to-day supply chain continuity
Sanofi has a range of instructions, tools and processes in place throughout the supply chain, which are subject to control and monitoring.

Sales & Operations Planning – Integrated Business Planning (S&OP – IBP) is the core tactical process operated within our organization. In this process, key players (marketing, sales, supply chain, industrial, finance, etc.) work together to identify, rank, decide, solve and plan actions to address the medium/long-term risks and opportunities around our portfolio.

It is based on sales forecasts (for up to 36 months) that are shared with all the stakeholders across the organization, and includes an inventory policy that sets for each Sanofi subsidiary target inventory levels (of active ingredients, semi-finished and finished products) for all our products.

The inventory policy is calibrated according to various criteria such as product type (in particular, whether the product is identified as a vital medicine), the complexity of the manufacturing chain, or the number of sources of the various raw materials used. For example, a risk analysis conducted under the supply chain continuity program could lead us to constitute buffer stocks. The policy may also vary from one subsidiary to another, depending on specific circumstances in the country of operation.

At site level, sales forecasts are used to determine raw material and production needs for each product; careful resource planning is essential.

Once products have been manufactured and batch released, they are shipped by our logistics organization, which combines in-house distribution centers and external service providers.

Our distribution centers deliver products through three main channels, depending on the country:
- directly to pharmacies;
- directly to hospitals; and
- to wholesalers.

To maintain a high level of customer service, we monitor a number of indicators throughout the supply chain that we can use to flag up potential risks or incidents with the various players.

In addition, we use long-term projections (from 36 months to five-ten years) to inform our investment decisions by giving us visibility on sales for a product, a region or a specific technology.

4.3.6.1.2. Ensuring good distribution
In every country where we operate our own distribution centers, emergency plans are activated in the event of a supply chain interruption. All our distribution centers use the same information system, facilitating fallback solutions if one of our centers is temporarily out of action.

In countries where we outsource distribution, we apply rigorous selection procedures when referencing service providers, covering not only their financial health but also their service quality and compliance with HSE and CSR principles. If a potential risk is detected, we make sure we have alternative service providers.

The freight companies we use are subject to an audit before they can work with Sanofi, and continue to be audited throughout their service term.

We use state-of-the-art techniques to track shipments and confirm delivery to the customer, including GPS tracking, real-time GPRS tracking and electronic signatures. Each center has a fallback plan, including a list of freight companies that can step in at any moment and be operational within 24 hours.

4.3.6.1.3. Ensuring business continuity in a major crisis
We have continuity plans specific to our operations, so that in the event of a pandemic or major crisis (natural disaster, nuclear accident, humanitarian emergency, geopolitical crisis, etc.) we can focus our efforts on simultaneously meeting all of the following objectives:
- guaranteeing and safeguarding continuity of our operations;
- ensuring that all our products meet the same quality standards;
- in the case of a pandemic, reacting as fast as possible to manufacture and distribute a pandemic vaccine in the affected regions;
- maintaining sufficient capacity in the development, production and distribution of medicines and vaccines to prevent or cure infections related to the pandemic in the shortest possible time-frame;
• maintaining business continuity so that we can supply all our medicines and vaccines to patients; and
• continuing to provide assistance to patients and healthcare professionals, in particular through fallback solutions such as 24/7 call centers, while also monitoring any side effects (pharmacovigilance).

Beyond projects which are prioritized to tackle our internal challenges, specific task forces have been implemented in each operation to monitor the performance of its suppliers and identify ways to offset supply risks and avoid product shortages.

Our experience of past natural disasters such as Fukushima in Japan, floods and earthquakes in Italy and the volcanic ash cloud in Iceland, has shown that we are capable of activating solutions such as fallback manufacturing capacity or alternative transportation methods in real time.

The COVID-19 crisis put our pandemic plan to the test. The 20,000 people employed in our industrial operations were able to continue working in compliance with public health restrictions, and all of our industrial sites continued operating. We also implemented additional measures:
• using alternative sources of raw materials to ensure continuity of supply when a particular region was affected by the pandemic;
• immediate increase in output in response to recommendations in the treatment of COVID-19 and associated symptoms (injectable antibiotics, paracetamol, anti-thrombotics, hydroxychloroquine); and
• securing freight movements by activating a range of different modes of transport (air, sea, road).

4.3.7. Local communities

As a major healthcare player, our priorities are to improve access to healthcare and develop new treatments. But we are also committed to supporting the local ecosystem wherever we operate, helping to make it more inclusive and sustainable and working with local stakeholders including municipal authorities, non-profits and local residents.

Following a recommendation from the Sanofi International Stakeholder Committee in 2017, we developed an internal model for measuring the local footprint of our sites, which we have been gradually rolling out since 2018. It now applies to ten sites that are representative of the diversity of the places where we operate.

In 2022, the work carried out in Lyon enabled us to report on the local footprint of all our sites in the Greater Lyon region. The findings were presented to and discussed with a range of regional stakeholders, helping our sites enhance their CSR action plans and their contributions to ecological and social transition in the area.

Local footprint metrics aim to capture the environmental, social, societal and economic impact of a site’s operations in a specific locality, or in its most direct sphere of influence. The process involves putting a value on our community engagement, and hence our contribution to addressing local issues. Local footprint is measured for around twenty direct and indirect environmental, social, societal and economic impacts. Stakeholder perceptions are captured using questionnaires that evaluate the extent to which the site is involved in local issues.

At all the pilot sites, the results offer a fresh, all-round perspective of the site that is much appreciated by the onsite teams. And mapping the strategic issues facing each site against stakeholder expectations helps prioritize areas with positive impacts for both local communities and Sanofi, and potential for going even further.

Our People & Culture function now proposes our local footprint approach as a leadership development action on CSR issues, in a bid to embed it as a strategic priority in managing our sites and their contribution to the places where we work.

A methodological guide has been produced to enable all Sanofi sites to evaluate their local footprint.

4.3.8. Ethics and business integrity

Our commitment to behave ethically and with integrity extends beyond mere compliance with laws and regulations. Everyone at Sanofi must have a sound ethical approach to what they do, and the good judgement needed to identify risks and manage difficult situations appropriately. As a business with a wide range of activities spread across many countries and involving a large number of partners, we pay the closest attention to ethical standards in the way we conduct our operations, especially in our interactions with third parties.

Typical situations encountered may include:
• unethical behavior in interactions with third parties, including (but not limited to) government representatives, customers, healthcare professionals, patients, and patient rights groups;
• inappropriate marketing and/or promotional practices;
• fraud (misappropriation of assets, false accounting, corruption); and
• conflicts of interest.
4.3.8.1. Organization

4.3.8.1.1. Background

We have robust governance structures in place to ensure we deliver on our commitment to meet the highest standards of ethics and integrity in business conduct, backed by clear rules that comply with the legal frameworks applicable in each country where we do business. We also have a rigorous internal control system in place.

The cornerstone of this approach is our Ethics & Business Integrity (E&BI) department, which works closely with a number of other departments including (but not limited to) Internal Control & Processes; Internal Audit and Risk Management; Global Quality; Medical Affairs; Legal Affairs; Procurement; Health, Safety & Environment (HSE); and Corporate Social Responsibility (CSR).

In 2022, E&BI introduced a new strategy, fostering the continuous enhancement and modernization of the program. Building on the transformation of Sanofi culture and the Play to Win strategy, four key value propositions were identified: Sustainable Business Growth, Ethical Innovation, Smart Assurance and Responsible Healthcare Ecosystem, alongside three enablers focused on: Culture of Ethics, Mindset and Capabilities, Technology and Data.

The new strategy was approved by our Executive Compliance Committee and Global Audit Committee and communicated across the organization, where it will guide a five-year roadmap (to 2026) to give Sanofi an efficient, fit-for-purpose program focused on stakeholder value.

4.3.8.1.2. Ethics and Business Integrity Program

The Sanofi Ethics and Business Integrity Program, developed and implemented by our dedicated E&BI department, is supported by our Code of Conduct; internal policies and standards; education and training initiatives; monitoring procedures; a specific whistle-blowing system backed by internal investigations; and the implementation of corrective and/or disciplinary measures where needed.

The core mission of E&BI is to promote a culture of ethics and integrity at every level within Sanofi. E&BI’s role is to act as a partner for our Business Units and support functions and to help achieve our corporate objectives while ensuring that we comply with laws, regulations, industry codes, ethical standards and values, and our own internal policies and standards.

In 2022 we continued to operate the current E&BI program, and in parallel started the four-year roadmap to build the program modernization described above.

4.3.8.1.3. Ethics and Business Integrity (E&BI) department

E&BI provides our Global Business Units (GBUs) and support functions with the assistance needed to identify, evaluate and mitigate risks potentially associated with our operations.

E&BI has a dedicated team working on our approach to ethics and business integrity. This team reports to our Global Compliance Officer and is present at both global and local level, providing support across the whole of Sanofi: headquarters, GBUs, support functions, R&D, Manufacturing & Supply, regions and countries.

In 2022, as part of the E&BI strategy review and transformation, Sanofi’s Bioethics and Global Data Privacy functions joined our Global E&BI department under the responsibility of the Global Compliance Officer, bringing a more integrated approach to ethics. The respective organizations are described in sections 4.3.5 and 4.4.10.

The structure of E&BI Global Operations has been altered to enhance effectiveness and enable delivery of the program modernization.

| Global Compliance Officer reporting to our General Counsel and to our Chief Executive Officer | Provides strategic compliance expertise to Sanofi’s Executive Committee and Board of Directors. Monitors the implementation and management of our Ethics & Business Integrity Program. |
| E&BI department staffed by more than 140 people | E&BI managers within our GBUs and support functions, and at region and country level, who: • ensure that the fundamental aspects of the Ethics & Business Integrity Program are in place and working properly at every level in the organization; and • provide support in the day-to-day conduct of our business. |
| E&BI Global Operations | Dedicated team working on: risk assessment & third-party risk management; developing and distributing policies, principles, and standards; Learning, Culture of Ethics, Dematerialization (Digitalization, Data Analytics); and Smart Assurance. |
| Specific managers with responsibility for fraud prevention, and internal investigations. | Tasked with developing and applying a full-scope fraud risk management program built on four pillars: prevention, detection, investigation, and analysis/reporting. Supported by a dedicated team, who also conduct internal investigations. |
| Smart Assurance: Organizational Justice & Smart Monitoring. A network of 1500 “E&BI Champions” (EBICs) made up of volunteers from countries, regions, GBUs, support functions, R&D, and Manufacturing & Supply | Communicates and reinforces compliance messages developed by E&BI. Supports the implementation of E&BI initiatives. Monitors in real time participation in compulsory training programs. Acts as a contact point for employees and promotes a culture of ethics and business integrity. |
| Compliance Executive Committee, chaired by the Chief Executive Officer. | Evaluates, recommends and monitors all initiatives intended to support and improve the Ethics & Business Integrity Program, and promotes ongoing adherence by our employees to the Sanofi core values. |
4.3.8.2. Policy and action plans

4.3.8.2.1. Code of Conduct, policies and standards

The Sanofi Code of Conduct defines the standards of ethical conduct that employees must apply when working for Sanofi. It is both a reference manual and a practical tool, providing each employee with guidance about the attitudes to adopt in interactions within and outside the company. The Code of Conduct has been translated into 35 languages, ensuring that it can be accessed and understood by everyone, everywhere in the world. All employees are required to follow training on the Code of Conduct, which consists of a series of chapters under three main headings:

- respect & protection of people and the environment;
- integrity in managing company information; and
- business integrity.

To support effective application of the principles contained in our Code of Conduct, we have developed a comprehensive set of policies and standards, designed to give guidance on a broad range of situations specific to our industry. In particular, our anti-corruption policy lays down guidance for employees, and for third parties who interact with Sanofi, to help them comply with laws and regulations and to promote a culture of ethics and integrity.

In addition, we conduct anti-corruption due diligence before doing business with a third party; before making any investment in a commercial entity now owned by Sanofi; and before signing any joint venture or partnership agreement.

4.3.8.2.2. Training and education programs

We have built an E&BI training program to raise employee awareness and deliver continuing education. Every year, Sanofi employees must complete compulsory ethics and business integrity training. Tools include eLearning modules and short videos based on real-life situations that could expose employees to various types of risk including corruption, conflicts of interest, fraud, and confidentiality breaches. In addition, an online library of training modules, some of them available in 19 languages, can be accessed by employees who want to self-train. All E&BI policies are backed up by specific training tools, including frequently asked questions. Since 2019, failure to complete certain compulsory training modules can have an adverse impact on an employee's annual evaluation.

4.3.8.2.3. Whistle-blowing

A secure hotline and dedicated web page are available 24/7. The hotline is accessed via a toll-free number and is available in 28 languages. Any employee who encounters a problem or who believes in good faith that a breach has occurred or is about to occur of any law, regulation, industry code of conduct, Sanofi standard or policy, or of any principle contained in the Code of Conduct, can use this system to report it by whatever means he or she sees fit. Employees will not be disciplined or penalized as a result of using the whistle-blowing system provided they acted in good faith without malicious intent, even if the report turns out to be inaccurate or no further measures are taken. In the United States, the helpline set up for Sanofi employees is guaranteed to be independent and to protect anonymity, in accordance with local regulations and practices.

Sanofi employees are encouraged to identify themselves when reporting an incident, as this helps the investigation process. However, if they prefer not to disclose their identity, they can report anonymously. The system is also open to third parties interacting with Sanofi. Each report, whether received through the whistle-blowing system or through any other channel, is investigated internally using a methodological protocol set out in our whistle-blowing policy. If an internal investigation confirms the allegations, corrective and/or disciplinary measures are taken. To ensure that such measures are determined consistently and uniformly, Sanofi has issued a policy formally documenting an overall framework for corrective and/or disciplinary actions. This policy was updated in 2022, reinforcing a culture of integrity and respect, zero-tolerance behaviors (fraud, harassment, discrimination), organizational justice and speaking up.

4.3.8.3. Performance indicators

2022 Training:

- 94,076 employees followed at least one Ethics & Business Integrity training module; and
- a total of 371,803 Ethics & Business Integrity training modules were followed in the year.

2022 Whistle-blowing hotline:

- In 2022 the E&B department received 566 alerts. A total of 238 cases were substantiated and resulted in 88 dismissals or resignations related to misconduct. Other corrective actions were also implemented as per Sanofi’s disciplinary and corrective actions policy, for example: additional training, process improvement steps, remuneration impacts, and verbal or written warnings.
4.3.9. **Tax policy**

As a multinational company, we must apply the laws and regulations in force in countries where we do business, and pay the appropriate amounts of taxes and duties under those laws and regulations. Our primary responsibility is to pay taxes and file tax returns with the tax authorities on time, in compliance with laws and regulations.

Responsibility for tax matters lies in the first instance with our Tax Department, supervised by our Chief Financial Officer, which implements and maintains robust tax policies and procedures that are signed off by Sanofi’s Board of Directors and Audit Committee. A set of controls has been put in place to ensure that Sanofi’s tax strategy is applied effectively.

Our tax policy is published on our corporate website.

We aspire to build and maintain open, transparent and collaborative relationships with tax authorities and other governmental bodies worldwide. Wherever possible, we engage in partnerships with tax authorities, and seek prior consent on complex issues and transfer pricing policies. We apply a similar open and cooperative approach to the regular tax inspections to which we are subject in most countries.

In transfer pricing, Sanofi applies the OECD guidelines and any country-specific legislation, with a view to applying arm’s length terms for all intra-group transactions. Our transfer pricing policy is documented, and supported by economic analysis.

Sanofi’s tax strategy is driven by operational considerations, and reflects the underlying reality of our activities. We do not engage in tax evasion or tax fraud. Our tax strategy is in keeping with our values, and with the strategic orientations determined by our management.

Income taxes are described in detail in our consolidated financial statements, included at Item 18 of our 2022 Annual Report on Form 20-F, and specifically in “Note B.22., Income tax expense”; “Note D.14., Net deferred tax position”, and “Note D.30., Income tax expense”. The tax information disclosed in our financial statements is subject to independent audit.

4.3.10. **Environment**

Environmental protection at Sanofi is part of the overall scope of our Health, Safety and Environment (HSE) approach, as described in section “4.4.7., Employee health and safety”.

4.3.10.1. **The Planet Care roadmap**

As a responsible business, we have embarked upon an ambitious policy to limit the direct and indirect impacts of our operations and products on the environment. Involved in environmental protection since 2010, we established our roadmap to reflect current and future issues, stakeholder concerns, and the risks and opportunities, in line with Sanofi’s global strategy.

“Planet Care” is our global environmental sustainability program, which sets objectives for our entire value chain for 2030 and 2045.

The program is piloted by a committee consisting of our Executive Vice President, Manufacturing & Supply (also a member of our Executive Committee); the heads of HSE, Environment, Corporate Social Responsibility, Procurement, and R&D France; and senior representatives from our various operations. We also have separate operational committees for each key environmental issue (climate change, responsible water resource management, eco-design, biodiversity, waste management and the circular economy, pharmaceutical products in the environment), to ensure that the roadmap is properly implemented and that we achieve our objectives.

Planet Care is built around five pledges:

- mitigate climate change: pledge to move towards carbon neutrality by 2030 and net zero greenhouse gas emissions (all scopes) by 2045, setting Sanofi on a trajectory for limiting global warming to 1.5 °C;
- limit our environmental footprint, and choose circular solutions that optimize the use and reuse of resources and reduce the impact of our emissions;
- improve the environmental profile of what we produce, by developing eco-innovative products that embody our eco-friendly ambitions and by favoring sustainable use of medicines;
- mobilize our people to support sustainable development, by promoting an eco-friendly culture in workplace routines and decision-making; and
- engage our suppliers in environmental initiatives, by practicing sustainable sourcing and leading by example.

Because we want to play our part in combating climate change, we pledged in 2021 to move towards carbon neutrality by 2030 across our entire value chain; and in 2022, we brought forward our net zero greenhouse gas emissions target to 2045, five years earlier than our previous target.

The emissions reduction program that we implemented has produced better results in 2022 than initially estimated, in particular due to energy efficiency measures and the accelerated use of renewable energy. We aim to maintain a high level of ambition and have decided to advance our commitment towards Net Zero to 2045, which was validated by the SBTi on February 17, 2023.
Validation of our objectives by the Science Based Target initiative (SBTi) provides a scientific seal of approval for our objectives, as part of the planet-wide efforts needed to limit global warming to 1.5°C. In January 2023, SBTi signed off our new ambitions, following a revised submission made in 2022 reflecting a change in scope in which we commit to:

- reducing our scope 1 and 2 greenhouse gas emissions by 55% in absolute terms by 2030, versus a 2019 baseline;
- increasing our annual supply of renewably-sourced electricity from 11% in 2019 to 80% in 2025 and 100% in 2030; and
- reducing our scope 3 emissions (purchased goods and services, capital goods, fuel and energy consumption from upstream transport and distribution, waste generated in operations, business travel and employee commuting) by 30% between 2019 and 2030.

In order to achieve carbon neutrality in 2030, Sanofi focuses above all on reducing its emissions across its entire value chain (Scopes 1, 2 and 3). A carbon offsetting plan for residual emissions alone is being developed. Two pilot projects were launched in 2022. The selection of compensation mechanisms will focus on effective projects that associate a positive social impact on communities and on the environment, with “best in class” international certification standards recognized by financial regulators. Sanofi also joined the RE100 initiative in 2020, reinforcing our commitment to use 100% renewably-sourced electricity across the entire Sanofi scope by 2030.

We have also pledged to optimize our vehicle fleet (subject to availability of suitable models) in the regions where we operate, so as to reduce greenhouse gas emissions from our fleet. Our aim is that by 2030, our vehicle fleet should have a neutral carbon footprint.

We are fully aware of the environmental and public health issues around the use of water in our industrial operations. That is why we perform regular risk assessments at all of our industrial sites aimed at reducing their water footprint. Sites identified as priority are required to implement water management plans by 2025. Those plans will reflect the specific issues at each site, and will help us use water effectively, sustainably and responsibly. A program of this type will be rolled out to all our industrial sites by 2030. This change in approach will have an overall positive impact on water withdrawals, leading to an additional 15% reduction by 2030 (against a 2019 baseline).

Similarly, by 2025 all our production sites will have implemented a plan to manage pharmaceutical residues in the environment so as to reduce their potential to significantly impact ecosystems.

Reducing our environmental footprint also involves local biodiversity management. So priority sites that are located close to sensitive natural spaces will have to work with local stakeholders to develop a biodiversity protection program by 2025. By 2030, all of our sites will have dedicated initiatives in place to support biodiversity. Finally, we are committed to continuing our efforts in terms of waste management. Our objective is that by 2025, over 90% of our waste will be recycled, reused or recovered via waste-to-energy), and we will no longer use landfill.

Improving the environmental profile of our products is a priority for Sanofi. All our teams, from R&D through to marketing, are working to build eco-design into all new products launched between now and 2025 and improve the eco-profile of our currently marketed products, while retaining as our absolute priority the treatment of health conditions and patient access to healthcare.

We will also deploy pilot schemes to promote the responsible use of medicines, and the proper disposal of unused medicines, medical devices and packaging. Those pilot schemes will form the basis of a global program, to be rolled out by 2030.
4.3.10.2. Resilience to climate change

Since December 2020, Sanofi has publicly pledged its support to the Task Force on Climate-related Financial Disclosures (TCFD), with the aim of helping disseminate best practice, improve transparency about the risks and opportunities, and provide responses and solutions.

In adopting the TCFD recommendations, we committed to work towards aligning all of our operations with the climate objectives of the Paris Agreement and rethinking traditional growth models, in particular through economic, technical and organizational transformation.

Our commitment is based on in-depth analyses of the impacts of climate change on what we do, and on robust systems put in place for each of the four TCFD pillars.

A summary of those analyses is presented below. More detailed information is available on our corporate website, and in our public response to the CDP Climate Change Questionnaire.

<table>
<thead>
<tr>
<th>Thematic area</th>
<th>TCFD recommendation</th>
<th>CDP Reference</th>
<th>Outcomes and areas for work</th>
</tr>
</thead>
<tbody>
<tr>
<td>GOVERNANCE</td>
<td>a) Describe the Board’s oversight of climate-related risks and opportunities</td>
<td>CDP C1.1</td>
<td>Our supervisory and executive bodies are committed to making an ambitious response to the challenges of climate change, delivered through an approach focused on constant progress and joint working across the whole of Sanofi. Board level engagement (see “Item 6. Directors, Senior Management and Employees — A. Directors and Senior Management” of our 2022 Annual Report on Form 20-F) Our Board of Directors approves the strategic orientations of the company, oversees their implementation, and regularly monitors delivery. As part of this role, the Board of Directors follows the company’s social and environmental commitments, including climate risks and opportunities. Fulfilling this role is facilitated by the engagement and skills of Board members and by the specialist Appointments, Governance and CSR Committee, which meets quarterly with the head of CSR. A mobilized Executive Committee and organization Planet Care is one of the four pillars of our CSR strategy; it aims to minimize the environmental impact of our products and activities, while strengthening our resilience to environmental changes. The Planet Care Impact Steering Committee oversees our transition efforts. This Committee consists of our heads of Manufacturing &amp; Supply (who is also a member of the Sanofi Executive Committee), Environment, CSR, Procurement, External Manufacturing and R&amp;D France, along with senior representatives from other activities within Sanofi. It submits to the Executive Committee the company’s strategic orientations and commitments to reduce our impacts on climate change and the environment. The Executive Committee validates and ratifies these proposals with a view to their operational implementation The Climate-related Risk &amp; Opportunities Committee (CROC) was created in 2021 and oversees our adaptation efforts. It works closely with the Planet Care Impact Steering Committee to ensure that the TCFD recommendations are applied across all levels of our organization and that robust systems are put in place to manage climate-related risks and opportunities. This group, which meets monthly, consists of our Global Heads of CSR, HSE, Environment, Risk Management and Insurance, along with senior representatives from Strategy, Finance, Legal, CSR and HSE. It leads and coordinates six working groups set up to address climate risks and opportunities for Sanofi (carbon costs, raw material scarcity, logistics disruption, stakeholder pressure, eco-design, and health and environment).</td>
</tr>
<tr>
<td></td>
<td>b) Describe management’s role in assessing and managing climate-related risks and opportunities</td>
<td>CDP C1.2</td>
<td>The Executive Committee regularly monitors climate risks and opportunities for Sanofi and the work carried out by the CROC. A member of the Executive Committee has been appointed as “Climate Risks Owner” for Sanofi, and meets quarterly with the Global Heads of Risk Management and CSR and the CROC leader. In addition, 15% of the variable component of our CEO’s compensation is linked to the attainment of our CSR objectives, including climate change objectives.</td>
</tr>
<tr>
<td>STRATEGY</td>
<td>a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term</td>
<td>CDP C2.3a, C2.4a</td>
<td>In 2021, we used scenario analysis to perform a physical and transition risks assessment based on two change scenarios under two different time horizons (2030 and 2050), along with a 1.5°C scenario (RCP2.6) where limited action is taken (physical impacts are more prevalent). Six risks and three opportunities were identified as significant for Sanofi: Carbon Costs, Raw Material Scarcity, Water Stress, Stakeholder Pressure, Logistics Disruption, Health System Disruption, Energy Efficiency, Eco-Design, and Health &amp; Environment. This climate scenario analysis was used to assess the resilience of each aspect of our value chain to climate change scenarios, the materiality of climate-related risks, and the scale of potential opportunities for the business to capitalize on prospects from transition to a low carbon future. For each of the identified climate risks and opportunities, we conducted a materiality assessment to determine which risks and opportunities could have a material financial impact in a mid-term perspective (2030), along with an approximate scale of impact. The detailed results of this analysis are described below, in a dedicated table: “Exposure to climate risks and opportunities” The detailed results of this analysis are described below, in a dedicated table: “Exposure to climate risks and opportunities”</td>
</tr>
<tr>
<td></td>
<td>b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning</td>
<td>CDP C2.3a, C2.4a, C3.3, C3.4</td>
<td></td>
</tr>
</tbody>
</table>
### Thematic area 2021/2022: Risk Management

<table>
<thead>
<tr>
<th>Description</th>
<th>Category</th>
<th>Scenario for Sanofi</th>
<th>Likelihood</th>
<th>Impact on 2030 financial performance</th>
<th>Mitigation actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbon Costs</td>
<td>Transition</td>
<td>1.5°C 4°C</td>
<td>High</td>
<td>Likely</td>
<td>Rapid</td>
</tr>
<tr>
<td>Raw Material Scarcity</td>
<td>Physical Transition</td>
<td>&amp; 1.5°C 4°C</td>
<td>High</td>
<td>Likely</td>
<td>Rapid</td>
</tr>
</tbody>
</table>

### Metrics and Targets

Our Planet Care roadmap incorporates outcome and target metrics to 2025; these include indicators for our carbon footprint (section 4.3.10.2.3), with quarterly progress reports to the Executive Committee and to our external stakeholders.

In line with the latest TCFD “Guidance on Metrics, Targets and Transition Plans” (October 2021), and with a view to the future implementation of the European Corporate Sustainability Reporting Directive (CSRD), we are currently developing a set of climate-related risk metrics that will help us manage climate risks and opportunities, and facilitate reconciliations with financial accounting data (see section 4.3.10.2.3).

### Exposure to climate risks and opportunities

The table below summarizes the main climate-related risks and opportunities identified as a result of the climate scenario analysis conducted in 2021.

<table>
<thead>
<tr>
<th>Thematic area 2021/2022</th>
<th>TCFD recommendation</th>
<th>CDP Reference</th>
<th>Outcomes and areas for work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk Management</td>
<td>a) Describe the organization’s processes for identifying and assessing climate-related risks</td>
<td>CDP C2.2</td>
<td>Our Risk Management and CSR departments have fully embedded climate-related risks into the Sanofi risk mitigation system, and support all our functions and operations in implementing and monitoring action plans. Our processes for identifying and assessing climate-related risks: - risks to which we may be exposed over the next three years: We identify risks through a process of observation and analysis of our operating environment, and interviews with key managers and experts within Sanofi. Those risks are then ranked by criticality (a combination of probability and impact), and by level of control. The formal output generated by this process is a risk profile, updated annually by our risk management team; - emerging trends that may constitute opportunities and/or threats over the next ten years: The identification process is the same as for risks. Emerging trends are classified into the disruption categories highlighted in the World Economic Forum report. Trends are evaluated and ranked based on their probability, impact, and velocity (i.e. how quickly they could become a risk for Sanofi). The formal output generated by this process is an emerging trends scan. In 2022, the Executive Committee and the Risk Committee approved the inclusion of climate risks in the company risk matrix. The “Climate Transition and Physical Impact” risk, previously identified as emerging, is now managed as an active risk. It includes the following sub-topics: Carbon Costs, Raw Material Scarcity, Water Stress, Stakeholder Pressure, Logistics Disruption, Extreme Weather Events, Energy Efficiency, and Eco-Design. It is fully embedded into our Risk Management governance and processes, and is reviewed at least on a yearly basis. In the “Environmental and Climate Disruptions” category, one of the emerging trends identified is adapting our business model to climate change, which requires us to anticipate the changes we need to make to our business model to align it on the TCFD recommendations. Our processes for managing climate-related risks: Line managers are designated to manage each of the risks evidenced in our risk profile. They are tasked with preparing, implementing and monitoring delivery of mitigation plans. This process applies to climate-related risks. Most of the sub-topics included in the “Climate transition and physical impact” risk are monitored in dedicated working groups. Short, medium and long-term mitigation plans have been defined and have started to be implemented. Monthly reporting is escalated to the Climate Risk and Opportunities Committee (CROC) and progress is presented quarterly to the Executive Committee Climate Risk Owner by the Global Heads of Risk Management, CSR and the CROC leader. By the end of 2023, Sanofi aims to have developed and started to implement mitigation plans for all of the sub-topics of the Climate Transition and Physical Impact risk. Because emerging trends are not yet risks, our Risk Management department works with in-house experts to develop scenarios to show how those trends could transform into risks, identifying the tipping points and early warning signs to look out for. How processes for identifying, assessing and managing climate-related risks are integrated into our overall risk management: Climate-related risks and emerging trends are subject to the same governance as the overall Sanofi risk management process. Our risk profile and emerging trends scan, and scenarios for a selection of emerging trends, are presented annually to the Executive Committee, the Audit Committee, and the Board of Directors. The Executive Committee monitors risk mitigation and obtains assurance that adequate resources are allocated to it, and decides what anticipatory action should be taken to seize opportunities and protect Sanofi from threats arising from emerging trends.</td>
</tr>
<tr>
<td></td>
<td>b) Describe the organization’s processes for managing climate-related risks</td>
<td>CDP C2.2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization’s overall risk management</td>
<td>CDP C2.2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process</td>
<td>CDP C4.1, C4.2, C9.1</td>
<td>Our Planet Care roadmap incorporates outcome and target metrics to 2025; these include indicators for our carbon footprint (section 4.3.10.2.3), with quarterly progress reports to the Executive Committee and to our external stakeholders.</td>
</tr>
<tr>
<td></td>
<td>b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks</td>
<td>CDP C4.1a, C5.1, C5.3, C5.5</td>
<td></td>
</tr>
<tr>
<td></td>
<td>c) Describe the targets used by the organization to manage climate-related risks and opportunities, and performance against targets</td>
<td>CDP C4.1, C4.2</td>
<td></td>
</tr>
</tbody>
</table>

**Carbon Costs**
- Carbon pricing policies could result in higher operating costs and higher procurement costs for carbon intensive materials and generate a loss of margin.

**Raw Material Scarcity**
- Risk of higher supply and/or insurance costs of business interruptions due to: - Loss of biodiversity reducing the number of possible starting points for discovery and development of biologic medicines, and potentially disrupting existing supplies; - Disruption of supply chain due to disease outbreaks and physical hazards such as flooding/hurricanes etc., and indirectly from human rights issues; - Chemical raw materials and plastics disrupted by regulatory decisions and climate policies.

**Physical Transition**
- 1.5°C 4°C
Our performance is also being evaluated by the Carbon Disclosure Project (CDP) using their Climate Change questionnaire. In the 2022 CDP scores based on 2021 data, Sanofi was ranked A.
4.3.10.2.1. Energy

[4.3.10.2.1. Energy is GRI 302-1, GRI 302-4]

4.3.10.2.1.1. Improve energy efficiency and encourage the use of renewables

To address the challenges of diminishing fossil fuel resources and climate change, we have adopted an approach that combines energy efficiency (consume less, consume smarter) with decarbonization of our energy supplies (consume differently).

Our energy efficiency approach extends to all our activities, buildings, processes and utilities. It takes in the architectural and functional design of new buildings, and our medical rep vehicle fleets. An energy saving program is in place at all of our sites. In 2022, we obtained ISO 14001 environmental management accreditation for all our activities, and ISO 50001 energy management accreditation for all our activities apart from transport and office sites. Various levers are being activated (depending on the activity carried on at the site), with a specific focus on air treatment systems that ensure high-quality environments in manufacturing and R&D buildings, which can account for up to 70% of energy consumption of these buildings. However, these systems are important for the quality and safety of our medicines, and any alterations must be validated.

We have issued standards requiring energy efficiency to be built into the design and selection of plant and equipment that use energy. Our Sustainable Buildings Charter also helps promote energy-efficient buildings. More than ten of our administrative buildings are certified LEED, BREEAM or HQE.

We also operate a low-carbon energy policy, favoring the use of lower-carbon energies for our projects and buying in electricity from certified renewable sources. In September 2020, we made a public pledge that by 2030, 100% of the electricity we consume will come from renewable sources, by joining the RE100 initiative.

Our transition to renewables is beginning with the installation of solar panels on available surfaces. A contract was signed in Europe and Asia: the output from the photovoltaic panels installed had risen from 0.5 MW at the end of 2021 to 4.8 MW at the end of 2022, and is already on track to hit 18.5 MW by the end of 2023. That could represent between 5% and 20% of consumption on the sites. We are topping this up with guaranteed certified origin energy contracts.

As a result, we have raised our use of renewables from 11% of our electricity consumption in 2019 to 62% in 2022. Finally, we have a renewable electricity Power Purchase Agreement (PPA) with ENEL in Mexico to supply energy to our three Mexican sites. We are looking at the possibility of extending this model to Europe and the United States.

4.3.10.2.1.2. Energy consumption

<table>
<thead>
<tr>
<th>Energy consumption (MWh)</th>
<th>2022</th>
<th>2021</th>
<th>2019 (baseline year)</th>
<th>Change vs 2019 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural gas</td>
<td>1,573,999</td>
<td>1,717,175</td>
<td>1,733,563</td>
<td>-9%</td>
</tr>
<tr>
<td>Electricity&lt;sup&gt;(a)&lt;/sup&gt;</td>
<td>468,843</td>
<td>616,011</td>
<td>1,236,799</td>
<td>-62%</td>
</tr>
<tr>
<td>Renewable electricity</td>
<td>905,007</td>
<td>763,051</td>
<td>169,585</td>
<td>+434%</td>
</tr>
<tr>
<td>Renewable energies&lt;sup&gt;(b)&lt;/sup&gt; (biomas, biomethane, etc.)</td>
<td>85,816</td>
<td>39,405</td>
<td>17,293</td>
<td>+396%</td>
</tr>
<tr>
<td>Coal</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td></td>
</tr>
<tr>
<td>Other energy sources (bought-in steam, waste-to-energy, etc.)</td>
<td>333,639</td>
<td>348,057</td>
<td>362,570</td>
<td>-8%</td>
</tr>
<tr>
<td>Total</td>
<td>3,367,304</td>
<td>3,483,699</td>
<td>3,519,810</td>
<td>-4%</td>
</tr>
</tbody>
</table>

(a) Includes the country-level energy mix but excludes renewable electricity sourced from Sanofi in-house projects.
(b) Includes renewable electricity sourced from Sanofi in-house projects.

The 3.3% reduction in energy consumption in 2022 relative to 2021 reflects reduced energy use in response to the energy crisis in Europe; enhanced energy efficiency programs (investment in energy-saving measures doubled in 2022 relative to 2021); and the concentration of operations on a single site, such as the regrouping of our R&D operations in France.

4.3.10.2.2. Greenhouse gas emissions

4.3.10.2.2.1. Direct and indirect emissions: Scopes 1 & 2

The Planet Care roadmap sets more ambitious targets for reducing Scope 1 & 2 emissions, including our industrial, R&D and tertiary sites but also our vehicle fleet: we are targeting a 55% reduction by 2030 from the 2019 baseline. The ultimate goal is to be carbon neutral in 2030.

Alongside efforts to make our buildings and processes more energy efficient, we have introduced a policy for sales rep travel (including vehicle buying and eco-driving courses).

We also have policies in place for managing our use of refrigerants. These include switching to substitute refrigerants with a lower global warming impact, improving leak prevention, and systematically analyzing accidental discharges so that we can learn the lessons and share them across all our sites. Since 2019, we have reduced the impact of refrigerant discharges by 25%, equivalent to 20,000 tonnes of CO₂.
Greenhouse gases (Tonnes of CO₂e)(a) 2022 2021 2019 (baseline year) Change vs 2019 (%)
Scope 1
Direct emissions 338,380 360,074 380,543 -11%
Direct emissions from medical rep vehicle fleet 47,995 41,196 79,333 -40%
Scope 2
Indirect emissions 150,429 173,766 300,321 -50%
Total 536,804 575,036 760,197 -29%

(a) CO₂e = CO2 equivalent.

Total direct and indirect CO₂e emissions showed a sharp fall of 29% between 2019 and 2022, against a target reduction of 20%, mainly due to the acceleration of our renewable electricity procurement plan; the launch of decarbonized value procurement via initiatives such as biomethane use; and the concentration of certain of our activities.

During 2022, the activities of our medical reps in the field were no longer affected by COVID-19, and returned to normal. We intensified the transition of our vehicle fleet at each fleet renewal, and opted for electric, hybrid or biofuel vehicles wherever possible; 34% of our overall vehicle fleet is now eco-friendly. This led to a 39.5% reduction in CO₂e emissions versus the 2019 baseline, on track for our objective of carbon neutrality in 2030.

4.3.10.2.2. Other indirect emissions: Scope 3

Taking into account Scope 3 emissions allows us to assess the order of magnitude of the total CO₂e emissions generated by Sanofi across the entire value chain. The calculation is based on a large amount of data, which results in a significant level of uncertainty. Sanofi is committed to improving the quality of this data from year to year.

Scope 3 is calculated for 100% of our operations within the 15 categories listed in the Greenhouse Gas (GHG) protocol (including the optional sections). In 2020, we brought our methodology and calculations in-house, to improve the quality of the data collected and fine-tune the assumptions. We view all categories as important and analyze them with the relevant stakeholders, which makes it possible to measure our Science Based Target initiative (SBTi) commitment.

In 2021, we developed a digital tool to consolidate, analyze and simulate data sourced from all our stakeholders. With the help of this data analysis tool and the structure of our database, we can compare data by model, organization and year, and recalibrate baseline year values. This reflects our aim to improve transparency by disclosing values that are comparable from one year to the next, because they use the same scope and apply the same assumptions. We continually fine-tune our in-house software, data collection and emission factor updates throughout the year, so as to reduce uncertainty in our calculations.

<table>
<thead>
<tr>
<th>Scope 3 (Tonnes of CO₂e)(a)</th>
<th>2022</th>
<th>2021</th>
<th>2019 (baseline year)</th>
<th>Change vs 2019 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category 1: Purchased goods and services</td>
<td>3,107,052</td>
<td>3,059,464</td>
<td>3,292,085</td>
<td>-6%</td>
</tr>
<tr>
<td>Category 2: Capital goods</td>
<td>283,521</td>
<td>267,167</td>
<td>277,691</td>
<td>+2%</td>
</tr>
<tr>
<td>Category 3: Fuel and energy-related activities</td>
<td>174,317</td>
<td>178,151</td>
<td>195,553</td>
<td>-11%</td>
</tr>
<tr>
<td>Category 4: Upstream transportation and distribution</td>
<td>238,586</td>
<td>210,585</td>
<td>212,252</td>
<td>+12%</td>
</tr>
<tr>
<td>Category 5: Waste generated in operations</td>
<td>166,743</td>
<td>169,569</td>
<td>176,755</td>
<td>-6%</td>
</tr>
<tr>
<td>Category 6: Business travel</td>
<td>85,282</td>
<td>33,483</td>
<td>148,299</td>
<td>-42%</td>
</tr>
<tr>
<td>Category 7: Employee commuting</td>
<td>96,241</td>
<td>97,840</td>
<td>156,039</td>
<td>-38%</td>
</tr>
<tr>
<td>Sub-total: calculated Scope 3 emissions (upstream)</td>
<td>4,151,742</td>
<td>4,016,260</td>
<td>4,458,674</td>
<td>-7%</td>
</tr>
<tr>
<td>Estimated Scope 3 emissions (downstream)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Category 9: Downstream transport and distribution</td>
<td>3,988</td>
<td>3,959</td>
<td>3,633</td>
<td>+10%</td>
</tr>
<tr>
<td>Category 10: Processing of sold products</td>
<td>13,014</td>
<td>17,297</td>
<td>15,459</td>
<td>-16%</td>
</tr>
<tr>
<td>Category 11: Use of sold products</td>
<td>73,874</td>
<td>90,112</td>
<td>71,728</td>
<td>+3%</td>
</tr>
<tr>
<td>Category 12: End-of-life treatment of sold products</td>
<td>203,611</td>
<td>201,845</td>
<td>213,671</td>
<td>-5%</td>
</tr>
<tr>
<td>Category 15: Investments</td>
<td>24,404</td>
<td>24,404</td>
<td>35,088</td>
<td>-30%</td>
</tr>
<tr>
<td>Sub-total: estimated Scope 3 emissions (downstream)</td>
<td>318,891</td>
<td>337,617</td>
<td>339,589</td>
<td>-6%</td>
</tr>
<tr>
<td>TOTAL(b)</td>
<td>4,470,633</td>
<td>4,353,877</td>
<td>4,798,263</td>
<td>-7%</td>
</tr>
</tbody>
</table>

(a) CO₂e = CO2 equivalent
(b) GHG Protocol emission categories 8 and 13 (upstream and downstream leased assets) and 14 (franchises) are not material.

Our Scope 3 calculation covers the entire Sanofi scope (see “4.7 — Methodological note on data reporting” for details).

Following the spin-off of EUROAPI, all data have been recomputed on a constant structure basis. EUROAPI is now an unconsolidated affiliate of Sanofi, so its share of emissions is estimated within Category 15.
Our data are presented on a constant structure basis, which means that prior-period figures are recomputed regularly.

- **Category 1**: This category is calculated on the basis of quantities purchased, which is more accurate than a monetary basis. During 2022, we made sustained efforts to analyze these products and the associated emission factors; this gives excellent visibility on the highest-emitting products and the suppliers they are sourced from, so that we can target our action plans.
- **Category 3 (fuel and energy-related activities)**: This category reflects our major drive to switch to renewables.
- **Category 4**: The rise in emissions was due to increased air freight during 2022, due to exceptional circumstances facing some of our products (including insulins and Dupixent®) as we sought to avoid shortages in some of our markets. But at the same time, we began to shift vaccine freight from air to sea during 2022; for example, all vaccine shipments from France to Australia now go by sea.
- **Category 6**: Business travel emissions fell sharply versus 2019, the last pre-COVID comparative year, reflecting the careful approach taken by Sanofi employees and our emissions reduction policy. This category also includes the medical rep vehicle fleet, which is not managed by Sanofi.
- **Category 7**: Rolling out our work-from-home policy has significantly reduced emissions from employee commuting.
- **Categories 9 & 11**: Emissions from downstream activities are directly linked to the volume of products sold. Since the spin-off of EUROAPI, we have very few intermediate products.

### 4.3.10.2.3. Adapting to the consequences of climate change

Extreme weather events caused by climate change could present a risk both to our production facilities and to our supply chain, right up to delivery of our products to patients. To guard against these risks, our facilities are constructed to the highest standards, using state-of-the-art engineering techniques and taking maximum constraints into account in the design phase. In addition, during site visits, technical experts from our insurers issue recommendations for dealing with extreme weather conditions, such as putting in place emergency flood risk plans. Risks related to natural disasters are taken into consideration in our crisis management plan, across all levels of our production sites and supply chains.

### 4.3.10.2.4. Climate-related health issues

Climate change is one of the greatest health challenges of our century. The World Health Organization (WHO) expects that between 2030 and 2050, climate change will directly lead to nearly 250,000 additional deaths each year. As the environment degrades, human health will be impacted directly (extreme weather events, floods, droughts) and indirectly (air pollution, biodiversity loss, infectious vector propagation) through the increased prevalence and severity of existing or emerging diseases.

To better understand the implications of a changing environment on human health, Sanofi is taking action to identify the key issues, focusing on the treatment and prevention of five impacted therapeutic areas: immunology; vector-borne and infectious diseases; pandemic pathogens; non-communicable chronic conditions (like respiratory diseases and cancer); and allergies.

Currently we are working on several research and development programs for diseases exacerbated by environmental change:

- fine-tuning the registration of a single-dose oral treatment for sleeping sickness;
- developing a novel cell-culture yellow fever vaccine to better address emergency outbreaks;
- developing a therapy with dupilumab for chronic obstructive pulmonary disease (COPD), a progressive disease heavily exacerbated by air pollution;
- contributing to improved awareness of the role of indoor and outdoor air pollution in aggravating allergic respiratory symptoms through our Global CHC Allergy Medical Team; and
- enhancing our vaccine manufacturing capabilities to reinforce our ability to respond to future pandemics at speed and scale, by investing in two Evolutive Vaccine Facility (EVF) projects in France and Singapore.

At the same time, we are working on prevention and adaptation programs for vulnerable populations:

- promoting affordable treatment and prevention programs such as malaria through Sanofi Global Health, a unique non-profit model aiming to improve access to care in 40 low income countries by distributing 30 drugs covering therapeutic areas exacerbated by environmental degradation; and
- bringing humanitarian aid and supporting local initiatives through our philanthropic organization Foundation S, to increase the health resilience of climate-vulnerable populations. Foundation S provided humanitarian aid and essential vaccines following the 2022 extreme floods in Pakistan.

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1. This paragraph contains the information required under the application decree of Article 173 of French law no 2015-992 on energy transition for green growth.
2. WHO: COP26 Special Report on Climate Change and Health: The Health Argument for Climate Action, 2021
4.3.10.3. Water: a limited resource

4.3.10.3.1. Water resource management plan

Water is a key component in our industrial operations. We need it to keep our factories running, and it is an integral part of the manufacturing process for medicines.

Water is used directly in chemical and pharmaceutical production, whether as an ingredient at the synthesis or formulation stage or to clean equipment and networks between production cycles. In both cases, a range of water treatment processes are in place at each site to guarantee a very high degree of purity prior to use.

Utility services (steam, process water and cooling systems) are the biggest users of water at Sanofi. Water is primarily used as a vector for calorific transfer (cooling and heating) in the manufacturing processes for our products, from chemical synthesis to vaccine manufacture.

We seek to use this resource responsibly and sustainably, by implementing water management plans at all of our industrial sites. The aim is that all our sites will have such a plan by 2030, and that those with a high level of water-related risks (especially those in water stress zones) will have one by 2025.

This year, Sanofi again completed the Water Security questionnaire of the Carbon Disclosure Project (CDP), obtaining an A- rating, confirming our position in the “leadership band”. This result recognizes our achievement in consistently reducing the water footprint of our industrial operations over several years.

There are many water-related risks, but they can be classed in three main categories: physical, regulatory and reputational. In 2020, we launched a large-scale campaign to update water risk mapping across all our industrial sites, with the help of an external consultant. This program helped to update the list of priority sites in early 2021. Since the EUROPA spin-off, this list has been reduced from 12 to 10 priority sites, located in Algeria (two), India (three), Mexico (two), South Africa (one), China (one), and Saudi Arabia (one).

4.3.10.3.2. Water consumption

Water used directly and indirectly during manufacturing is essentially withdrawn directly by Sanofi itself from underground or surface bodies of water. We have specific operating procedures for effectively managing our use of water, and for reducing our consumption through moderation and recycling.

We reviewed our water program in 2021 in order to improve our response to current and future challenges. Water is a local resource, so it is for each site to determine the priority issues in their catchment; that’s why our water management plans incorporate context-driven targets. At global level, we define our target for reducing water withdrawal by aggregating our local targets (rather than vice versa); after all, France does not face the same challenges as India.

We have estimated that implementing our sustainable water management program will reduce our global water withdrawals by 15% by 2030 versus the 2019 baseline, despite the ongoing development of our industrial capacities.

<table>
<thead>
<tr>
<th>Water consumption (millions of m³ per year)</th>
<th>2022</th>
<th>2021 (baseline year)</th>
<th>Change vs 2019 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Withdrawal of surface water (lakes, rivers)</td>
<td>1.8</td>
<td>1.6</td>
<td>-29%</td>
</tr>
<tr>
<td>Withdrawal of groundwater</td>
<td>1.7</td>
<td>1.8</td>
<td>-28%</td>
</tr>
<tr>
<td>Withdrawal of water from public supply</td>
<td>5.9</td>
<td>6.1</td>
<td>-2%</td>
</tr>
<tr>
<td>Other sources</td>
<td>2.2</td>
<td>2.2</td>
<td>-9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>11.6</strong></td>
<td><strong>11.7</strong></td>
<td><strong>-13%</strong></td>
</tr>
</tbody>
</table>

4.3.10.4. Waste: towards a circular economy

The key to our waste management policy is to reduce waste generation at source, followed by a systematic examination of reuse/recycle possibilities before waste is disposed of in any other manner (such as incineration with thermal recovery). Landfill is only used as a last resort, and must be subject to audit.

We pay particular attention to on-site waste management, so that we can categorize and identify waste generated by each process and then collect, sort, store, transport and treat each type of waste appropriately.

Prior to engaging a new waste contractor, the contractor’s qualifications, competence and compliance with regulations are thoroughly verified for each class of waste.

Integrated country-specific waste management approaches have been implemented in those countries where we have our biggest industrial footprint or where the potential synergies are greatest (for example France, Canada and the United States).

Some of our waste is reprocessed on site so that it can be reused. In 2022, 57% of solvents were regenerated and reintroduced into the industrial process. This avoided generating the same amount of waste.
We have also scaled up our commitment to reducing and recycling plastics; our aim is that all plastics with even the slightest potential for recycling are actually recycled. Over the last two years, we have worked with our sites to identify three levels of maturity:

- **Level 1**: For sites with a staff restaurant, we have implemented a program to eliminate single-use plastics. Even if volumes are small, this is a first step towards building an eco-conscious culture.
- **Level 2**: The site has at least one specific plastic waste flow suitable for offsite recycling/reuse/recovery.
- **Level 3**: A systematic process is carried out at least every two years to identify new plastic waste flows suitable for recycling/reuse/recovery.

In 2022, 39% of our sites were in level 1, 55% in level 2, and 50% in level 3 (versus 33%, 50% and 22% respectively in 2021). The significant increase in level 3 is due to the inclusion of this requirement in new contracts for our French sites (call for tenders end of 2022).

### 4.3.10.4.1. Waste generated

[GRI 306-2]

As part of Planet Care, Sanofi has set two complementary targets for 2025: to achieve a recovery rate of over 90% and to reduce the landfill rate to 1%.

By the end of 2022, our landfill disposal rate had fallen to 5%, versus 7% in 2019, with a 35% reduction in volumes. Our project to switch from landfill to composting for egg waste at one of our US facilities went live in June 2022 after three years of preparatory work, from impact studies and reconfiguration of packing through to securing licenses.

During 2022, our recovery rate (materials and energy) rose from 84% to 86%, against a target of 90% in 2025. When we launched our waste recycling maximization program back in 2015, our recovery rate was just 56%. Progress on the program has been such that we will hit our 90% target in 2023/24, two years ahead of schedule.

<table>
<thead>
<tr>
<th>Waste (tonnes)</th>
<th>2022</th>
<th>2021 (baseline year)</th>
<th>2019</th>
<th>Change vs 2019 [%]</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Hazardous waste</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recycled hazardous waste</td>
<td>9,044</td>
<td>9,211</td>
<td>17,977</td>
<td>-50 %</td>
</tr>
<tr>
<td>Hazardous waste incinerated with thermal recovery</td>
<td>38,446</td>
<td>40,627</td>
<td>40,507</td>
<td>-5 %</td>
</tr>
<tr>
<td>Hazardous waste incinerated without thermal recovery</td>
<td>14,316</td>
<td>13,104</td>
<td>15,080</td>
<td>-5 %</td>
</tr>
<tr>
<td>Hazardous waste sent to authorized landfills</td>
<td>207</td>
<td>396</td>
<td>602</td>
<td>-66 %</td>
</tr>
<tr>
<td><strong>Sub-total: hazardous waste</strong></td>
<td>62,013</td>
<td>63,338</td>
<td>74,166</td>
<td>-16 %</td>
</tr>
<tr>
<td><strong>Non-hazardous waste</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recycled non-hazardous waste</td>
<td>71,559</td>
<td>60,365</td>
<td>70,440</td>
<td>+2 %</td>
</tr>
<tr>
<td>Non-hazardous waste incinerated with thermal recovery</td>
<td>22,859</td>
<td>24,162</td>
<td>22,035</td>
<td>+4 %</td>
</tr>
<tr>
<td>Non-hazardous waste incinerated without thermal recovery</td>
<td>1,180</td>
<td>818</td>
<td>2,265</td>
<td>-48 %</td>
</tr>
<tr>
<td>Non-hazardous waste sent to authorized landfills</td>
<td>7,821</td>
<td>10,478</td>
<td>11,688</td>
<td>-33 %</td>
</tr>
<tr>
<td><strong>Sub-total: non-hazardous waste</strong></td>
<td>103,419</td>
<td>95,823</td>
<td>106,428</td>
<td>-3%</td>
</tr>
<tr>
<td><strong>TOTAL hazardous and non-hazardous waste</strong></td>
<td>165,432</td>
<td>159,161</td>
<td>180,594</td>
<td>-8 %</td>
</tr>
</tbody>
</table>

NB: Data provided in this section relates to waste from Sanofi’s production activities. Data for waste not related to our production activities and for non-recurring waste are not consolidated; this can include waste generated by construction of new buildings or decontamination of land, and other types of non-recurring waste generation.

The quantity of hazardous waste has been reduced by the implementation of a new ammonia adsorption process at one of our chemistry plants in France, which saved over 5,000 tonnes of waste.

### 4.3.10.4.2. Initiatives to reduce food waste

Many of our industrial, R&D and tertiary premises in France have already taken measures to cut food waste in three key areas:

- reducing waste at source: enforcing precise contractual specifications on portion size and conducting regular surveys, especially in advance of periods when canteen footfall is expected to be low;
- responsible food service management: matching quantities to needs and using just-in-time techniques for some outlets; charging users for bread so they do not automatically take it without eating it; reducing the range of options available towards the end of mealtimes; and charging users by weight for items such as salad and prepared fruit; and
- management of leftovers and waste: recovering leftover vegetables for reuse the next day; introducing sort bins to facilitate recycling of waste; and setting up food donation agreements with charities to help the needy.

We also conduct regular awareness campaigns at our French sites. These include weighing leftovers (especially bread), using sort bins instead of trash cans, and sharing good practice in preventing food waste.
4.3.10.5. Eco-design

Eco-design is a systemic approach that aims to embed environmental criteria not only in the initial design of a product, but also in continuous improvements through the product’s life cycle. Sanofi has adopted the Life Cycle Assessment (LCA) environmental metric, which ensures that impacts are not simply displaced to another phase of the life cycle. Not only is this a holistic, multi-criteria approach, it is also governed by an international standard (ISO 14040), allowing for comparisons between products in the same category that serve the same purpose.

Through the eco-design pillar of our Planet Care program, we have pledged that by 2025 all new products we bring to market will have been eco-designed. By 2030, this will be extended to the main products (by net sales and number of units sold) already commercialized by Sanofi.

We are keen to protect our brand image on environmental issues, so our entire eco-design approach is based on transparent, recognized scientific methodologies. We have called in experts in environmental science and metrics to help us with this, and since 2016 we have been working on life cycle assessments of a range of medicines, vaccines and medical devices. That enabled us to identify elements with the greatest environmental impact and kick-start the eco-design approach, by developing an action plan to improve the product’s environmental performance.

Our environment team also collaborates with pharmaceutical industry working groups at various institutional levels with the aim of standardizing environmental metrics approaches and methodologies across the sector.

Sanofi was awarded the “Eco-design – Pharmapack Europe” prize in 2017 for its Compact Box project. In 2021, Sanofi deployed an eco-packaging design tool based on the life cycle approach, in line with our eco-design strategy. The Compact Box reduces the volume of vaccine packaging by 50% and eliminates the need for PVC blister packs. The Compact Box is also accompanied by an upgrade in packaging to optimize cold chain distribution. Sanofi is committed to blister-free vaccine packaging by 2027. In 2022, the percentage of blister free vaccines was 33% (versus 29% at the end of 2021).

To strengthen our in-house eco-design capabilities, we have developed a digital life cycle analysis tool that went live in December 2022, to which a series of further upgrades and add-ons are planned.

4.3.10.6. Protecting biodiversity

We seek to protect biodiversity and ensure that natural resources are used fairly and sustainably. As well as addressing industry-specific issues, we are continually adapting our practices to stay in line with international agreements (such as the Nagoya protocol and the Convention on Biological Diversity) and to ensure that we do not use endangered natural resources and their derivatives.

In 2021, we renewed our support (initiated in 2018) for Act4Nature International, a proactive alliance of French multinational companies committed to biodiversity.

Also in 2021, we carried out an assessment of our biodiversity footprint and associated risks. This included work to identify and analyze biodiversity dependencies and pressures facing Sanofi, using recognized frameworks such as the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES). We supplemented this analysis by using the Global Biodiversity Score methodology to quantify the extent to which our business puts pressure on biodiversity. We then used this to compile biodiversity risk mapping for Sanofi. This exercise confirmed that the actions being taken under our Planet Care program are on the right track, and helped consolidate our environmental roadmap.

We also completed an update of biodiversity risk mapping for our sites in 2022. The aim is to identify and characterize the extent to which our sites are exposed and vulnerable to biodiversity risk, so that we can focus attention and resources appropriately. This involved working with a specialist consultancy firm to develop a customized tool. An in-depth analysis, based on our own local data and a comprehensive independent review, identified a list of priority sites for biodiversity risk. This new list has been circulated internally, and includes 13 sites: six in France; two each in Hungary and Mexico; and one each in Germany, Spain and the United States. Two pilot sites (Aramon in France, Toronto in Canada) started to implement biodiversity protection programs in 2022, and similar programs will be rolled out across all priority sites located close to sensitive biodiversity zones by 2025.

Our environmental strategy calls for the development of initiatives to promote biodiversity around our sites. In 2022, 48% of our sites worldwide has implemented one or more initiatives, and we aim to increase that to 100% by 2025.
4.3.10.7. Educating and mobilizing our people on environmental issues

Because we promote an environment-friendly culture across our entire business, we engage all our people in supporting our environmental ambitions and in helping us achieve our objectives through the work they do every day. We are keen not just to raise awareness, but also to give our people the resources and tools they need to take account of the environment when making decisions.

Every year, we organize an Environment Day around a specific issue, at all our sites around the world. In 2022, climate change mitigation was the theme, with a global event backed up by local conferences and activities.

We also launched a collective engagement and intelligence program in 2020. This gives all our people the opportunity to improve their understanding of current environmental issues, share initiatives and good practices, and work together on new solutions to help the environment. During 2022, over 260 employees from 41 sites in 20 countries took part in an engagement session on environmental sustainability at Sanofi. A full program of bootcamps, hackathons and design thinking workshops – led by one of our in-house innovation labs – helped the teams transform their ideas into sustainable projects. This year, 17 winning projects were selected by a multidisciplinary jury for implementation with financial backing from the Planet Care fund.

Through the Plan Bee® initiative, first rolled out in 2016, Sanofi promotes the installation of beehives at sites around the world. In 2022, the initiative was in place on 18 sites, and was supported by 139 highly committed volunteers. During 2022, 860 kg of honey was produced, and sold to employees. Income from the sales was donated to an in-house charity, or reinvested in the Plan Bee® initiative.

Also in 2021, Sanofi launched a training program devoted to environmental issues. The aim is to reinforce the environmental culture within Sanofi by giving basic insights into each of the environmental pillars covered by our Planet Care program. Accessible to all, it’s an opportunity for everyone to take a closer look at the environmental challenges they face, and to better understand Sanofi’s environmental ambitions.

4.3.10.8. Environmental releases

Our R&D and manufacturing operations – and the storage and transportation of raw materials, products and waste – are associated with various potential risks relating to the release of toxic chemicals or biological pathogens that may adversely affect the environment or human health. We have implemented a range of action plans to limit these impacts, ensure that we comply with regulations and our own internal directives, and anticipate the impact of new and emerging regulations relating to the release of contaminants into the environment in every country where we operate. We are also working on impacts that occur after patients have used our products.

4.3.10.8.1. Managing pharmaceutical discharges and fighting antimicrobial resistance

Pharmaceutical substances may be found in the environment as a result of medicines taken by patients and then excreted; inappropriate disposal of unused or date-expired medicines; and effluent from manufacturing sites. We strive to prevent and reduce the environmental impact of pharmaceutical substances (including antibiotics) by taking actions across the entire life cycle of our products, from development and manufacturing to end-of-life post patient use. Our key actions are:

- evaluating and reducing the potential environmental impacts of our production sites, through a global program with a particular focus on the discharge of pharmaceutical substances in effluents;
- obtaining new data to improve our understanding of how medicines impact on the environment, and assessing the environmental risks associated with patient use;
- promoting proper use of our medicines. This involves awareness campaigns directed at healthcare professionals and/or patients. Using medicines properly not only improves patient health, it also helps the environment: correct diagnosis, prescription and dispensing, followed by good therapeutic observation and proper disposal of unused medicines, all reduce the impact of waste medicines on the environment; and
- encouraging responsible disposal of unused or date-expired medicines, by raising patient awareness and supporting collection programs.

We also signed up to the Antimicrobial Resistance (AMR) roadmap to help combat microbial resistance to antibiotics. This initiative initially brought together 13 major players in the pharmaceutical industry to collaboratively produce guidance and reference frameworks for the sustainable management of antibiotics within the industry. It includes a specific commitment relating to antibiotics manufacturing sites operated by signatories and their suppliers, involving the definition and implementation of a common framework for managing potential discharges and the setting of shared environmental limits.
4.3.10.8.2. Managing other types of wastewater discharge

[GR 306-1, GR 306-5]

Directly related to our policy on managing pharmaceutical substances in the environment is our commitment to managing wastewater discharge. We have various programs in place for:

- monitoring trends in the concentration of pollutants in the natural environment;
- reducing the quantities discharged at source; and
- installing state-of-the-art or innovative treatment facilities at sites, where necessary.

Wastewater generated by our operations is always treated before being discharged into the natural environment, either directly using our own installations or indirectly under agreements with municipal or industrial partners to use their treatment facilities.

Our own in-house treatment plants are subject to a rolling program of maintenance, monitoring, reporting and performance optimization. This includes equipment upgrades, and improvements to flow management such as treatment at source, flow segregation and dedicated treatment processes.

Onsite HSE teams are responsible for checking that our discharges comply with all relevant licenses and agreements. They are also tasked with implementing environmental and public health impact assessment programs. These programs involve:

- profiling flows of pollutants (sources, quantities and composition);
- pollution management strategies (reduction at source, segregation, outsourcing, and dedicated or centralized treatment facilities); and
- monitoring discharges and auditing the performance of treatment facilities.

4.3.10.8.3. Managing air emissions: optimizing the use of solvents and control over volatile organic compound emissions

[GR 305-7]

The use of solvents (primarily used in the production of active ingredients, and in their transformation into pharmaceutical products) follows the company-wide recommendations on their good use.

Solvents used in the production process are either purchased (consumed quantities), or regenerated on site. We encourage process optimization, regeneration (when possible) and waste-to-energy technology in an effort to reduce consumption.

Controlling volatile organic compound (VOC) emissions from drug synthesis and manufacturing activities is a priority for Sanofi. An integrated approach is applied at each stage of product development, from research to production, aimed at:

- avoiding the use of solvents by substituting biological processes for chemical processes;
- encouraging the recycling of solvents;
- selecting the least toxic solvents;
- reducing emissions at source through specific adjustments to manufacturing processes and maximum containment of solvent use; and
- capturing and treating residual VOC emissions at special treatment facilities using the best available techniques for the specific physico-chemical properties of the VOCs emitted (cryogenic capture, gas scrubbers, thermal oxidizers, activated carbon).
4.3.10.8.4. Performance indicators

Significant events with an environmental or regulatory impact are systematically reported at global level.

4.3.10.8.4.1. Managing releases of pharmaceuticals into the environment

Since 2016, we have been gradually rolling out a program to evaluate and reduce the environmental impact of potential releases of pharmaceutical substances from our manufacturing sites. At site level, this translates into dedicated discharge management plans that include a profile of discharges and emissions, the application of environmental thresholds, and the implementation of any risk management measures that may be necessary. At the end of 2022, this program covered 72% of our chemical synthesis and dosage form sites, and 100% of our priority sites (which are identified on the basis of a risk analysis by substance and by site).

We are proactively assessing the environmental impact of the active ingredients in the products we sell, starting with our strategic products. Our efforts in this field are being supported by research partnerships with various stakeholders, including universities and other manufacturers. In 2022, we revisited our prioritization process, and compiled a list of our top 100 marketed products (by sales and unit volumes sold). To date, our evaluation program has already covered 66% of those substances.

The performance of our suppliers and subcontractors is monitored closely as part of our supplier audit approach (see “4.4.1.14 — Procurement and Subcontracting”).

We also support unused medicine collection schemes (like the Cyclamed scheme in France) in many countries. Finally, we conduct awareness campaigns to help patients use medicines properly, especially antibiotics.

4.3.10.8.4.2. Managing other types of wastewater discharge

Chemical oxygen demand (COD) is the most relevant parameter for assessing the quality of wastewater discharges, since it measures the overall quantity of organic material (biodegradable and non-biodegradable) in the wastewater.

Most of our industrial facilities have wastewater treatment plants, whether or not the wastewater is discharged directly to the natural environment. If discharge is to a public or private sewerage system, then treatment is handled by a third party who complies with locally applicable regulations.

Consequently, the overall quantity of COD calculated within our site boundaries (rather than at the point of discharge into the natural environment, as reported in previous years) would appear to be a more reliable and relevant indicator of our efforts to reduce the environmental impacts of our operations on aquatic ecosystems.

<table>
<thead>
<tr>
<th>Wastewater discharge (tonnes)</th>
<th>2022</th>
<th>2021</th>
<th>2019 (baseline year)</th>
<th>Change vs 2019 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>COD</td>
<td>4,243</td>
<td>4,499</td>
<td>4,711</td>
<td>-10%</td>
</tr>
</tbody>
</table>

The many programs under way to upgrade our onsite treatment plants, and the embedding of new environmental criteria into the design of our facilities, suggest that levels will stabilize in the years ahead despite the ongoing expansion of our industrial capacities.

The quantity of COD generated by our sites accounts for most of the footprint from our chemical and biochemical production; it is low compared to many other industries, especially since the spin-off of EUROAPI. The overall reduction in COD discharges mainly reflects lower intensity of production at those facilities, as a result of modernization or other events affecting how production is organized.

4.3.10.8.4.3. Managing air emissions: optimizing the use of solvents and control over volatile organic compound emissions

<table>
<thead>
<tr>
<th>Solvents (tonnes)</th>
<th>2022</th>
<th>2021</th>
<th>2019 (baseline year)</th>
<th>Change vs 2019 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solvents used</td>
<td>90,178</td>
<td>86,911</td>
<td>89,354</td>
<td>+1%</td>
</tr>
<tr>
<td>% regenerated</td>
<td>57%</td>
<td>53%</td>
<td>57%</td>
<td>0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Volatile organic compounds (VOCs) (tonnes)</th>
<th>2022</th>
<th>2021</th>
<th>2019 (baseline year)</th>
<th>Change vs 2019 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>VOCs (estimated)</td>
<td>1,399</td>
<td>1,429</td>
<td>1,320</td>
<td>+6%</td>
</tr>
<tr>
<td>SO\textsubscript{2} - direct emissions</td>
<td>55</td>
<td>110</td>
<td>203</td>
<td>-73%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NO\textsubscript{x} (tonnes)</th>
<th>2022</th>
<th>2021</th>
<th>2019 (baseline year)</th>
<th>Change vs 2019 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NO\textsubscript{x} - direct emissions</td>
<td>361</td>
<td>396</td>
<td>414</td>
<td>-13%</td>
</tr>
</tbody>
</table>

We adopt a proactive approach to monitoring and testing, and have invested heavily in new techniques to improve thermal oxidation efficiency. The sharp fall in SO\textsubscript{2} emissions was due to a significant reduction in heavy fuel oil consumption and switch to natural gas at a facility in India, and an overall cut in natural gas consumption.
4.3.10.8.5. Remediation

4.3.10.8.5.1. Programs and resources devoted to preventing environmental risks and pollution

In accordance with our own HSE policy and regulatory requirements, all our sites are equipped with containment systems and/or systems for collecting accidental releases to prevent them from penetrating the soil.

We also have a systematic multi-year soil and groundwater monitoring and evaluation program for our sites, both for those with ongoing operations and those being sold. Where necessary, remediation work is carried out following detailed evaluations.

Capital and operating expenditures incurred on preventing environmental risks and contamination form part of the overall expenditures incurred on the implementation of Sanofi’s HSE policy.

Environmental fines imposed on Sanofi in 2022 were immaterial.

4.3.10.8.5.2. Provisions and guarantees for environmental risks

Applicable environmental laws and regulations may require Sanofi to eliminate or reduce the effects of chemical substance discharge at our various sites. The sites in question may belong to Sanofi, and may be currently operational, or may have been owned or operational in the past. In this regard, Sanofi may be held liable for the costs of removal or remediation of hazardous substances on, under or in the sites concerned, or on sites where waste from activities has been stored, without regard to whether the owner or operator knew of or under certain circumstances caused the presence of the contaminants, or at the time site operations occurred the discharge of those substances was authorized.

As is the case for a number of companies in the pharmaceutical, chemical and agrochemical industries, soil and groundwater contamination has occurred at some of our sites in the past, and may still occur or be discovered at others. In Sanofi’s case, such sites are mainly located in the United States, Germany, France and the United Kingdom. As part of a program of environmental surveys conducted over the last few years, detailed assessments of the risk of soil and groundwater contamination have been carried out at current and former Sanofi sites. In cooperation with national and local authorities, Sanofi regularly assesses the rehabilitation work required and carries out such work when appropriate. Long-term rehabilitation work is in progress or planned at Mount Pleasant and Portland in the United States; Frankfurt in Germany; Dagenham in the United Kingdom; Valernes, Limay, Neuville and Vitry in France; and at a number of sites divested to third parties and covered by contractual environmental guarantees granted by Sanofi.

We may also have potential liability for investigation and cleanup at several other sites. We have established provisions for the sites already identified and to cover contractual guarantees for environmental liabilities for sites that have been divested. In France specifically, we have provided the financial guarantees for environmental protection required under French regulations.

Potential environmental contingencies arising from certain business divestitures are described in Note D.22.d to our consolidated financial statements. In 2022, Sanofi spent €39 million on rehabilitating sites previously contaminated by soil or groundwater pollution.

Due to changes in environmental regulations governing site remediation, our provisions for remediation obligations may not be adequate due to the multiple factors involved, such as the complexity of operational or previously operational sites, the nature of claims received, the rehabilitation techniques involved, the planned timetable for rehabilitation, and the outcome of discussions with national regulatory authorities or other potentially responsible parties, as in the case of multiparty sites. Given the long industrial history of some of our sites and the legacy obligations arising from the past involvement of Aventis in the chemical and agrochemical industries, it is impossible to quantify the future impact of these laws and regulations with precision.

We have established, in accordance with our current knowledge and projections, provisions for cases already identified and to cover contractual guarantees for environmental liabilities relating to sites that have been divested. In accordance with Sanofi standards, a comprehensive review is carried out once a year on the legacy of environmental pollution. In light of data collected during that review, we adjusted our provisions to €526 million as of December 31, 2022, compared with €650 million in 2021.

The terms of certain business divestitures, and the environmental obligations and retained environmental liabilities relating thereto, are described in Note D.22. to our consolidated financial statements, included at Item 18 of our 2022 Annual Report on Form 20-F.

4.3.11. Animal protection

Over and above regulatory requirements, the responsible use of animals is essential for the research and production of medicines and vaccines. Use of animals represents only a small part of our R&D and manufacturing operations, but is integral to our global research and analytical control strategy – which also includes non-animal methods, use of patient data, and clinical research.

An Animal Ethics Advisory Committee was set up at the end of 2017 under the direction of Sanofi’s Chief Veterinary Officer (who is a member of our Bioethics Committee) to address issues of public concern relating to the use and welfare of animals. The Committee meets quarterly to determine guidelines and positions adopted by Sanofi on animal use and care, and ensure they are compatible with international recommendations. During 2021, for example, the Committee drew up guidelines on ethical crisis management, drawing on experience gained during the COVID-19 pandemic. In 2022, the Advisory Committee drafted a new policy on good practices to ensure the independence and impartiality of animal ethics committees within Sanofi. The Committee also updated two policies as part of its periodic policy review: one on the use of primates in research and quality control for medicines and vaccines, and the other on the production and use of genetically modified animals for research purposes. In 2020, we instituted a global forum – which convenes twice a year – to provide training so that members of our
Sanofi classifies and evaluates, at Business Unit and support function level, the criticality of the risks associated with each major issue; evaluate the level of control over those risks, and prepare action plans to manage them.

The “Human Rights in Our Activities” guide, which identifies key human rights issues over the life cycle of our products; and identify major issues inherent to the sector in which we operate.

For risks specific to the duty of vigilance, we apply a three-step methodology:

- identify major issues inherent to the sector in which we operate;
- classify and evaluate, at Business Unit and support function level, the criticality of the risks associated with each major issue; and
- evaluate the level of control over those risks, and prepare action plans to manage them.

In determining major risks to people or the environment, we applied a sector-based approach to identify which of our stakeholders are potentially affected and our major vigilance issues. For this, we drew largely upon feedback on our existing policies and internal processes, and in particular:

- the “Human Rights in Our Activities” guide, which identifies key human rights issues over the life cycle of our products; and

During 2022, we continued with our efforts to reduce our use of animals. The total number of animals used at Sanofi sites in 2022 was 188,821\(^1\) That compares with our reported figure for 2021 of 252,312 animals, a reduction of 25%. Since 2013, we have reduced the number of animals used by 66%. At the end of 2021, we approved a new integrated research and testing strategy that aims to put science and technological developments at the heart of our R&D and Quality Control activities, and to accelerate our shift to non-animal testing methods. The ultimate aim is to reduce the number of animals used in house and externally by 50% between 2020 and 2030.

We promote a “Culture of Care”, the core value of which is to adopt a responsible approach to animal testing among all professionals working at Sanofi sites.

In line with our long-standing commitment to the “3Rs”, this policy applies to all animals used by Sanofi for research; testing and producing medicines; investigational medicines; vaccines; medical devices; and active ingredients. This policy also applies to those who breed, supply and transport animals for use in research, trials or production, and to third parties who use animals under our instruction. Our in-house laboratory animal experts carry out periodic audits of third-party suppliers to make sure that they are complying with the principles of our animal protection policies.

At end 2022, 15 Sanofi sites in 10 countries were using animals. Sanofi has set a target of obtaining AAALAC International accreditation for all of those sites. Of the 15, 14 have obtained AAALAC\(^2\) International accreditation; the only exception is a site in Thailand which is discontinuing its animal experimentation activities.

In 2022, two entities had their accreditation renewed, and two more are due to have it renewed early in 2023, following field visits by AAALAC International in October and November 2022. Our UK site, where the animal testing facility is run by an independent body, received its first accreditation in 2022.

In 2022, 55 contracted research organizations or universities conducting tests on animals, and six breeders and suppliers of animals and animal-derived products, were subject to an evaluation and required to comply with our animal protection principles; no critical discrepancies were identified.

### 4.4. Vigilance plan

#### 4.4.1. Methodology for selecting risks for the duty of vigilance

[\textit{GRI 3-1}]

Sanofi believes that the risk identification principles applied for SEFP purposes and those applied for duty of vigilance purposes do not wholly overlap. Consequently, we conducted two risk identification exercises in parallel, using the same basic methodological framework but applying criteria specific to each of the two pieces of legislation. Risk identification for SEFP purposes sought to take account of the impacts on Sanofi and its stakeholders, while for the duty of vigilance only the impacts on people and the environment were assessed.

This means that although the risk mapping exercises are complementary and to a very large extent overlap, there are some risks that are specific to just one of the two pieces of legislation. A list of those risks is presented in the table in section “4.4.2., Duty of vigilance risk table”; the related policies and action plans are described in section “4.3., Detailed description of SEFP risks and issues” (for risks identified as common to both exercises) and in the present section (for risks specific to the duty of vigilance).

For risks specific to the duty of vigilance, we apply a three-step methodology:

- identify major issues inherent to the sector in which we operate;
- classify and evaluate, at Business Unit and support function level, the criticality of the risks associated with each major issue; and
- evaluate the level of control over those risks, and prepare action plans to manage them.

In determining major risks to people or the environment, we applied a sector-based approach to identify which of our stakeholders are potentially affected and our major vigilance issues. For this, we drew largely upon feedback on our existing policies and internal processes, and in particular:

- the “Human Rights in Our Activities” guide, which identifies key human rights issues over the life cycle of our products; and

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\(^1\) Calculated in accordance with national legislation in each country where we use animals. For our European sites, refer to Commission Implementing Decision 2020/569, available at eur-lex.europa.eu. The figure reported here covers the period from December 1, 2021 through November 30, 2022.

\(^2\) Association for Assessment and Accreditation of Laboratory Animal Care
• our practice of identifying the highest-risk procurement categories and hence of suppliers; this involves allocating each category a score in terms of inherent risk (to human rights, health and safety, and the environment), and then weighting that score to reflect country risk.

Based on this analysis, backed up by external data - sourced from industry initiatives such as Together for Sustainability (TfS) and Pharmaceutical Supply Chain Initiative (PSCI), international research studies and a peer benchmarking exercise - we were able to identify major vigilance issues relating to the protection of patients, our employees, the environment, and local communities. These vigilance issues are related to Sanofi’s activities, whether we carry out those activities ourselves or through our direct commercial relationships.

For each issue identified, we assessed our existing risk management actions against criteria such as the existence and implementation of a policy (from definition of the commitments underpinning the policy, through to controls over its application) or of a company-wide action plan. Based on this assessment of the level of control, we were able to rank the residual risk and establish adequate action plans.

The Vigilance Plan covers the operations of Sanofi and of entities fully consolidated by Sanofi for financial reporting purposes, as well as the operations of our Tier 1 suppliers and subcontractors.

The duty of vigilance risks identified in this section are those we regard as major; for a presentation of all the issues related to our duty of vigilance, refer to the “Plan de Vigilance” (Vigilance Plan) factsheet, available (in French only) via the Document Center on www.sanofi.com.

A cross-reference table showing all the information required by the duty of vigilance is provided in section “4.9., Corporate social responsibility cross-reference tables”.

### 4.4.2. Duty of vigilance risk table

#### [GRI 3-2]

<table>
<thead>
<tr>
<th>Category</th>
<th>Risk</th>
<th>Description</th>
<th>Section in this chapter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health and safety</td>
<td>Employee health and safety*</td>
<td>Risk that we may fail to provide a safe work environment and cause harm to our employees, suppliers or subcontractors, with immediate or future consequences for their health.</td>
<td>4.4.7. Employee health and safety</td>
</tr>
<tr>
<td></td>
<td>Product safety for patients and consumers*</td>
<td>Risk of product safety breaches, from first administration in clinical trials on humans through to the end of the product’s life cycle, that could have an adverse effect on patients or healthcare professionals.</td>
<td>4.3.4. Product safety for patients and consumers (SEFP risk)</td>
</tr>
<tr>
<td></td>
<td>Patient safety in clinical trials*</td>
<td>Risk that we will breach ethical standards (informed consent, transparency of results), which could have an adverse effect on patient safety.</td>
<td>4.3.5. Medical ethics and bioethics (SEFP risk)</td>
</tr>
<tr>
<td>Human rights</td>
<td>Biopiracy*</td>
<td>Risk that we will fail to respect state sovereignty or the intellectual property rights of indigenous peoples when obtaining patents and commercializing endemic resources identified as a result of bio-prospecting traditional practices and know-how.</td>
<td>4.4.13. Biopiracy</td>
</tr>
<tr>
<td></td>
<td>Personal data protection*</td>
<td>Risk that we will fail to respect the privacy of customers, employees, patients or healthcare professionals by compromising the integrity, confidentiality or accessibility of their personal data.</td>
<td>4.4.10. Personal data protection</td>
</tr>
<tr>
<td></td>
<td>Fundamental human rights at work*</td>
<td>Risk that the fundamental human rights of employees will be breached as a result of our operations, or those of our suppliers or subcontractors.</td>
<td>4.4.6. Fundamental human rights at work</td>
</tr>
<tr>
<td>Environment</td>
<td>Minimize water consumption*</td>
<td>Risk that we will withdraw too much water relative to the capacity of the ecosystem and the needs of other users, especially the most vulnerable.</td>
<td>4.3.10.3. Water: a limited resource (SEFP risk)</td>
</tr>
<tr>
<td></td>
<td>Minimize environmental discharges*</td>
<td>Risk that discharges and emissions from our industrial and R&amp;D operations will adversely affect the environment or human health, or will not be appropriately managed by our own staff or by our suppliers or subcontractors.</td>
<td>4.3.10.5. Environmental releases (SEFP risk)</td>
</tr>
</tbody>
</table>

* Indicates risks that apply not only to our own operations, but also to those of our suppliers, subcontractors and partners. See section “4.4.14., Procurement and subcontracting”, for measures taken to manage risks within our supply chain relating to employee health and safety, environmental releases and human rights at work.

### 4.4.3. Oversight

Our vigilance approach is under the joint control of our heads of CSR and HSE. Global coordination is provided by our CSR department, who ensure that there is a good fit between the various measures in the vigilance approach, and that those measures are implemented.

The CSR department works closely with our HSE, Procurement, Legal, Ethics & Business Integrity departments; its remit includes global oversight of Vigilance Plan implementation. Monitoring of risk management policies and whistle-blowing systems is the responsibility of the specific departments concerned, such as HSE.
4.4.4. Dialogue with stakeholders

Sanofi makes regular presentations to trade unions about the rollout and monitoring of the Vigilance Plan, via a working group mandated by the Group Works Council. Since the publication of the initial plan, regular meetings have been held to discuss issues such as risk mapping relating to human rights at work, sustainable procurement, whistle-blowing, and supplier assessments. One meeting was held in January 2023, during which the issues presented included a follow-up on internal control points relating to policies on human rights at work; progress on sustainable procurement; and a status update on whistle-blowing reports under the duty of vigilance.

4.4.5. Whistle-blowing systems and report-handling

A whistle-blowing system has been in operation at Sanofi since 2006, enabling any employee to report any breach of our Code of Conduct. It covers the issues identified in the Vigilance Plan, and is described in section “4.3.8.2.3., Whistle-blowing”. Alongside this global whistle-blowing system, Sanofi has specific mechanisms in place for patients to flag up issues and give early warnings about drug safety.

4.4.6. Fundamental human rights at work

We employ more than 91,000 people in many countries and work with a large number of suppliers and subcontractors. This gives us a duty to respect the human rights of workers both in our own operations and in our supply chain. Fundamental human rights at work refer mainly to rights associated with ILO standards (International Labour Organization), and in particular the following conventions:

- freedom of association and recognition of the right to collective bargaining (ILO conventions 87 and 98);
- elimination of all forms of forced labor (ILO conventions 29 and 105);
- effective elimination of child labor (ILO conventions 138 and 182);
- elimination of discrimination in employment (ILO conventions 100 and 111);
- wages and employee benefits (ILO conventions 95, 131 and 135); and
- weekly rest (ILO conventions 14 and 106).

Sanofi has committed to applying international standards on human rights, including the United Nations Guiding Principles on Business and Human Rights, and to carrying on its activities in compliance with national regulations such as the French Duty of Vigilance law.

To do this, we identify the nature and extent of potential human rights violations in every country in which we, our suppliers and direct subcontractors operate, and take action to prevent any breach of the rules or of our own internal policies.

A description of our risk mapping, organization, policies, action plans and performance monitoring in respect of fundamental human rights is provided below.

4.4.6.1. Human rights at work risk mapping

The following risks have been specifically identified as salient for Sanofi as regards the fundamental rights of employees:

- for sales, R&D and support function activities: psychosocial risks, and the risk of isolated practices that may be prejudicial to freedom of association and the principle of non-discrimination; and
- for manufacturing and logistics activities: risk of employing migrant workers in situations that may be tantamount to forced labor; risk of excessive working hours; risk of wages below decent wage levels; risk of hazardous work being carried out by children aged under 18; and the impossibility for Sanofi to meet its commitments on freedom of association and non-discrimination in at-risk countries.

The risk factors we use to identify and evaluate the criticality of human rights risks are related to the characteristics of the labor force used (level of qualification, working conditions, potential presence of vulnerable workers) and of countries where we do business (such as legislation that is inadequate or contrary to international standards, widespread human rights violations, or a large presence of vulnerable populations in the country). Because we classify our employees by what they do (industrial, sales, support functions, etc.), we were able for each risk to determine its probability and severity (the seriousness of the potential risk and the number of people potentially affected, and whether the potential violation is systemic or isolated). This methodology was developed in consultation with our Risk Management department.
4.4.6.2. Organization
Sanofi has for many years adopted a proactive vigilance approach to prevent our activities having negative impacts on human rights. Three of our support functions play key roles in this approach. Our CSR department provides expertise in embedding human rights into our activities; our People & Culture function implements policies and action plans; and the Internal Control and Internal Audit functions check that the policies are being implemented and complied with.

4.4.6.3. Policies and action plans
We pay particular attention to respect for the fundamental rights of employees, whether employed directly by Sanofi or indirectly by parties with whom we do business.

In 2015, we approved and rolled out three internal policies on freedom of association, prohibition of forced labor and prohibition of child labor. These policies reiterate our commitments to employees, and establish processes to identify and control the risk of infringements of these rights and require the implementation of due diligence. Our policies are based on ILO conventions, and in particular on:

- ILO Conventions 87 and 98 on freedom of association, protection of the right to organize and collective bargaining;
- ILO Conventions 138 and 182 on child labor; and
- ILO Conventions 29 and 105 on forced labor.

To ensure that these policies are properly implemented, specific control points have been built into our internal control system, covering respect for freedom of association and the right to collective bargaining, the elimination of all forms of forced labor, and the abolition of child labor. We strengthened our existing processes in 2018 to reflect our risk mapping, revising our existing policies to make risk assessment questionnaires compulsory and more operational, and to ensure that data are reported up to our CSR department.

4.4.6.4. Performance indicators
In 2019, we refined our human rights risk mapping so as to identify those countries where we need to focus our internal audit efforts. We identified 18 at-risk countries based on the following criteria: level of country risk, number of employees, and presence of production or distribution activities. Those countries represent approximately one-third of the Sanofi workforce. Of those 18 countries, nine (representing more than a quarter of the Sanofi workforce) have already been subject to audit.

In 2022, 16 countries (Algeria, Brazil, China, Colombia, Egypt, India, Indonesia, Mexico, Pakistan, Russia, Saudi Arabia, South Africa, Thailand, Tunisia, Turkey and Vietnam) responded to the internal control questionnaire. The main findings are summarized below:

<table>
<thead>
<tr>
<th>Issue</th>
<th>Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child labor</td>
<td></td>
</tr>
<tr>
<td>Principal control points:</td>
<td></td>
</tr>
<tr>
<td>• No hiring of children aged under 15, or aged under 18 for dangerous work</td>
<td>No major compliance breaches reported</td>
</tr>
<tr>
<td>• Verification of age on hiring</td>
<td>No employment of persons under the age of 18</td>
</tr>
<tr>
<td>• Danger level assessment of jobs for young workers/compliance with ILO working hours</td>
<td>Systematic verification of age upon hiring</td>
</tr>
<tr>
<td>Forced labor</td>
<td></td>
</tr>
<tr>
<td>Principal control points:</td>
<td></td>
</tr>
<tr>
<td>• Existence of written, transparent employment contracts</td>
<td>No major compliance breaches reported</td>
</tr>
<tr>
<td>• Regularity of wage payments</td>
<td>Written and transparent employment contracts</td>
</tr>
<tr>
<td>• Transparency and clarity of calculation methods, payslips, etc.</td>
<td>Regular salary payments</td>
</tr>
<tr>
<td>• No need to work overtime to earn a decent wage</td>
<td>No withholding of wages or recruitment fees at the end of the contract.</td>
</tr>
<tr>
<td>• No withholding of wages or recruitment costs (including by recruitment agencies)</td>
<td>Means to alert on wage issues without fear of reprisals</td>
</tr>
<tr>
<td>• No retention of identity papers</td>
<td>No overuse of temporary workers</td>
</tr>
<tr>
<td>Working hours</td>
<td>Compliance with 48h/week and daily working hours, weekly rest day and two weeks paid vacation</td>
</tr>
<tr>
<td>Principal control points:</td>
<td>Some issues on overtime due to discrepancies between the global standard and local legislation</td>
</tr>
<tr>
<td>Freedom of association</td>
<td></td>
</tr>
<tr>
<td>Principal control points:</td>
<td></td>
</tr>
<tr>
<td>• No discrimination based on trade union membership, and no abusive practices against worker representatives</td>
<td>Reports of difficulties applying standards due to local legislation in certain countries</td>
</tr>
<tr>
<td>• Respect for the right to collective bargaining</td>
<td></td>
</tr>
</tbody>
</table>

Corrective action plans are being drawn up within the entities concerned, on top of collective actions taken at company-wide level (see above).

Furthermore, two countries (Brazil and India) were audited by an independent third party on their self assessment questionnaires answers and no findings were identified.
4.4.7. Employee health and safety
[GRI 403-1, GRI 416-1]

The health and safety of our employees is addressed as part of our global Health, Safety and Environment (HSE) strategy.

4.4.7.1. Sanofi HSE strategy

4.4.7.1.1. Sanofi HSE policy

As a global healthcare player, we are committed to providing a safe and healthy workplace for all employees and contractors working at our sites, while minimizing the environmental footprint of our activities and products. To deliver on this commitment, Sanofi has developed an HSE strategy based on a management system that is consistent with the issues faced by the company in its activities, and involves the whole organization. The policy is established by our HSE department, validated by our senior management, and signed off by our CEO.

A cornerstone of the Sanofi HSE strategy, this policy is integral to our commitment to corporate social responsibility:

• we constantly strive to embed an HSE culture where each person takes responsibility for preventing accidents and harm to health, promoting wellness at work, and reducing environmental impacts. This message is shared with everyone in Sanofi;
• development projects and product launches are assessed for potential risks to health, safety and the environment. These assessments draw on all our scientific and technical knowledge, use the best technologies available, and take account of the life cycle of the product in question;
• to protect the environment, we pay close attention to the impacts of our operations and products by conserving water and energy, and reducing the impact of emissions, effluent and waste across all our industrial, R&D and commercial activities. We are also actively engaged in fighting climate change; and
• we encourage our suppliers, co-contractors and subcontractors to apply our HSE rules; when assessing and referencing them, we use application of our HSE rules as a criterion.

We adopt a constructive approach to transparency and dialogue with third parties on our HSE policy.

Sanofi drew upon the resources of its in-house HSE network to coordinate the response to the COVID-19 pandemic. A global crisis unit was set up at the onset of the crisis, along with similar units in each country, to coordinate the preparation and management of our response. Weekly meetings were held in each country throughout the crisis to ensure that procedures were being properly applied.

As a healthcare company, we set out strict safety measures to protect all our people against the pandemic including barrier measures, temperature control and managing COVID-19 cases. We established decision-making tools and criteria for tightening or easing lockdown, driven by the data in each country. Through a dedicated website and a range of other support measures, we helped our people adapt to new ways of working. These included tips on staying physically fit, on dealing with the mental health pressures of working from home over extended periods and being socially isolated, and on how to achieve good ergonomic conditions.

4.4.7.1.2. Organization

In deploying the Sanofi HSE strategy, our global HSE organization is based on three pillars, all under the direction of our Global Head of HSE, who in turn reports to a member of our Executive Committee. Global HSE covers all business segments and geographies, and the entire life cycle of Sanofi products, and comprises:

• a global center of excellence, using scientific and technical expertise to develop global strategies across the whole of Sanofi, and providing support to our operations and partners;
• HSE Business Partners for our R&D and Manufacturing & Supply activities, subsidiaries and sales forces, tasked with cascading the global strategies down within their sphere of operations and monitoring performance; and
• regional HSE managers, who provide operational support aligned on global and business-specific strategies and on local regulations.

The global HSE function is backed up by:

• a dedicated HSE department within each of our industrial, research and tertiary sites, representing around 700 employees in total across 45 countries who run and implement HSE programs at site level;
• professional firefighters, at sites where this is required (such as those classified as “Seveso” because of hazardous substances); and
• occupational health services, either in-house or outsourced, offering medical coverage appropriate to the nature of occupational risks. Internationally, the HSE department has a leadership team of eight Key Medical Doctors (KMDs), based in the regions of the world where we operate, who develop and harmonize occupational risk prevention and medical surveillance activities within Sanofi in compliance with local regulations.

Finally, our HSE department heads up a number of expert committees that assess the impacts and hazards of substances and biological agents.
4.4.7.1.3. Managing HSE risks

Our HSE department has established a risk evaluation methodology that is applied to all our sites, and is consistent with Sanofi’s global risk evaluation methodology. The aim of this risk mapping process is to obtain a comprehensive overview, from site level upwards, of the criticality of the principal HSE risks to which Sanofi is exposed and the level of control over those risks.

Each site carries out a comprehensive risk evaluation program covering all its activities once a year or whenever a significant change occurs, which is signed off by management at site and activity level. The evaluation methodology identifies and quantifies hazards, and assesses the level of risk in light of the extent to which the risk is controlled and the nature of the site:

- evaluation of regulatory compliance including environmental permits, operating licenses, management of hazardous chemicals, transport of hazardous goods, and any regulated substances on the site;
- evaluation of the risk of exposure in occupational health terms, including potential exposure to chemicals, biosafety hazards and radiation, physical stress factors, noise, vibrations, and ergonomic issues;
- evaluation of major risks affecting business continuity including process safety, risks of explosion or fire, and exposure to natural risks;
- evaluation of workplace risks including solitary work, road safety, asphyxia, hazardous machinery, the risk of working at heights, handling and lifting equipment, electricity, and managing hazardous work sites; and
- evaluation of environmental risks such as soil pollution, waste management, water and effluent management, atmospheric emissions and climate change.

A global HSE Risks Committee consolidates the site-level risk mapping and draws up a company-wide HSE risk map, which is then sent to Sanofi Risk Management.

All risk maps are translated into action plans, which are periodically monitored at site level.

Each site establishes and maintains its own emergency response plan, adapted to reflect site-specific risks and the internal or external resources that would be deployed or called upon in response to those risks.

Special case: sites with “Seveso” classification (major risks):

Our chemical manufacturing sites in Aramon and Sisteron in France are classified as “Seveso III” (from the name of the European directive relating to potentially hazardous sites, providing a list of activities and substances and the associated classification thresholds). In accordance with French law on technological risk prevention, the Aramon and Sisteron sites are subject to more stringent safety inspections due to the toxic or flammable materials stored on the sites and used in their operating processes.

The two European sites classified as “Seveso III” establishments have specialized response resources, implemented by standby crews and employees who have received second response training.

4.4.7.1.4. HSE management system

Sanofi distributes an HSE policy reference manual to all sites.

The manual sets out measures to be applied so that activities can be managed in a way that minimizes risks and impacts. It describes Sanofi’s standards and methodological tools, and builds in the results of risk/opportunity analysis and expectations on the part of stakeholders – including customers, NGOs, investors and civil society.

Seeking to improve at all times, our HSE management has set out our HSE 2025 ambitions in a roadmap, backed by quantified objectives and action plans, that is shared across all levels of Sanofi.

Each site is subject to periodic monitoring to assess adherence to action plans and attainment of objectives.

The entire management system is reviewed regularly.

4.4.7.1.5. HSE compliance and internal audits

Wherever we do business, we are committed to complying with the HSE laws and regulations that apply to us and to implementing recommendations made by external audits conducted (for example) by our insurers, customers, or standards bodies.

In addition to the regulatory watch role carried out by our global experts within their sphere of competence, individual sites also monitor local HSE regulations and compliance with local administrative and HSE requirements.

The HSE department runs audit programs to assess compliance with internal HSE rules and standards.

Those audits are carried out by Sanofi Lead Auditors who are registered with the International Register of Certified Auditors (IRCA), supported by other staff members who have recognized HSE experience and have followed a dedicated training program accredited by IRCA. In advance of the periodic HSE audits, an independent expert conducts a compliance audit to check that local regulations are being applied. The HSE audit then checks that this was conducted properly, and that an action plan is in place to deal with any non-compliance.
In 2022, ten of our sites were accredited to ISO 45001 standards.

In addition to our own internal verification and audit procedures, our sites are also subject to regular inspections by local authorities, or to regulatory inspections by third parties on specific issues. For example, 100 visits were made during 2022 by technical experts from our insurers.

### 4.4.7.2. Workplace health and safety programs

[GRI 403-2]

#### 4.4.7.2.1. Occupational injury prevention

Preventive measures are designed primarily to reduce the number and severity of occupational injuries and to minimize the exposure of permanent and temporary Sanofi employees as well as our subcontractors.

Sanofi has implemented a sophisticated real-time monitoring tool that alerts management as soon as possible after an accident has occurred, and tracks frequency rates. A monthly report is issued to operational managers, and a quarterly report is sent to the Chief Executive Officer and the Executive Committee members.

Analysis of occupational injuries includes a review of the root causes of serious and potentially serious accidents; identification of non-compliant situations and near misses; safety visits; and sharing of good practice. This helps guide the implementation of specific local or global preventive programs involving technical, organizational and people-based measures. The Sanofi “Safety Culture” program urges all employees to take an active interest in their own safety and that of their colleagues by raising their awareness of the hazards and risks in their day-to-day environment and in their tasks, actions and practices.

Learning from experience (incidents and good practices) is based on a dedicated reporting datasheet containing an analysis of significant incidents, the immediate and root causes, and actions to be taken (some of which, if the issue is serious enough, will have to be completed within a specified time-frame). The datasheets are prepared by experts and disseminated through the entire HSE network, and to operational and site managers (R&D, industrial and administrative). A total of 23 HSE Vigilance and Best Practices datasheets were distributed in 2022 to the whole global HSE network.

Preventive measures are also taken at site level, based on their risk analyses and actual incidents.

#### 4.4.7.2.2. Road safety

After two years in which COVID-19 and lockdowns significantly reduced time spent in the field, our medical representatives took to the road again in 2022 to meet healthcare professionals. The total distance traveled in 2022 was 18.8% higher than the previous year.

Hands-on training cycles largely replaced and supplemented the online sessions introduced during recent years. This year, a large-scale campaign called “One Hour Stop For Safety” was once again run in the vast majority of countries where we operate. This sees employees taking an hour out of their work routine so they can get together and discuss road safety risks and how to drive more safely.

In 2022, we revamped the format of road safety training delivered by line managers, making it simpler and more impactful. An international working group devised a new approach which encourages drivers to identify how they can improve their driving, and sets up action plans which are then followed up in a second session.

#### 4.4.7.2.3. Occupational health

Based on an evaluation of health risks, each site implements risk prevention programs and occupational health practices in accordance with Sanofi’s HSE rules. This mainly involves individual and collective containment and protection measures to prevent exposure at all work-stations where chemical substances or biological agents are handled.

From the development of compounds to the commercial launch of new drugs, Sanofi research scientists continually assess the effects of products on human health, especially that of our employees. These assessments form part of the work of two committees, covering chemical risks (COVALIS) and biological risks (TRIBIO), which determine adequate preventive and protective measures for our people. These committees pool the resources of our network of international experts, and draw upon Sanofi standards and policies.

In addition, specific resources are allocated to the implementation of the European Union regulation on Registration, Evaluation, Authorization and Restriction of Chemicals (REACH). In compliance with the European CLP regulation on the classification, labeling and packaging of chemical substances, we have registered the relevant substances with the European Chemicals Agency (ECHA).

All personnel are monitored under medical surveillance programs that are based on the results of occupational risk assessments linked to their duties.
Occupational diseases and their causes are divided into categories based on international standards. For the purposes of prevention, the number and cause of occupational diseases is consolidated for Sanofi as a whole on an annual basis. This improves data reporting, and gives a better understanding based on local regulations that may vary greatly from country to country.

In line with European statistics, the principal type of occupational disease reported and recognized within Sanofi during 2022 in accordance with local administrative criteria was the musculoskeletal disorder category.

4.4.7.2.4. Health and safety training

We invest in training and awareness programs designed to embed the prevention of health and safety risks into everything we do.

Each new employee receives initial health and safety training appropriate for their job profile so that they can perform their work in strict compliance with the rules. Depending on their jobs, employees may then follow other training modules specifically related to what they do.

Founded in 2012, the Sanofi HSE Academy enables all employees to access the training programs developed and approved by our HSE department, supplementing the training provided directly by local sites.

Our training offer is a mix of periodic courses and specific training to address new needs and challenges facing Sanofi.

Highlights of 2022:

- We launched new pilot programs accessible worldwide to improve understanding of HSE issues around product stewardship and develop HSE leadership skills, plus the “SAFETY 2.0” program for our senior manager community. For France-based staff in strictly admin roles, we rolled out a new “Riskopoly” e-learning module to improve safety culture.
- Alongside these new initiatives, we continued delivering our periodic training courses, such as the “HAZOP” operational safety risk analysis program (nearly 70 trainees); “Onboarding for HSE Managers” (around 40 trainees); “Managerial Safety Visit Coaching” (nearly 50 employees certified); and the “Auditor Pool” course, which enabled us to add 18 new auditors to our existing audit teams.
- We also continue to work on translating existing e-learning modules, to make them more accessible and broaden their reach.

A good example is the “Planet Care” program, which is now available in eight languages.

4.4.7.3 Occupational injury/disease indicators

Reduce the total occupational injury frequency rate\(^{(a)}\) (FR) – any employee\(^{(b)}\) to below 2 by 2022

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lost time injury frequency rate(^{(a)}) – any employee(^{(b)}) to below 1.4 by 2022</td>
<td>1.3</td>
<td>1.3</td>
</tr>
</tbody>
</table>

(a) For definitions, see section “4.7.2.2., Safety indicators”.
(b) “Any employee” includes Sanofi employees, temporary workers and subcontractors.

In 2022, Sanofi unfortunately recorded a fatal accident at an industrial facility in France. An action plan and global communication plan were instigated immediately, and a working group set up to strengthen the company’s safety culture; this will be deployed in 2023.

31% of accidents were due primarily to ground-level falls and contact with objects. However, the ground-level falls prevention program initiated in 2018 has had a positive impact, with the number of accidents of this type well below the 2018 level (127 in 2022, 207 in 2018)

A total of 19 occupational diseases were reported to local authorities in 2022, compared with 30 in 2021. The main reduction was in musculoskeletal disorders, which also accounted for the majority of occupational diseases: 10 in 2022 (53%), and 23 in 2021 (77%).
A total of 14 occupational diseases were reported in Europe (France), three in the United States, and two in Canada, where systems for identifying and reporting such diseases are well established.

We also used an additional medical reporting system (Mood), which showed a resurgence in mental health issues that may be partly due to the effect of the pandemic on our people’s working lives.

To remedy this situation, worldwide guidelines on workplace wellness (including mental health) were rolled out in 2022.

4.4.8. Product safety for patients and consumers
See section “4.3. Detailed description of SEFP risks and issues — 4., Product safety for patients and consumers”.

4.4.9. Patient safety in clinical trials
See section “4.3. Detailed description of SEFP risks and issues — 5., Medical ethics and bioethics”.

4.4.10. Personal data protection
For Sanofi, it is essential that we protect the personal data of our employees and of patients, healthcare professionals and other partners with whom we interact. This is especially important in light of current developments in information and communication technologies.

4.4.10.1. Organization
Our Data Protection Officer is responsible for implementing a Privacy and Personal Data Protection program within Sanofi. In this, he is supported by our corporate privacy team (the Global Privacy Office), and an international network of Local Privacy Officers (LPOs) in each country where we have subsidiaries. He is also supported by a network of Functional Privacy Officers (FPOs), representing global functions such as Research & Development, People & Culture, Information Technology & Solutions, Finance, Commercial Services, Manufacturing & Supply, and our Global Business Units. In 2022, the Global Privacy Office became part of our Global Ethics & Business Integrity (E&BI) function, so as to emphasize the importance of using personal data ethically and responsibly within our privacy protection strategy.

4.4.10.2. Policies and action plans
Our global approach to the processing of personal data is set out in two documents: the Sanofi Global External Privacy and Data Protection Policy, and the Sanofi Global Internal Privacy and Data Protection Policy. Both policies are worldwide in scope and apply to all Sanofi employees processing personal data. The commitments set out in the policies are without prejudice to the application of and compliance with the privacy laws and/or local culture of each country where we process personal data.

We also apply our policy requirements contractually to third parties processing personal data on behalf of Sanofi (such as consultants, service providers, vendors or other partners), for example by asking them to sign data transfer agreements.

The very nature of our business requires the processing of data of individuals who receive our treatments. Such data may be collected in clinical trials or genetic and epidemiological studies, during the monitoring of pharmacovigilance information, and under Patient Support Programs. No consent is required for the reporting of adverse events for pharmacovigilance purposes, but the person reporting the signal – usually a healthcare professional – will inform the patient that their health data is being transferred but that it will not be directly identifiable. Such data transfers are for pharmacovigilance purposes only, and are restricted to the holder of the marketing approval and to health authorities responsible for pharmacovigilance.

The Global Privacy Office is now rolling out a new application, OneTrust, to replace PRIMA. Like PRIMA, OneTrust helps users to check that projects involving the processing of personal data comply with regulations and Sanofi policy, to determine any corrective action required, and to update the Sanofi data processing register. This ensures there is an audit trail for all such projects. OneTrust offers additional functionalities including managing security incidents affecting personal data; bringing websites that use cookies into compliance; managing requests from people whose data are held and who wish to exercise their rights; and mapping IT systems and service providers involved in the processing of personal data.

The Global Privacy Office also continues to develop and distribute awareness-raising videos and training modules so that all our employees know the importance of issues around the protection and transfer of data within Sanofi. Finally, the Global Privacy Office has issued a set of Position Papers and a Privacy Checklist to support project managers as they implement a Privacy-By-Design culture.

4.4.11. Water resource management
See section “4.3. Detailed description of SEFP risks and issues — 10.3., Water: a limited resource”.

4.4.12. Environmental releases
See section “4.3. Detailed description of SEFP risks and issues — 10.8., Environmental releases”.

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4.4.13. Biopiracy
Sanofi is committed to complying with conventions on the protection of biodiversity and combating biopiracy. Compliance with local regulations derived from the Nagoya Protocol requires coordinated efforts across all Sanofi entities. In 2017, we put in place appropriate documentation and policies relating to the Nagoya Protocol. We also created a dedicated intranet site, accessible to all our employees, to raise awareness of the Nagoya Protocol. Staff in key departments receive regular training. To continue the internal rollout and ensure compliance, we set up a Nagoya expert group, who report to our Bioethics Committee. The Nagoya expert group continues to work on issues arising from implementation of the protocol in the signatory states. The aim is to monitor how practices are changing in light of the reaction from stakeholders. For example, the use of digital sequence information on genetic resources is an issue still under review. The actions taken by Sanofi relate to the use of natural substances to develop new medicines.

These include abiding by the principle that when we commercialize products derived from natural substances, we share our profits with countries that allow access to their natural resources and with local populations who have specific know-how. So whenever we investigate the use for R&D purposes of a new product isolated from a natural source, we will carry out due diligence to ensure we comply with international conventions.

The COVID-19 pandemic has highlighted the difficulties around including human pathogens in the scope of the Nagoya Protocol, and reignited the debate at international level.

4.4.14. Procurement and subcontracting

We buy raw materials, goods and services all round the world, and use a diversified panel of suppliers reflecting the diversity of our activities. Our Procurement function is centralized, and acts in the name of all Sanofi entities (including our Global Business Units and support functions). This structure delivers synergies, in terms of both expertise and procurement costs. Our procurement policy, which applies to all our employees, is based not only on economic principles but also on ethical, environmental and social principles.

<table>
<thead>
<tr>
<th>Procurement key figures</th>
<th>2022</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement spend (€ billion)</td>
<td>17.8</td>
<td>14.1</td>
<td>14.8</td>
</tr>
<tr>
<td>in OECD countries</td>
<td>16.2</td>
<td>12.7</td>
<td>13.3</td>
</tr>
<tr>
<td>in non-OECD countries</td>
<td>1.7</td>
<td>1.4</td>
<td>1.5</td>
</tr>
<tr>
<td>Number of suppliers</td>
<td>43,680</td>
<td>52,563</td>
<td>54,507</td>
</tr>
<tr>
<td>Number of countries where we have suppliers</td>
<td>132</td>
<td>128</td>
<td>138</td>
</tr>
</tbody>
</table>

Through responsible sourcing, Sanofi aims to minimize risks and create stable, long-term business relationships with selected partners who are screened through a risk-based approach.

For procurement categories considered at risk from a sustainability standpoint, suppliers are either audited (most critical vendors), or subject to thorough due diligence questionnaires.

Supplier audits, focusing primarily on Health, Safety and Environment (HSE) performance, but also, when relevant on Human Rights issues, are conducted by the Sanofi HSE department or outsourced to external auditors. These supplier audits are mainly targeted at high-risk subcontractors manufacturing critical Sanofi raw materials. Action plans are continuously monitored to ensure issues are remedied.

Due diligence questionnaires are managed through a third-party provider. The detailed questionnaire assesses supplier maturity for a wide range of CSR criteria.

On labor and human rights, Sanofi suppliers are required to comply as a minimum least with international human rights treaties, without prejudice to more favorable national laws. In particular, compliance with ILO (International Labor Organization) fundamental conventions by suppliers is an essential requirement for Sanofi. The following aspects are scrutinized in Sanofi’s procurement process: child labor, working hours, wages and fringe benefits, and freedom of association.

4.4.14.1 Supplier Code of Conduct
Sanofi’s commitment to responsible procurement is reflected in our Supplier Code of Conduct, with which any supplier – and any supplier of our suppliers – must comply. They are expected to respect:

- labor regulations against child labor, forced labor, violence, and discrimination (International Labor Organization, ILO core conventions);
- decent working conditions (working hours, wages and benefits, freedom of association);
- health and safety: workers’ health and safety protection, hazard information and training, and emergency preparedness; and internal rollout and ensure compliance with international conventions.
- environment: regulatory compliance, climate change mitigation, minimizing releases in the environment (air, water, soil), pollution prevention, reduction of energy and water usage, and biodiversity.

The Supplier Code of Conduct is integrated into our electronic ordering systems. Each time a supplier is onboarded, they must acknowledge and agree to our Supplier Code of Conduct, which is available in the Document Center on www.sanofi.com.

4.4.14.2 Supplier Risk Assessment

Our procurement risk approach encompasses all procurement categories and assesses macro risks (geopolitical, economic, technological, legal, natural disasters); operational risks, such as supply (single source, dependency); financial and strategic business issues; compliance risks, such as fraud and business ethics issues; and sustainability risks, including environmental, social and governance issues.

Sustainability risks are assessed through our 267 procurement sub-categories. The categories are assessed based on their inherent risk in terms of health and safety, the environment and human rights, each of which is scored from 1 to 4. Inherent risk is determined regardless of the country of operation, as follows:

- health and safety: number of people potentially affected, and seriousness and irreversibility of the consequences on people;
- environment: extent of the negative consequences (in terms of pollution and use of natural resources) on the environment, communities and biodiversity (whether or not limited to the site), and their irreversibility; and
- human rights: the characteristics of the workforce (level of qualification, number, temporary or permanent), and awareness of human rights issues around the products used.

As a result of this compound rating, 47 procurement categories are considered at risk from a sustainability standpoint. The underlying purchases are mostly related to the following activities and products: Capex, Energy, Packaging, Consumables, Waste Management, Active Ingredients, Raw Materials, Subcontracting, Clinical Trials, Transport and Distribution.

Suppliers belonging to these 47 categories are monitored depending on their sub-classification:

- Group A: Audits; and
- Group B: Third-party assessment

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of suppliers assessed on their CSR performance</td>
<td>273</td>
<td>392</td>
<td>237</td>
</tr>
<tr>
<td>Number of assessed suppliers that met our CSR requirement</td>
<td>237</td>
<td>315</td>
<td>172</td>
</tr>
<tr>
<td>Percentage of assessed suppliers that met our CSR requirement</td>
<td>87%</td>
<td>80%</td>
<td>72%</td>
</tr>
<tr>
<td>Number of buyers trained to use the Responsible Procurement Platform (a)</td>
<td>447</td>
<td>389</td>
<td>70</td>
</tr>
</tbody>
</table>

(a) cumulative

Sanofi assessed 273 suppliers in 2022. Of those, 234 were undergoing a reassessment and 67% of those had improved their rating after following an action plan.

4.4.14.3 Supplier Selection

Since 2022, suppliers participating in Sanofi tenders have had to go through a compulsory sustainability assessment, encompassing social responsibility, environmental policies, CO₂ emissions and product/service traceability. This assessment contributes to up to 20% of a supplier’s score card in the tender award process. If a supplier does not have measures against forced labor, child labor and discrimination, it cannot be selected.

If not already in place, suppliers need to commit to go through a third-party assessment (all purchases); measure their Scope 1 & 2 CO₂ emissions (goods purchases); have plans to measure Scope 3 and disclose their CDP climate assessment (goods purchases); and apply a robust Diversity, Equity and Inclusion policy (service purchases).

If a supplier is selected and has a sustainability score below average, corrective action plans need to be integrated into the contract and implemented within one year.

4.4.14.4 Supplier Onboarding

As part of their onboarding process, suppliers considered at risk from a sustainability standpoint as per the supplier risk assessment are systematically requested to complete a third-party assessment. This is carried out through a dedicated supplier onboarding platform, which by the end of 2022 covered 84 of the 91 countries where we carry out procurement. This solution also manages other targeted due diligence (anti-bribery, financial and cybersecurity), and the systematic sign-up of our vendors to our Supplier Code of Conduct.

4.4.14.5 Supplier Evaluation

Sustainability evaluations are managed through a third party. In line with its CSR ambitions, the scope of suppliers to be assessed represents 700+ suppliers:

- top 300 suppliers by amount of spend – mandatory;
- high-risk suppliers (approx. 400) – mandatory (as defined in section 4.4.14.2); and
- suppliers participating in Sanofi tenders (as defined in section 4.4.14.3).
Our objective is to carry out around 300 supplier assessments per year, the aim being to achieve the coverage of all our strategic high-risk suppliers by 2023. We currently stand at around 50%.

The assessment must be renewed at least every three years, and suppliers with a score below target must implement corrective action plans in areas flagged as insufficient. In the event of significant and/or non-remediated deviations, Procurement may decide to conduct on-site audits or terminate the relationship.

4.4.14.6 Supplier Audits

Supplier audits, focusing primarily on Health, Safety and Environment (HSE) performance, but also, when relevant, on Human Rights issues, are conducted by Sanofi’s HSE Department or outsourced to external auditors.

In 2022, our objective was to have carried out audits of all our critical high risk active pharmaceutical ingredient (API) providers and contract manufacturing providers, which has been achieved. The plan was risk phased:

• 2017-2020: focus on all antibiotics and hormones providers; and
• 2020-2022: focus on feedstock (synthesis intermediates) providers.

From now on, we will re-focus on critical and antibiotics suppliers to drive improved performance (see below).

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of audits of Sanofi CMOs (CO)</td>
<td>46</td>
<td>60</td>
<td>42</td>
</tr>
<tr>
<td>Number of audits of suppliers of active and intermediate pharmaceutical ingredients (API)</td>
<td>81</td>
<td>88</td>
<td>44</td>
</tr>
<tr>
<td>Number of audits of other suppliers: packaging, logistics, CROs (Contract Research Organizations), etc.</td>
<td>43</td>
<td>24</td>
<td>35</td>
</tr>
</tbody>
</table>

(a) Includes PSCI shared audits.

Improvement plans are monitored through re-assessments or follow-up audits:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of active suppliers audited</td>
<td>757</td>
<td>667</td>
<td>573</td>
<td>427</td>
</tr>
<tr>
<td>Number of suppliers who have improved</td>
<td>8*</td>
<td>38</td>
<td>45</td>
<td>103</td>
</tr>
<tr>
<td>Number of suppliers terminated</td>
<td>2</td>
<td>14</td>
<td>18</td>
<td>30</td>
</tr>
<tr>
<td>Number of suppliers subject to re-audit</td>
<td>20</td>
<td>18</td>
<td>37</td>
<td></td>
</tr>
</tbody>
</table>

*Data YTD October 2022.

4.4.14.7 Cross-sectoral Initiatives

Since 2017, Sanofi has been a member of the Pharmaceutical Supply Chain Initiative (PSCI), a grouping of 72 pharmaceutical and healthcare companies who share a vision of better, social, environmental, and economic outcomes for their suppliers. This collaborative initiative will improve our capability, jointly with our suppliers, to uphold our CSR commitments and obligations.

Through the PCSI, Sanofi participates in two major work programs:

• the supplier shared audit program; and
• the supplier performance improvement program: to establish formal industry guidelines and support suppliers to raise their capability to address ethical, labor, health and safety, and environmental issues.

In addition, Indian and Chinese suppliers are regularly trained through the PSCI group on the following topics: pharmaceutical residues in the environment, antimicrobial resistance, environment and safety, process safety and industrial hygiene. In 2022, 28 of Sanofi’s Indian suppliers of active ingredients and 67 of Sanofi’s Chinese suppliers of active ingredients participated. In addition, in December 2022, in collaboration with PSCI, Sanofi organized a training on water stewardship, which was attended by 73 Indian suppliers and CMOs of active ingredients.

4.4.14.8 Supplier Diversity

In 2022 we hired a Head of Global Supplier Diversity to ensure we achieve our diversity targets. We launched our Global Supplier Diversity strategy in procurement to strengthen communities’ economic engagement and create a positive impact to increase the inclusion of historically disadvantaged or under-represented groups in our sourcing processes. A Supplier Diversity Governance Council was also launched, with monthly operations meetings and quarterly leadership council meetings to discuss the metrics and gaps, celebrate successes, and showcase small and diverse suppliers and external advocacy agencies. From a systems perspective, we launched a “Cockpit” dashboard that provides clear insights into our spend with specific supplier diversity tags.
We strengthened our partnership with MSDUK (a certifying body for European supplier diversity) and WeConnect International (certification available in more than 50 countries), to increase our collaboration and engagement with women-owned businesses (at least 51% owned, managed, and controlled by one or more women), and support women’s economic empowerment. On International Women’s Day, March 8, 2022, we made a public commitment to:

- double our woman-owned business spend by 2025; and
- spend over €1.5 billion (approximately 10% of our global expenditure) with small and minority-owned businesses by 2025.

In 2022, our supplier diversity spend was approximately €1 billion, and our women-owned business spend approximately €87 million.

4.5. Taxonomy

4.5.1. Background

A- EU Taxonomy framework & requirements

The European Union (EU) has published European Regulation 2020/852 of June 18, 2020 (the so-called “Taxonomy Regulation”) on the establishment of a framework to promote sustainable investments within the EU.(1)

At present, sustainable activities are mapped with reference to the first two climate objectives: mitigation and adaptation (Annexes I & II of the Climate Delegated Acts(2)). They will be extended in 2023 to the four other environmental objectives, which will be included in our disclosures for the 2024 financial year. Annexes I and II provide definitions of eligible activities, including the corresponding NACE (EC statistical classification of economic activities) codes, and technical criteria to determine whether those activities can be classified as effectively sustainable. Consequently, activities that do not meet those definitions are regarded as not defined in the reference framework ("non-eligible").

The disclosure requirements for key performance indicators (KPIs) for 2022 cover not only “eligibility” as in 2021, but also (and for the first time) “alignment”. Sanofi has an obligation to disclose KPIs that show the proportion of its eligible and aligned revenues, capital expenditure (CAPEX) and operating expenditures (OPEX) resulting from products and/or services associated with economic activities defined as “sustainable” in Annexes I & II of the Climate Delegated Acts(3)(4)(5)(6). Sanofi has analyzed the technical criteria for alignment across the scope of its eligible activities, which at present is limited primarily to (i) construction and real estate activities and (ii) transport, as per sections 7 and 6.5 respectively of Annex I to the Delegated Act, relating to climate change mitigation (“Annex I”) (4). This involved reviewing our eligible activities by reference to the three criteria of (i) substantial contribution, (ii) do no significant harm (DNSH), and (iii) minimum safeguards, as shown in the infographic below:

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(2) EU Climate Delegated Act of June 4, 2021 and its appendices supplementing Regulation (EU) 2020/852 by specifying the technical criteria for determining under which conditions an economic activity may be considered to contribute substantially to climate change mitigation or adaptation. Available at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=PI_COM:C(2021)2800


Following on from this initial alignment exercise, we may revise our approach as the regulation stabilizes and more data become available, especially as regards the technical criteria.

**B- Relationship to our Planet Care roadmap**

In respect of the first two climate change objectives applicable from the 2021 financial year (mitigation and adaptation), the European Commission has prioritized those sectors of activity that emit the most greenhouse gases within the European Union. Sanofi’s activities are essentially related to research, development, manufacturing and commercialization in the Pharmaceuticals, Vaccines and Consumer Healthcare businesses. Those activities are not currently considered to make a substantial contribution to the two climate objectives defined by the taxonomy. In particular, a detailed analysis of our industrial raw materials production activities did not identify any link between our activities and taxonomy activity 3.14, “Manufacture of basic organic basic chemicals”.

Beyond the disclosure requirements related to the EU Taxonomy Regulation, we have implemented an ambitious policy to limit the direct and indirect impacts of our operations and products on the environment. We strive to minimize the environmental impacts of our activities and products through our Planet Care roadmap, as described in section 4.3.10.1. above. The roadmap sets out our ambition to move towards carbon neutrality by 2030 and net zero greenhouse gas emissions by 2045 across all scopes.

The Planet Care roadmap has two pillars: (i) reducing emissions and environmental impacts of our products and activities (mitigation) and (ii) our resilience to climate change (adaptation).

**4.5.2. Evaluation and methodology**

**A. Introduction**

With reference to the regulatory framework described above, we have not identified any eligible revenue, CAPEX or OPEX related to our Pharmaceuticals, Vaccines or Consumer Healthcare activities. However, we have identified CAPEX and OPEX related to “individual measures”, which correspond to purchases and capex within other activities (primarily construction and real estate activities, as described in Section 7 of Annex I) as defined in the EU Taxonomy Regulation.

Consequently, the scope of eligible activities in 2022 comprises:

- Activity 7.2: Renovation of existing buildings
- Activity 7.3: Installation, maintenance and repair of energy efficiency equipment
- Activity 7.5: Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings
- Activity 7.7: Acquisition and ownership of buildings (with reference to net increases in right-of-use assets under long-term real estate leases and construction of buildings for our own use)
- Activity 6.5: Transport by motorbikes, passenger cars and light commercial vehicles (with reference to long-term leases of light vehicles)

The financial information for eligibility and alignment KPI screening was sourced from Sanofi’s information systems (capex tracking, consolidation) as of the end of the 2022 financial year. It was analyzed and verified jointly at both local and corporate level to ensure that it was consistent with consolidated revenue, CAPEX and OPEX for the 2022 financial year, and to avoid any double-counting of eligible activities in the numerator for the taxonomy KPIs.

**B- Approach used to identify eligibility financial indicators (revenue, CAPEX and OPEX)**

**Revenue**

Because our Pharmaceuticals, Vaccines and Consumer Healthcare activities are outside the scope of the taxonomy at this stage, we do not present any eligible revenue in respect of the first two climate objectives.

The consolidated revenue figure used as the taxonomy denominator is our net sales figure of €42,997 million (see our consolidated income statement, included in our financial statements at Item 18 of our 2022 Annual Report on Form 20-F).
**CAPEX**

In accordance with the Taxonomy Regulation, the CAPEX denominator comprises acquisitions of property, plant and equipment (IAS 16\(^{(5)}\)) and intangible assets (IAS 38\(^{(5)}\)); acquisitions of right-of-use assets (under IFRS 16\(^{(5)}\), a right-of-use asset is recognized on commencement of a lease); and acquisitions related to business combinations (IFRS 3\(^{(5)}\)). For 2022, the denominator was €3,150 million, as presented below:

<table>
<thead>
<tr>
<th>CAPEX relating to:</th>
<th>€ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant and equipment (IAS 16)</td>
<td>1,750</td>
</tr>
<tr>
<td>Intangible assets (IAS 38)</td>
<td>571</td>
</tr>
<tr>
<td>Right-of-use assets (IFRS 16)</td>
<td>292</td>
</tr>
<tr>
<td>Business combinations (IFRS 3)</td>
<td>541</td>
</tr>
<tr>
<td><strong>Total CAPEX Denominator</strong></td>
<td><strong>3,150</strong></td>
</tr>
</tbody>
</table>

(a) See Notes D.3 and D.4 to our consolidated financial statements, included at Item 18 of our 2022 Annual Report on Form 20-F.

The eligible CAPEX reflected in the numerator corresponds to the elements of CAPEX that relate to the economic activities and individual measures presented above.

**OPEX**

In accordance with the Taxonomy Regulation, the OPEX denominator consists of non-capitalizable direct costs. These comprise research and development expenses; building renovation costs; repair and maintenance costs; rental expenses reported in the income statement; and any other expense relating to the day-to-day upkeep of assets. Based on the types of OPEX included in the taxonomy, the immateriality exemption does not apply to Sanofi. The taxonomy OPEX denominator mainly comprises research and development expenses, mostly incurred in our Pharmaceuticals and Vaccines operations. The OPEX denominator represents 30% of our consolidated OPEX (see our consolidated financial statements, included at Item 18 of our 2022 Annual Report on Form 20-F), i.e. an absolute value of €5,207 million (see below for a breakdown).

<table>
<thead>
<tr>
<th>OPEX related to</th>
<th>€ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>R&amp;D</td>
<td>4,553</td>
</tr>
<tr>
<td>Other</td>
<td>654</td>
</tr>
<tr>
<td><strong>Total OPEX Denominator</strong></td>
<td><strong>5,207</strong></td>
</tr>
</tbody>
</table>

In line with our ongoing efforts to further improve the reliability of our data, in 2022 we fine-tuned our approach to identifying eligible OPEX by selecting those management centers where eligible CAPEX has been identified.

The granularity of our management systems does not allow for the allocation of OPEX to the various taxonomy activities (such as repair and maintenance costs for activity 7.3). Consequently, we split eligible OPEX between the taxonomy activities using an allocation formula based on the split of eligible CAPEX by activity.

**C- Methodology for evaluating activities with reference to alignment criteria**

**Methodology for analyzing substantial contribution and specific DNSH criteria**

Aligned CAPEX screened by Sanofi in this initial alignment exercise relates to two taxonomy activities:

- **Activity 7.3:** Installation, maintenance and repair of energy efficiency equipment
- **Activity 7.7:** Acquisition and ownership of buildings (in respect of net increases in right-of-use assets under long-term real estate leases, but not of construction of buildings for our own use)

**Activity 7.3:**

- CAPEX was regarded as meeting the substantial contribution criterion (as defined in Annex I) in cases where the installation for which the CAPEX was incurred demonstrated better energy efficiency than the previous installation.
- The specific pollution DNSH described for this activity did not apply to the CAPEX eligible for this section and contributing to the alignment.

**Activity 7.7 (only substantial contribution applies, and there is no specific DNSH criterion):**

- Leased buildings constructed before December 31, 2020 were regarded as complying with the Energy Performance Certificate (EPC) Class A rating / top 15% criterion where they had either of the following two characteristics:
  - EPC A or B rating (at European level, the top 15% includes at least these two EPC ratings\(^{(6)}\));
  - Accreditation to at least “Gold Level” for LEED or “Very Good” for BREEAM. Both LEED and BREEAM ratings give significant weighting to energy performance, and the “Gold” and “Very Good” scores represent a good performance for those ratings.

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\(^{(5)}\) IFRS accounting standard applied by Sanofi.

• Leased buildings constructed after December 31, 2020 were regarded as aligned on the substantial contribution criteria if they have obtained a “Platinum” rating (the highest) within an accreditation regime that gives significant weighting to energy performance. Obtaining “Platinum” accreditation was also regarded as mitigating the absence of thermal integrity and airtightness tests for the purposes of this initial alignment exercise.

• All buildings with eligible IFRS 16 CAPEX that contributed to alignment were checked for compliance with the energy performance monitoring and assessment criterion (the buildings in question all have a building management system or an online monitoring platform).

**Methodology for analyzing generic DNSH criteria and minimum safeguards**

**DNSH - Adaptation**

In accordance with Appendix A to Annex I, Sanofi has checked for compliance with the generic DNSH criteria for adaptation, across all our eligible activities that contribute to alignment. Our in-house Insurance Department already uses a climate model that is deployed across most of our real estate, covering the following climate-related risks: coastal and river flooding, rainfall, wind, hail, hurricanes, drought, heat, and forest fires.

This model projects physical climate-related risks forward to 2030, 2040 and 2050 based on the IPCC RCP2.6 and RCP8.5 scenarios, accompanied by estimates (based on those projections) of the financial impact on the assets and activities affected.

Sanofi draws on those analyses to implement appropriate adaptation measures at each site, commensurate with the degree of risk and location of the asset. In particular, adaptation solutions are systematically implemented at all sites at risk of flooding.

**Minimum safeguards**

In accordance with the guiding principles for minimum safeguards as described in Article 4 of the Taxonomy Regulation, economic activities that contribute substantially to one of the climate objectives and comply with the relevant generic and specific DNSH criteria must also demonstrate that they comply with minimum safeguards. Those safeguards consist of implementing procedures to align on (i) the OECD Guidelines for Multinational Enterprises and (ii) the United Nations Guiding Principles on Business and Human Rights (including the principles and rights laid down by the eight fundamental conventions cited in the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights). Such procedures are a prerequisite for eligible activities to qualify as “aligned”.

Sanofi also reviewed the Final Report on Minimum Safeguards issued by the EU Platform on Sustainable Finance in October 2022 so as to take account of clarifications regarding the scope and requirements for this initial alignment exercise. The report identified four core topics for minimum safeguards: human rights (including the rights of workers and consumers); corruption; taxation; and fair competition. For each core topic, the report describes pre-requisites such as (i) due diligence processes specific to each topic and (ii) absence of any recent court judgment of liability against the company, its management or subsidiaries on any of the four topics.

Sanofi conducted this analysis at corporate level, via workshops with management from the relevant functions. Based on the analysis, it was concluded that Sanofi complies with minimum safeguards despite claims and litigation on specific issues, as described in “Item 8.A — Information on Legal or Arbitration Proceedings” of our Annual Report on Form 20-F and in Note D.22. to our consolidated financial statements (included at Item 18 of that report). Adequate responses have been implemented through action plans and other measures, as described below.

**Human rights**

In terms of human rights, Sanofi relies on its Vigilance Plan (see section “4.4. Vigilance Plan”); and its sustainable procurement policy (see section “4.4.14. Procurement and Subcontracting”). These two procedures meet the criterion of reasonable due diligence processes on human rights, in line with the United Nations guiding principles required for minimum safeguards.

Sanofi has not identified any procedural breaches and believes that it has not been subject to any court judgments on human rights issues that could undermine our alignment on the minimum safeguards. We have pharmacovigilance procedures in place that comply with the applicable regulations for all of our products. We are subject to certain product liability claims (see Note D.22.a. to our consolidated financial statements, included at Item 18 of our Annual Report on Form 20-F), in particular those relating to Taxotere®, Zantac® and Depakine®. Based on our analysis of ongoing claims and litigation, we believe that we meet the criteria for minimum safeguards on human rights.

**Corruption**

Sanofi has a range of anti-corruption policies and procedures, including our Code of Conduct (presented in section “4.3.8.21. Code of Conduct”) and our procurement and anti-corruption policy (presented in section “4.4.14. Procurement and Subcontracting”). For example:

• For all purchases regarded as at-risk, questionnaires (which include an anti-corruption section) are sent to suppliers, and checks are carried out (see section “4.4.14.2. Supplier Risk Assessment”).

• We also give our suppliers access to My Procurement, an online platform where they can upload their latest documentation (including compliance with the “Sapin II” law in France).

• In addition, purchases of real estate (which are at the heart of Sanofi’s eligible activities at this stage) are covered not only by our Sustainable Procurement policy, but also by a procurement policy specific to real estate (see section “4.3.6. Supply chain continuity”).

Sanofi has not identified any procedural breaches or court judgments on corruption issues that could undermine our alignment on the minimum safeguards.
Taxation

We publish our tax policy annually. Application of that policy relies on a network of dedicated tax experts. Sanofi does not engage in tax fraud or tax evasion. A limited number of countries where we operate could be seen as countries with favorable tax regimes. Our presence in those countries is justified by our commitment to provide medicines and vaccines to serve the needs of patients living there, and by substantial commercial or industrial operations (see section “4.3.9. Tax Policy”).

We also have a series of internal and external controls in place to ensure that our tax policy and strategy are applied effectively:

- for each country in which we operate, local management produces a quarterly report in which any tax risks are clearly identified; and
- we provide regular anti money-laundering training.

In addition, recurring tax inspections are carried out in all territories where we operate.

The complexity of tax rules and the fact that we operate in numerous jurisdictions may mean that the extent of our tax obligations is open to different interpretations. So, although we act in good faith (and in many cases, after taking independent advice), we may become involved in tax disputes due to divergences in tax interpretations between Sanofi and local tax administrations. Consequently, the ongoing tax disputes in which we are involved were not regarded as contrary to the minimum safeguards on taxation; and in light of the various tax processes we apply, we consider that Sanofi complies with the minimum safeguards.

Fair competition

We ensure that our employees are made aware of applicable laws and regulations on fair competition. All employees receive mandatory training on our Code of Conduct, which requires them to comply with applicable laws and regulations and which includes specific principles and rules of conduct in this area. We also apply policies and procedures to ensure that Sanofi and its management, employees, agents, intermediaries and third parties comply with applicable laws and regulations (see “Item 4B.6.2. - Competition” in our Annual Report on Form 20-F).

Sanofi is involved in ongoing litigation and investigations in respect of antitrust law and commercial practices. Based on our analysis of ongoing litigation, we believe that we meet the criteria for minimum safeguards on fair competition.

4.5.3. Results

Summary results for our taxonomy KPIs for 2022 are presented below (for detailed results in the regulatory reporting format, refer to section ‘4.9.3. Taxonomy Appendix’).

A- Eligibility and alignment results for 2022

In 2022, eligible CAPEX amounted to €899 million, representing 29% of total CAPEX in the denominator. Aligned CAPEX amounted to €65 million, representing 2% of total CAPEX in the denominator.

<table>
<thead>
<tr>
<th>(€ million)</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligible and aligned CAPEX</td>
<td>65</td>
<td>N/A</td>
</tr>
<tr>
<td>Aligned CAPEX as a % of total CAPEX</td>
<td>2%</td>
<td>N/A</td>
</tr>
<tr>
<td>Aligned CAPEX as a % of eligible CAPEX</td>
<td>7%</td>
<td>N/A</td>
</tr>
<tr>
<td>Eligible and non-aligned CAPEX</td>
<td>834</td>
<td>N/A</td>
</tr>
<tr>
<td>Eligible CAPEX</td>
<td>899</td>
<td>1,399</td>
</tr>
<tr>
<td>Eligible CAPEX as % of total CAPEX</td>
<td>29%</td>
<td>20%</td>
</tr>
<tr>
<td>Non-eligible CAPEX</td>
<td>2,251</td>
<td>5,433</td>
</tr>
<tr>
<td><strong>Total CAPEX Denominator</strong></td>
<td><strong>3,150</strong></td>
<td><strong>6,832</strong></td>
</tr>
</tbody>
</table>

Aligned CAPEX mainly comprises leased buildings recognized in accordance with IFRS 16 (see the technical criteria as described above, and the detailed table in section ‘4.9.3. Taxonomy Appendix’).

In 2022, eligible OPEX amounted to €81 million, representing 2% of total OPEX in the denominator.

<table>
<thead>
<tr>
<th>(€ million)</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligible and aligned OPEX</td>
<td>Alignment not investigated</td>
<td>N/A</td>
</tr>
<tr>
<td>Aligned OPEX as a % of total OPEX</td>
<td>Alignment not investigated</td>
<td>N/A</td>
</tr>
<tr>
<td>Eligible and non-aligned OPEX</td>
<td>Alignment not investigated</td>
<td>N/A</td>
</tr>
<tr>
<td>Eligible OPEX</td>
<td>81</td>
<td>113</td>
</tr>
<tr>
<td>Eligible OPEX as % of total OPEX</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Non-eligible OPEX</td>
<td>5,126</td>
<td>4,518</td>
</tr>
<tr>
<td><strong>Total OPEX Denominator</strong></td>
<td><strong>5,207</strong></td>
<td><strong>4,631</strong></td>
</tr>
</tbody>
</table>

As explained above, because eligible OPEX is immaterial (2%), Sanofi has decided not to analyze alignment for OPEX as part of this initial alignment exercise.
**B- Year-on-year trends**

**Trends in eligibility results**

Eligible CAPEX has increased as a proportion of total CAPEX relative to 2021 (20% to 29%), though this should be viewed in the context of a more general decrease in CAPEX in the denominator. In addition, for 2021 the majority of the contribution to eligible CAPEX came from IFRS 16 right-of-use assets, whereas in 2022 most of the contribution was from individual measures. The decrease in the denominator reflects a reduction in intangible assets in 2022 relative to 2021, mainly due to a change in the structure of the Sanofi group.

**Methodological changes**

There are no significant methodological changes to report, except that the process for identifying accounts likely to contain eligible OPEX has been fine-tuned by using management centers associated with eligible CAPEX as a reference point.

**4.5.4. Future developments**

Given the evolving nature of the European regulatory framework and the information available to date, Sanofi will revise the KPI calculation methodology on the basis of regulatory developments, in particular with the publication of the Delegated Acts that will expand the list of eligible activities to the four other environmental objectives.

Sanofi is also investigating how its information systems can be updated to improve the automated tagging of eligible CAPEX and of some alignment criteria. These taxonomy improvements dovetail with other issues we are investigating, especially in procurement where we are looking at ways of identifying “green” or “sustainable” purchases (based on our own internal definitions, which may not necessarily map on to the taxonomy definitions).

**APPENDICES: Tables in regulatory reporting format in section ‘4.9.3. Taxonomy Appendix’**

**4.6. Sanofi’s contribution to Sustainable Development Goals**

Today we are confronted by societal challenges like a growing and aging population, income disparities and climate change. At the same time, technological advances (such as the rise of digitization) present significant opportunities as well as challenges. Given these profound upheavals, companies are not only required to perform well financially, but must also explain what they are doing to respond to those challenges and demonstrate that they are making a positive contribution to society.

Sanofi’s primary contribution is to serve patients’ needs throughout their health journeys, whether they be someone with a rare disease or one of the millions of men and women living with a chronic illness. It also includes providing vaccine protection to populations, as well as pain relief treatments.

In this respect we contribute to Sustainable Development Goal 3: “Ensure healthy lives and promote well-being for all at all ages”, in particular SDG 3.3 on communicable diseases through our vaccine portfolio and SDG 3.4 on non-communicable diseases through our treatments for diabetes, cardiovascular diseases and rare diseases. Details about our programs on access to healthcare are provided in section “4.3.2., Access to healthcare”

In addition to SDG 3, Sanofi initiatives that contribute to SDGs are shown in the table below:

<table>
<thead>
<tr>
<th>Topic</th>
<th>Ambition</th>
<th>Progress</th>
<th>2021</th>
<th>Contribution to SDGs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to Healthcare</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sanofi Global Health</td>
<td>Make affordable 30 essential medicines to treat cardiovascular diseases, diabetes, tuberculosis, malaria, certain neglected tropical diseases, and cancer in the 40 countries with the lowest per capita GDP</td>
<td>See section “4.3.2., Access to healthcare”.</td>
<td></td>
<td>SDG 3: Good health and well-being</td>
</tr>
<tr>
<td></td>
<td>Help establish and enhance sustainable healthcare systems for people with chronic diseases that require long term care</td>
<td>See section “4.2.2., Access to healthcare”.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infectious diseases</td>
<td>To help eradicate sleeping sickness by 2030</td>
<td>See section “4.3.2., Access to healthcare”.</td>
<td></td>
<td>SDG 3.3: By 2030, end the Aids epidemic, tuberculosis, malaria and neglected tropical diseases, and combat hepatitis, water-borne diseases and other communicable diseases</td>
</tr>
<tr>
<td></td>
<td>To help eradicate polio</td>
<td>See section “4.2.2., Access to healthcare”.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-communicable diseases</td>
<td>To help reduce the burden on low and intermediate income countries of non-communicable diseases like childhood cancer, diabetes and mental health disorders</td>
<td>See section “4.3.2., Access to healthcare”.</td>
<td></td>
<td>SDG 3.4: By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being</td>
</tr>
<tr>
<td></td>
<td>Donate 100,000 vials a year to treat people with rare diseases, via the Humanitarian Program launched by Sanofi Specialty Care</td>
<td>See section “4.2.2., Access to healthcare”.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### 4.6. Sanofi’s contribution to Sustainable Development Goals

<table>
<thead>
<tr>
<th>Topic</th>
<th>Ambition</th>
<th>2022</th>
<th>2021</th>
<th>Contribution to SDGs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender balance</td>
<td>Achieve gender balance in Sanofi Senior Leaders by 2025</td>
<td>41.7 %</td>
<td>40.1 %</td>
<td>SDG 5: Gender equality</td>
</tr>
<tr>
<td></td>
<td>Achieve 40% of women in executive posts by 2025</td>
<td>37.2 %</td>
<td>34.2 %</td>
<td></td>
</tr>
</tbody>
</table>

| Corporate citizenship | | | | |
|-----------------------| | | | |
| Decent work | Reduce the total occupational injury frequency rate (FR) – any employee™ to below 2 by 2022 | Total occupational injury FR – any employee: 2 | Total occupational injury FR – any employee: 2 | SDG 8: Decent work and economic growth |
| | Reduce the lost time injury frequency rate – any employee™ to below 1.4 by 2022 | Lost time injury FR – any employee: 1.3 | Lost time injury FR – any employee: 1.3 | SDG 8.8: Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants and those in precarious employment |

| Communities | In France, reach 10% of work/study placements occupied by young people from deprived urban areas | 9.7 % | 8.5 % | SDG 4: Quality education, SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all |

<table>
<thead>
<tr>
<th>Healthy planet</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate change - Carbon footprint (CO2 emissions)</td>
<td>Industrial, R&amp;D and tertiary sites for Scopes 1 &amp; 2 (including medical rep fleet); 55% reduction in greenhouse gas emissions (CO2 equivalent) by 2030 (relative to 2019)</td>
<td>(29.0)%</td>
<td>(24.0)%</td>
<td>SDG 13: Climate action, SDG 13: Take urgent action to combat climate change and its impacts</td>
</tr>
<tr>
<td></td>
<td>Carbon neutrality by 2030 and net zero emissions by 2045 (Scopes 1, 2 &amp; 3)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Water | Industrial, R&D and tertiary sites - Quantitative objective: 15% reduction in water withdrawals by 2030 (relative to 2019) | (13)% | (13)% | SDG 6: Clean water and sanitation, SDG 6.4: By 2030, considerably increase rational use of water resources in all sectors, and guarantee the viability of all withdrawals and supplies of fresh water so as to take account of water scarcity and sharply reduce the number of people suffering from water shortages |
| | Qualitative objective: implementation of efficient water management plans - By 2025 for 100% of our priority sites - By 2030 for all our sites | | | |
| | See section “4.3.10.31, Water resource management plan” | See section “4.2.10.31, Water resource management plan” | | |

| Waste | Reuse/recycle/recover at least 90% of our waste by 2025 | 86% | 84% | SDG 12: Responsible production and consumption, SDG 12.4: By 2020, achieve environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment |
| | Achieve landfill disposal rate of below 1% of total waste by 2025 | 5 % | 7% | |

| Sustainable management of products | All new products to be eco-designed by 2025 | See section 4.3.10.5, “Eco-design” | See section 4.2.10.4.3, “Eco-design” | SDG 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse |
| | No vaccines supplied in blister packs by 2027 | | | |

| Pharmaceutical products in the environment | Monitor, control and reduce emissions on all production sites by 2025 | 100% of priority sites, 72% of production sites | 100% of priority sites | SDG 6: Clean water and sanitation, SDG 6.3: By 2030, improve water quality by reducing pollution, eliminating dumping of waste at sea, reducing emissions of chemicals and hazardous materials to a minimum, reducing by half the proportion of untreated waste water, and significantly scale up recycling and reuse globally with no threat to water |

| Biodiversity | Biodiversity protection programs at all priority sites located close to sensitive natural spaces by 2025; 100% of sites operating at least one initiative | 48% of sites have implemented at least one initiative | | SDG 15: Life on land, SDG 15.5: Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species |

(a) “Any employee” includes Sanofi employees, temporary workers and subcontractors.
4.7. Methodological note on data reporting

[4.7. Methodological note on data reporting]

4.7.1. General comments

4.7.1.1. Scope of consolidation

Unless otherwise specified,

Social data:

- HR data are consolidated for all Sanofi companies worldwide that are fully consolidated for financial reporting purposes, regardless of their activity (industrial, research, commercial or administrative). Workforce data are derived from Sanofi’s payroll system, and other HR data from the Workday Global HR system;
- health and safety data (occupational injuries):
  - are consolidated worldwide for all Sanofi companies fully consolidated for financial reporting purposes. In some tables, the term “any employee” includes Sanofi employees, temporary workers, and subcontractors;
  - in the case of an acquisition, the new site must start reporting in the month when it joins the Sanofi scope of consolidation (official date of first-time consolidation for financial reporting purposes), or in the case of a site under construction, from the commencement of works; and
  - if a site is divested, it ceases to be reported from the official date on which the divestment is recognized for consolidated financial reporting purposes.

Environmental data:

- environmental data (including expenditures) are consolidated for all industrial, R&D and administrative sites, for all Sanofi companies fully consolidated for financial reporting purposes;
- the environmental impact of CO$_2$ emissions from our vehicle fleet covers all Pharmaceutical Operations subsidiaries (field sales forces, but excluding management);
- first-time consolidations:
  - if a site is acquired, it must start reporting in the month when it joins the Sanofi scope of consolidation. To ensure year-on-year comparability, data from the year of first-time consolidation are also added back for prior years;
  - if a new facility is installed, data reporting must start in the month when it comes into service. The data are not added back to prior years, because it is a new activity;
- and deconsolidations:
  - if a site is divested without its activities being transferred to another Sanofi site: reporting for the site ends on the official date on which the divestment is consolidated for financial reporting purposes. The historical data are retained but are no longer consolidated;
  - if a site is divested and its activities are transferred to another Sanofi site: reporting for the site ends on the official date on which the divestment is consolidated for financial reporting purposes. The historical data are retained, and consolidated by the transferee site.

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

Vigilance Plan:

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

For a list of companies fully consolidated by Sanofi for financial reporting purposes, refer to Note F to our consolidated financial statements, included at Item 18 of our 2021 Annual Report on Form 20-F.

4.7.1.2. Changes in scope of consolidation


Closure with transfer of operations within Sanofi (historical data retained in prior-year calculations): Principia Biopharma, Strasbourg R&D.

Closure without transfer of operations within Sanofi (historical data deleted from the environmental and health and safety data calculation): EUROAPI (six sites: Brindisi, Elbeuf, Haverhill, Frankfurt Chemistry, Ujpest, Vertolaye), Jakarta Pharma.
4.7.1.3. Reporting methods

Social data:
Workday was rolled out between 2015 and 2017 with the following key objectives:
- integrating our processes and systems in a two-tier architecture (global/local), such that the global level becomes the master application for most data but local legal requirements could also be addressed;
- simplifying and standardizing processes across Business Units and support functions;
- centralizing data management on a single, unified platform, to significantly improve the quality of HR data and reporting;
- introducing self-service to enhance the user experience for employees and managers and help them engage better with HR issues;
- improving talent management and staff mobility;
- streamlining IT mapping; and
- in 2018, the Workday Global HR platform replaced the Convergence platform as the tool used to record workforce numbers and movements. The Core HR processes were rolled out in waves across successive geographies during 2016 and 2017. In addition to these core processes, the Organization Management, Talent & Performance, Recruitment, Onboarding, Compensation and Grading modules have also been rolled out. Workday is used by all Sanofi employees and managers in Employee Self-Service (ESS) and Manager Self-Service (MSS) modes. Specific work on data quality was carried out during the rollout, and is continuing through maintenance and ongoing improvements to the system.

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

We use the SHERPA system to collect and consolidate health, safety and environmental data across our entire reporting scope. The reporting period for our environmental indicators for a given calendar year runs from October 1 of the previous year through September 30 of the current year. Environmental indicators are collected during quarterly campaigns except for indicators relating to wastewater discharge and VOC, which are collected annually.

As regards the Planet Care roadmap targets set for 2025 and 2030, companies acquired after 2019 are included in the baseline year according to the following example: a company acquired in 2022 is included in the 2019 baseline year with 2022 values, so that data can be presented on a like-for-like basis.

4.7.1.4. Additional information and methodological limitations

The methodologies applied for some HR and HSE indicators may be subject to limitations as a result of:
- the lack of nationally and/or internationally recognized definitions, in particular for different types of employment contract;
- the need to rely on estimates and on representative rather than actual metrics, and the limited availability of external data required for calculations; and
- practical arrangements for the collection and input of data.

4.7.1.5. Consolidation and internal controls

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

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

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

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

Workforce data are compared with consolidated data in the finance database.
4.7.2. Detailed indicators

4.7.2.1. Social indicators

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

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

4.7.2.1.2. Regions
The “Europe” region shown in the workforce data tables is defined as follows:
- Europe: Albania, Austria, Belgium, Bosnia-Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Israel, Italy, Latvia, Lithuania, Luxembourg, Montenegro, Netherlands, North Macedonia, Norway, Poland, Portugal, Romania, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Ukraine, United Kingdom.

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

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

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

4.7.2.1.4. Training hours
Difference between the number of employees receiving training via iLearn in 2022 and our total workforce as of December 31, 2022.

This difference arises because:
- employees receiving training via iLearn during 2022 who left Sanofi during the year are included in the training data but not in the year-end workforce data; and
- iLearn data include all employees (permanent, fixed-term, apprentices, interns, etc.) other than external contract staff; by contrast, workforce data include only employees on permanent and fixed-term contracts, and apprentices.

4.7.2.1.5. Employee grades
Executive Posts:
- Executive Level 2: in charge of alignment on corporate strategy, with a critical impact on return indicators and corporate image, and a solid contribution to Executive Committee orientations.
- Executive Level 1: in charge of translating and implementing corporate strategy, with a critical impact on the results and competitiveness of a Global Business Unit or global support function and an important impact on the overall results of Sanofi.

Senior Leaders: includes executive posts (other than Executive Committee members) and Grade 5 posts. Grade 5 posts are people with senior management responsibilities in product innovation, processes or services, who implement policies within their function. They have an impact on the attainment of financial objectives.

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

Managers: employees who manage direct subordinates.

4.7.2.1.6. Gender pay gap
- Data effective December 31, 2022.
- Data includes all employees except the Executive Committee.
- Excludes all contingent workers.
- In France, also excluded employees who have taken different pre-retirement plans and not working for Sanofi anymore.
- Data sourced from 91 countries.
4.7.2.1.7. Our “All In” strategy
Diverse supplier: A supplier that is at least 51% owned, operated and controlled by an individual or individuals coming from an underrepresented group. Common classifications are small-business enterprises (SBEs), minority-owned enterprises (MBEs) and woman-owned enterprises (WBEs). We would also consider location-based definitions and business size (designations like suburbs, hub zone and small business enterprises).

4.7.2.2. Safety indicators

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

For employees working in a fixed location, accidents occurring during the home-workplace commute are not included in this indicator. However, they are included for travelling medical reps, in accordance with our internal reporting rules. Since 2021, work accidents occurring when teleworking have been included in this indicator.

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

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

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

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

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

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

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

4.7.2.3. Product safety for patients and consumers

4.7.2.3.1. Fight against falsified medicine and illicit trafficking
For the indicators ‘number of seizures’ and ‘number of illicit falsified medicine manufacturing facilities’, the data is derived from reports provided by local authorities. The scope of this indicator may therefore be limited.

4.7.2.4. Environmental indicators

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

- emissions from electricity generation: emission factors are obtained from data published by the International Energy Agency during the current year, which define emission factors for the year before last. They are updated annually;
- emissions generated by the production of steam are calculated on the basis of site-specific factors, or estimated using our own internal standards; and
- emissions from vehicles in our medical rep vehicle fleet owned or leased by Sanofi are included in Scope 1. Emissions from vehicles owned by medical reps are included in Scope 3.
Scope 3 calculation:

- indirect Scope 3 emissions are calculated in accordance with GHG protocol recommendations. We have updated emission factors by using factors from the ecoinvent V3.7 database; for sub-categories not included in that database, we have used other standard calculation methods:
- since 2021, emissions relating to purchased goods and services (Category 1) have been based on our actual volumes, for the same period as our other environmental indicators (October 1 of the previous year to September 30 of the current year). Using an online tool has enabled us to refine the data, giving a more precise analysis of the links between products, models and emission factors:
  - category 1 is calculated on a quantity basis for products, and a monetary basis for services;
  - category 2 is calculated on a monetary basis;
  - categories 3, 5 and 7 are calculated with Sherpa, our reporting tool for safety and environmental data;
  - category 9 (downstream transport and distribution) excludes the impacts of travel by doctors and nurses;
  - category 11 (use of sold products) excludes travel by patients to pharmacies; and
  - category 15: following the EUROAPI spin-off and Sanofi taking an equity stake in 2022, EUROAPI emissions for prior periods have been re-estimated (30% of Scopes 1 & 2) so as to achieve a comparable structure basis.

The calculation of our CO$_2$ footprint is reviewed by the Independent Third Party.

Our carbon-neutral objective covers Scopes 1, 2 and 3 for the Sanofi scope as defined above, i.e. it includes production sites, R&D sites and tertiary sites, plus the medical rep vehicle fleet.

4.7.2.4.2. Wastewater discharge

The data presented correspond to effluents after internal treatment within the footprint of our sites.

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

4.7.2.4.3. Waste

The distinction between hazardous and non-hazardous waste corresponds to that used in European regulations for European Union member countries (Decision 2000/532/EC of May 3, 2000), and that used in local regulations for other countries. Waste arising from soil decontamination operations is not included in the published total for our operating activities. The recovery rate corresponds to waste that is recycled, or incinerated off-site using waste-to-energy technology.

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

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

4.7.2.4.4. Volatile organic compounds

Current-year emissions determined by extrapolating prior-year emissions and weighting them for actual quantities of solvents purchased in the current year.

4.7.2.4.5. Eco-design

The blister-free vaccine pack percentage is calculated for the period from January 1 through December 31. The evaluation covers all sites that package Sanofi vaccines in syringes (our own sites, and those of our subcontractors), and the percentage is based on counting the number of vaccine syringe boxes produced.

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

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

To the Annual General Meeting of Sanofi shareholders,

In our capacity as an independent third party accredited by COFRAC under no. 3-1681 (for the scope of our accreditation, go to www.cofrac.fr) and as a member of the network of one of the statutory auditors of your company (the “entity”), we have conducted procedures to enable us to form a reasoned opinion expressing a limited assurance conclusion regarding (i) the compliance of the consolidated statement of extra-financial performance for the year ended December 31, 2022 (the “Statement”) with Article R. 225-105 of the French Commercial Code and (ii) the fairness of the the historical information (actual or extrapolated) disclosed pursuant to paragraph 3 of I and II of Article R. 225-105 of the French Commercial Code (the “Information”), as prepared in accordance with the entity’s procedures (the “Reporting Framework”) and presented in the management report pursuant to Articles L. 225-102-1, R. 225-105-1 and R. 225-105-1 of the French Commercial Code.

1. Report on the compliance and fairness of the Statement

Conclusion

Based on the procedures we conducted, as described in the section entitled “Nature and scope of our procedures”, and on the evidence we collected, we have not identified any material misstatement that causes us not to believe that the consolidated statement of extra-financial performance complies with the applicable regulatory provisions and that the Information, taken together, is fairly presented, in accordance with the Reporting Framework.

Preparation of the Statement of Extra-Financial Performance

The absence of any generally accepted and commonly used framework or established practice that may be relied upon to evaluate and measure the Information allows for the use of differing, but acceptable, measurement techniques that may affect comparability between entities and over time.

Consequently, the Information should be read and understood with reference to the Reporting Framework, the significant aspects of which are presented in the Declaration.

Responsibility of the Entity

It is the responsibility of the Board of Directors to:

- select or establish appropriate criteria for preparing the Information;
- establish a Statement in compliance with legal and regulatory provisions including a presentation of the business model, a description of the main extra-financial risks, a presentation of the policies applied in respect of those risks, and the outcomes of those policies (including key performance indicators), along with the information stipulated in Article 8 of Regulation (EU) 2020/852 (“Green Taxonomy”); and
- implement the internal controls it deems necessary for the preparation of Information that is free from material misstatement, whether as a result of fraud or error.

The Statement was prepared in accordance with the entity’s Reporting Framework as described above.
Responsibility of the independent third party

It is our responsibility, based on our procedures, to form a reasoned opinion expressing a limited assurance conclusion on:

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

Since it is our responsibility to express an independent conclusion on the Information as prepared by management, we are not permitted to be involved in preparing the Information, as that could compromise our independence.

It is also our responsibility:

- to express, at the entity's request and outside the scope of our accreditation, a reasonable assurance conclusion on whether the information selected by the entity in Appendix I (the "Selected Information") has been prepared, in all material respects, in accordance with the Reporting Framework (Part 2, "Reasonable assurance report on the Selected Information"); and
- to express, at the entity's request and outside the scope of our accreditation, a limited assurance conclusion on whether the other information selected by the entity in Appendix I (the "Other Selected Information") has been prepared, in all material respects, in accordance with the Reporting Framework (Part 3, "Limited assurance report on the Selected Information").

It is not our responsibility to express an opinion on:

- the entity's compliance with other applicable legal and regulatory provisions, in particular as regards the information stipulated in Article 8 of Regulation (EU) 2020/852 ("Green Taxonomy"), the Vigilance Plan, and the fight against corruption and tax evasion; or
- the fair presentation of the information stipulated in Article 8 of Regulation (EU) 2020/852 ("Green Taxonomy"); or
- on the compliance of the entity's products or services with applicable regulations.

Regulatory requirements and applicable professional standards

Our procedures as described below were performed in accordance with Articles A. 225-1 et seq of the French Commercial Code; the professional standards of the Compagnie nationale des commissaires aux comptes applicable to this engagement, as equivalent to a program of verification; and international standard ISAE 3000 as revised.

Independence and quality control

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

Resources

Our procedures involved eleven professional staff and took place between September 2022 and February 2023, over a total engagement period of twelve weeks.

In carrying out those procedures, we obtained assistance from our specialists in the fields of sustainable development and social responsibility. We conducted about thirty interviews with the persons responsible for preparing the Statement, including representatives from Corporate Social Responsibility, Human Resources, Quality, Pharmacovigilance, Bioethics, Ethics and Business Integrity, HSE, and Procurement.

Nature and scope of our procedures

In planning and conducting our procedures, we took account of the risk of material misstatements in the Information.

We believe that the procedures performed, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion:

- we obtained an understanding of the operations of all the entities included in the scope of consolidation, and of the summary of principal risks;
- we assessed the appropriateness of the Reporting Framework in terms of its relevance, completeness, reliability, impartiality and clarity, with due consideration of industry best practices where applicable;
- we verified that the Statement includes each category of information specified in Part II of Article L. 225-102-1 of the French Commercial Code in respect of (i) social and environmental issues and (ii) human rights and the fight against corruption and tax evasion;
- we verified that the Statement presents the information specified in Article R. 225-105 II of the French Commercial Code where such information is relevant to the principal risks, and includes an explanation of the non-disclosure of any information required by the second paragraph of Article L. 225-102-1 III of the French Commercial Code;

1 ISAE 3000 (as revised) - Assurance engagements other than audits or reviews of historical financial information.
we verified that the Statement presents the business model and a description of the principal risks associated with the operations of all the entities included in the scope of consolidation, including where relevant and proportionate risks associated with their business relationships, their products or services, and their policies, actions and outcomes, including key performance indicators relating to the principal risks;

we consulted documentary sources and conducted interviews to:

- assess the process for selecting and validating the principal risks, and the consistency of outcomes (including key performance indicators) with the principal risks and policies presented; and
- corroborate the qualitative information (actions and outcomes) that we regarded as the most important, as presented in Appendix 1. For certain risks (product pricing, product quality, product safety for patients and consumers, patient safety in clinical trials, animal protection, ethics and business integrity, and supply chain continuity), we performed our procedures at consolidating entity level and in a selection of other entities: Sanofi Brazil, Sanofi India, Amilly Pharma, Chilly Mazarin, Vitry SCO, Framingham SCO, Swiftwater IO, Compiègne, Marcy IO, Tours, Aramon Chemistry, and Ocoyoacac Vaccines;

we verified that the Statement covers the consolidated scope, i.e. all the entities included in the scope of consolidation in accordance with article L. 233-16 of the French Commercial Code, subject to the limitations set out in the Statement;

we obtained an understanding of the internal control and risk management procedures applied by the entity, and assessed the data collection process intended to ensure the completeness and fairness of the Information;

for the key performance indicators and other quantitative outcomes that we regarded as the most important (as presented in Appendix 1), we carried out:

- analytical procedures to verify that the data collected had been correctly consolidated, and to check the consistency of data trends;
- substantive tests using sampling or other selection techniques, in order to verify that the definitions and procedures had been properly applied and to reconcile the data with the supporting documents. Those procedures were conducted at a selection of contributing entities as listed above, and cover between 8% and 35% of the consolidated data selected for those entities (8% of the workforce, 35% of hazardous waste, 13% of VOC emissions, and 10% of COD emissions); and

we assessed the overall consistency of the Statement based on our knowledge of all the entities included in the scope of consolidation.

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

2. Reasonable assurance report on the Selected Information

Conclusion

In our opinion, the Selected Information has been prepared in compliance with the Reporting Framework in all material respects.

Nature and scope of our procedures

For the Selected Information identified in appendix 1, we performed procedures of the same nature as described in section 1 of this report for those key performance indicators and other quantitative outcomes that we regarded as the most important, but in greater depth, especially as regards the scope of the tests. We performed those procedures in accordance with ISAE 3000 and with professional standards applicable in France.

The sample selected represents 52% (for direct and indirect greenhouse gas emissions from electricity consumption and heat networks) of the quantitative environmental information presented for France.

We believe that our procedures were sufficient for us to express reasonable assurance about the Selected Information.
3. Limited assurance report on other Selected Information

Conclusion
Based on our procedures, we have not identified any material misstatement that causes us not to believe that the Other Selected Information has been prepared by the entity, in all material respects, in compliance with the Reporting Framework.

Nature and scope of our procedures
For the Other Selected Information identified in Appendix 1, we performed procedures of the same nature as described in section 1 of this report. We performed those procedures in accordance with ISAE 3000 and with professional standards applicable in France.

The sample selected represents between 25% (water consumption) and 31% (energy consumption) of the quantitative environmental information presented.

We believe that the procedures performed, based on our professional judgement, are sufficient to provide a basis for our limited assurance conclusion on the Other Selected Information.

Paris-La Défense, February 23, 2022

The Independent Third Party
EY & Associés

Christophe Schmeitzky
Partner, Sustainable Development
### Obligatory information (limited assurance report)

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<th>Social information</th>
<th>Qualitative information (actions and outcomes)</th>
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<tbody>
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<td>Number of employees under contract at December 31, 2022, split by region, activity, gender, age, and type of contract</td>
<td>Measures taken to attract and retain talent (Talent Management, Career Management, Sanofi University, Play to Win cultural change strategy, Diversity and Inclusion strategy)</td>
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<tr>
<td>Turnover – permanent contracts</td>
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<tr>
<td>Resignation rate – permanent contracts</td>
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<tr>
<td>Total internal transfer rate for executive and Grade 5 posts</td>
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<td>Number of people trained via the iLearn system</td>
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<tr>
<td>Number of new hires and departures (all reasons)</td>
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<tr>
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<tr>
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<tr>
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<td>Web monitoring actions</td>
<td>Measures taken in Ethics and Business Integrity</td>
</tr>
<tr>
<td>Number of scientific papers published</td>
<td>Measures taken in Ethics and Business Integrity</td>
</tr>
<tr>
<td>Number of clinical trials with information-sharing</td>
<td>Measures taken in Ethics and Business Integrity</td>
</tr>
<tr>
<td>Number of inspections conducted on activities relating to clinical trials</td>
<td>Measures taken in Ethics and Business Integrity</td>
</tr>
<tr>
<td>Overall service level</td>
<td>Measures taken in Ethics and Business Integrity</td>
</tr>
<tr>
<td>Rate of dependency on India and China</td>
<td>Measures taken in Ethics and Business Integrity</td>
</tr>
<tr>
<td>Number of whistle-blowing reports received by Ethics and Business Integrity (E&amp;BI)</td>
<td>Measures taken in Ethics and Business Integrity</td>
</tr>
<tr>
<td>Number of substantiated whistle-blowing reports to E&amp;BI</td>
<td>Measures taken in Ethics and Business Integrity</td>
</tr>
</tbody>
</table>

### Selected Information (reasonable assurance report)

<table>
<thead>
<tr>
<th>Environmental information</th>
<th>Qualitative information (actions and outcomes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct and indirect greenhouse gas emissions (Scopes 1 &amp; 2) – France</td>
<td></td>
</tr>
</tbody>
</table>
### Other Selected Information (limited assurance report)

#### Social information

<table>
<thead>
<tr>
<th>Quantitative information (including key performance indicators)</th>
<th>Qualitative information (actions and outcomes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lost time injury frequency rate – Sanofi personnel</td>
<td>Health and safety in the workplace</td>
</tr>
<tr>
<td>Lost time injury frequency rate – any employee</td>
<td></td>
</tr>
<tr>
<td>Total occupational injury frequency rate – Sanofi personnel</td>
<td></td>
</tr>
<tr>
<td>Total occupational injury frequency rate – any employee</td>
<td></td>
</tr>
<tr>
<td>Number of occupational diseases reported</td>
<td></td>
</tr>
<tr>
<td>Percentage of women in Senior Leader roles</td>
<td></td>
</tr>
<tr>
<td>Percentage of women in executive roles</td>
<td></td>
</tr>
<tr>
<td>Succession planning (executive posts)</td>
<td></td>
</tr>
<tr>
<td>Staff turnover (Voluntary, High Potential)</td>
<td></td>
</tr>
<tr>
<td>Internal promotion rate (STI)</td>
<td></td>
</tr>
</tbody>
</table>

#### Environmental information

<table>
<thead>
<tr>
<th>Quantitative information (including key performance indicators)</th>
<th>Qualitative information (actions and outcomes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total quantity of non-hazardous waste</td>
<td>Water consumption and supply in light of local constraints, explanation of variations in water consumption versus 2019 baseline year</td>
</tr>
<tr>
<td>Quantity of non-hazardous waste reused/recovered/recycled</td>
<td>Measures to improve energy efficiency and the use of renewables</td>
</tr>
<tr>
<td>Quantity of non-hazardous waste recycled</td>
<td></td>
</tr>
<tr>
<td>Quantity of non-hazardous waste incinerated with thermal recovery</td>
<td>Measures to support biodiversity</td>
</tr>
<tr>
<td>Quantity of non-hazardous waste incinerated without thermal recovery</td>
<td></td>
</tr>
<tr>
<td>Quantity of non-hazardous waste sent to authorized landfills</td>
<td></td>
</tr>
<tr>
<td>Total water consumption, and split by source of supply</td>
<td></td>
</tr>
<tr>
<td>Total energy consumption, and split by energy source</td>
<td></td>
</tr>
<tr>
<td>Renewable energy consumption</td>
<td></td>
</tr>
<tr>
<td>Percentage of electric, hybrid or biofuel vehicles in total vehicle fleet</td>
<td></td>
</tr>
<tr>
<td>Percentage of blister free vaccine packs</td>
<td></td>
</tr>
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#### Societal information

<table>
<thead>
<tr>
<th>Quantitative information (including key performance indicators)</th>
<th>Qualitative information (actions and outcomes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Contract Manufacturing Organization (CMO) audits</td>
<td>Actions on access to healthcare</td>
</tr>
<tr>
<td>Number of audits of suppliers of active pharmaceutical ingredients (API) and intermediates</td>
<td>Actions in support of human rights, especially compliance with ILO fundamental conventions</td>
</tr>
<tr>
<td>Number of audits of miscellaneous suppliers: packaging, distribution, Contract Research Organizations (CROs), etc</td>
<td>Consideration of social and environmental responsibility in relations with suppliers and subcontractors</td>
</tr>
<tr>
<td>Number of suppliers assessed on their CSR performance</td>
<td></td>
</tr>
<tr>
<td>Number of assessed suppliers that met Sanofi CSR requirement</td>
<td></td>
</tr>
<tr>
<td>Number of inactivated polio vaccine (IPV) doses supplied to UNICEF for GAVI countries</td>
<td></td>
</tr>
<tr>
<td>Number of IPV doses supplied to Brazil, India, Indonesia and the Philippines</td>
<td></td>
</tr>
<tr>
<td>Number of patients reached by Sanofi Global Health for non-communicable diseases</td>
<td></td>
</tr>
<tr>
<td>Number of patients reached by Sanofi Global Health for malaria and tuberculosis</td>
<td></td>
</tr>
<tr>
<td>Number of countries covered by Sanofi Global Health (for malaria, tuberculosis and non-communicable diseases)</td>
<td></td>
</tr>
<tr>
<td>Number of vials donated for rare diseases</td>
<td></td>
</tr>
<tr>
<td>Number of countries that responded to the internal control questionnaire on compliance with human rights policies</td>
<td></td>
</tr>
</tbody>
</table>
### 4.9. Corporate social responsibility cross-reference tables

#### 4.9.1. Statement of Extra-Financial Performance (SEFP)

The cross-reference table below shows the disclosures required pursuant to Articles L.225-102-1 and R.225-104 to R.225-105-2 of the French Commercial Code and the European Regulation 2020/852 of June 18, 2020 (the so-called “Taxonomy” Regulation) on the establishment of a framework to promote sustainable investments within the EU.

<table>
<thead>
<tr>
<th>SEFP topic</th>
<th>Cross-reference to the present document (Chapter 4) or to the 2022 Annual Report on Form 20-F</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business model</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Business environment</strong></td>
<td></td>
</tr>
<tr>
<td>a) Customers</td>
<td>- 20-F: Item 4, B.6.1., “Marketing and distribution”</td>
</tr>
<tr>
<td>Marketing practices: direct sales, tenders</td>
<td>- 20-F: Item 18, Note B.13., “Revenue recognition”</td>
</tr>
<tr>
<td>b) Prescribers</td>
<td>- 20-F: Item 4, B.6.1., “Marketing and distribution”</td>
</tr>
<tr>
<td>c) Competition</td>
<td>- 20-F: Item 4, B.6.2., “Competition”</td>
</tr>
<tr>
<td>d) Regulatory framework</td>
<td>- 20-F: Item 4, B.6.3., “Regulatory framework”</td>
</tr>
<tr>
<td>e) Payers</td>
<td></td>
</tr>
<tr>
<td>Government health insurance systems</td>
<td>- 20-F: Item 4, B.6.4., “Pricing and reimbursement”</td>
</tr>
<tr>
<td>Private insurers (e.g. in the United States)</td>
<td></td>
</tr>
<tr>
<td>f) Number of countries in which Sanofi products are sold</td>
<td>- 20-F: Item 4, B.6.1., “Marketing and distribution”</td>
</tr>
<tr>
<td>g) Net sales</td>
<td>- 20-F: Item 18, “Financial Statements”</td>
</tr>
<tr>
<td>3-year trend in net sales</td>
<td></td>
</tr>
<tr>
<td>Net sales by segment and geographical region</td>
<td>- 20-F: Item 5, A.2.1., “Net Sales”</td>
</tr>
<tr>
<td><strong>Organization and structure</strong></td>
<td></td>
</tr>
<tr>
<td>Sanofi</td>
<td></td>
</tr>
<tr>
<td>a) Number of employees</td>
<td></td>
</tr>
<tr>
<td>Total, and split by segment, geographical region, gender, and type of contract</td>
<td>- Chapter 4: “4.3.1.2.1., A glance at our global workforce”</td>
</tr>
<tr>
<td>Split by function</td>
<td>- Chapter 4: “4.3.1.2.1., A glance at our global workforce”</td>
</tr>
<tr>
<td>b) Sanofi sites</td>
<td></td>
</tr>
<tr>
<td>Number of countries in which Sanofi operates</td>
<td>- 20-F: Item 4, B.6.1., “Marketing and distribution”</td>
</tr>
<tr>
<td>Location and number of production/R&amp;D/tertiary sites</td>
<td>- 20-F: Item 4, B.8., “Production and raw materials”</td>
</tr>
<tr>
<td>c) Operations and product life cycle</td>
<td></td>
</tr>
<tr>
<td>Research and development</td>
<td>- 20-F: Item 4, B.5., “Global research &amp; development”</td>
</tr>
<tr>
<td>Production: biological, chemical, pharmaceutical, vaccines</td>
<td>- 20-F: Item 4, B.8., “Production and raw materials”</td>
</tr>
<tr>
<td>Sales and distribution</td>
<td>- 20-F: Item 4, B.6.1., “Marketing and distribution”</td>
</tr>
<tr>
<td>End of life cycle management</td>
<td>- Chapter 4: “4.3.10.5., Environmental releases”</td>
</tr>
<tr>
<td>d) Therapeutic areas and associated products</td>
<td></td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>- 20-F: Item 4, B.2., “Main pharmaceutical products”</td>
</tr>
<tr>
<td>Consumer Healthcare</td>
<td>- 20-F: Item 4, B.3., “Vaccine products”</td>
</tr>
<tr>
<td>Vaccines</td>
<td>- 20-F: Item 4, B.4., “Consumer Healthcare”</td>
</tr>
<tr>
<td>Number of products</td>
<td>- 20-F: Item 4, B.2., “Main pharmaceutical products”</td>
</tr>
<tr>
<td>Product types (vaccines, biologics, pills, injectables)</td>
<td>- 20-F: Item 4, B.2., “Main pharmaceutical products”</td>
</tr>
</tbody>
</table>
## Corporate Social Responsibility

### 4.9. Corporate social responsibility cross-reference tables

<table>
<thead>
<tr>
<th>SEFP topic</th>
<th>Cross-reference to the present document (Chapter 4) or to the 2022 Annual Report on Form 20-F</th>
</tr>
</thead>
</table>
| e) Global Business Unit (GBU) structure | • 20-F: Item 4, B.2., “Main pharmaceutical products”  
• 20-F: Item 4, B.3., “Vaccine products”  
• 20-F: Item 4, B.4., “Consumer Healthcare” |
| Overview of GBUs |  |
| Net sales by GBU | • 20-F: Item 5, A.21, 1/ “Net sales by operating segment and global business unit” |
| Suppliers/Subcontractors |  |
| Total amount of purchases | Chapter 4: “4.4.14., Procurement and subcontracting” |
| Number and type of suppliers |  |
| Geographical location |  |
| Partnerships/alliances |  |
| Regeneron and Bristol-Myers Squibb agreements | • 20-F: Item 18, Note C, “Principal alliances” |
| Alliance with Alnylam |  |
| Financial performance |  |
| Trends, objectives and strategies |  |
| a) Trends | • 20-F: Item 4, B.1., “Strategy”  
• 20-F: Item 4, B.6., “Markets” |
| b) Objectives and Strategy | • 20-F: Item 4, B.1., “Strategy” |
| Principal extra-financial risks |  |
| Information about how the reporting entity takes account of the social and environmental consequences of its operations, and the effects of those operations on human rights and the fight against corruption and tax evasion | Chapter 4: “4., Corporate Social Responsibility” |
| Taxonomy |  |
| Key performance indicators (KPIs) highlighting the proportion of eligible revenues, capital expenditure (CAPEX) and operating expenditures (OPEX) resulting from products and/or services associated with economic activities defined as “sustainable” in Annex I & II of the Climate Delegated Acts | Chapter 4: “4.3.10.2.3. Taxonomy” |
| Other topics cited in Article L. 225-102-1 III of the French Commercial Code |  |
| Consequences for climate change of the reporting entity’s operations, and of the use of the goods and services it produces | Chapter 4: “4.3.10., Environment” |
| Societal commitments in support of sustainable development | Chapter 4: “4.3.2., Access to healthcare” |
| Circular economy | Chapter 4: “4.3.10.4., Waste: towards a circular economy” |
| Reducing food waste | Chapter 4: “4.3.10.4.2., Initiatives to reduce food waste” |
| Combating food insecurity and promoting responsible, fair and sustainable food | N/A |
| Respect for animal welfare | Chapter 4: “4.3.11., Animal protection” |
| Collective agreements entered into within the reporting entity, and their impacts on the entity’s economic performance and on the working conditions of its employees | Chapter 4: “4.3.14.2.1., Social dialogue” |
| Initiatives to combat discrimination and promote diversity, and measures to support people with disabilities | Chapter 4: “4.3.15., Creating our diversity edge” |
### 4.9.2. Duty of vigilance

The cross-reference table below shows the disclosures required pursuant to law no. 2017-399 of March 27, 2017 on the duty of vigilance of parent companies and companies acting as principals.

<table>
<thead>
<tr>
<th>Duty of vigilance topic</th>
<th>Cross-reference to the present document (Chapter 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identification and evaluation of risks generated by operations</td>
<td>4.4.2., Duty of vigilance risk table</td>
</tr>
</tbody>
</table>
| Regular evaluation procedures | 4.3.3.1., Organization  
| Product safety for patients and consumers | 4.3.4.11., Organization  
| Biopiracy | 4.4.13., Biopiracy  
| Personal data protection | 4.4.10., Personal data protection  
| Employee health and safety | 4.4.7., Employee health and safety  
| Environmental releases | 4.3.10.5., Environmental releases  
| Water resource management | 4.3.10.3.1., Water resource management plan  
| Human rights | 4.4.6.1., Human rights risk mapping  
| Procurement and subcontracting | 4.4.14., Procurement and subcontracting  
| Appropriate actions to mitigate risk or prevent serious harm | 4.3.3.2., Policy and action plans  
| Product safety for patients and consumers | 4.3.4.2.2., Policy and action plans  
| Biopiracy | 4.4.13., Biopiracy  
| Personal data protection | 4.4.10., Personal data protection  
| Employee health and safety | 4.4.7.2., Workplace health and safety programs  
| Environmental releases | 4.3.10.5., Environmental releases  
| Water resource management | 4.3.10.3.1., Water resource management plan  
| Human rights | 4.4.6.3., Policies and action plans  
| Procurement and subcontracting | 4.4.14., Procurement and subcontracting  
| Whistle-blowing systems and report-handling | 4.4.5., Whistle-blowing systems and report-handling  
| Arrangements for monitoring actions taken and assessing their effectiveness | 4.3.3.3., Performance indicators  
| Product safety for patients and consumers | 4.3.4.2.3., Performance indicators  
| Biopiracy | 4.4.13., Biopiracy  
| Personal data protection | 4.4.10., Personal data protection  
| Employee health and safety | 4.4.7.3., Occupational injury/disease indicators  
| Environmental releases | 4.3.10.5.4., Performance indicators  
| Minimizing the use of water resources | 4.3.10.3.2., Water consumption  
| Human rights | 4.4.6.4., Performance indicators  
| Procurement and subcontracting | 4.4.14., Procurement and subcontracting  |
### 4.9.3 Taxonomy Appendix

#### TAXONOMY APPENDIX – REVENUE

<table>
<thead>
<tr>
<th>Economic Activities (1)</th>
<th>A. TAXONOMY-ELIGIBLE ACTIVITIES</th>
<th>B. TAXONOMY NON-ELIGIBLE ACTIVITIES</th>
<th>TOTAL (A + B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>N/A</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Code(s) (2)</td>
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<td>N/A</td>
<td>N/A</td>
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<tr>
<td>Total revenue (3)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>€ million</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>42,997</td>
<td>42,997</td>
<td>42,997</td>
<td>42,997</td>
</tr>
</tbody>
</table>

#### Substantial Contribution

- Biodiversity and ecosystems (10)
- Pollution (9)
- Circular economy (8)
- Water and marine resources (7)
- Climate change adaptation (6)
- Climate change mitigation (5)

#### % of revenues (4)

- 0%

#### Minimum safeguards (17)

- N/A

#### Taxonomy-aligned proportion of revenue in year N-1 (19)

- N/A

#### Taxonomy-aligned proportion of revenue in year N (18)

- 0%

#### Minimum safeguards (17)

- N/A

#### Code(s) (2)

- N/A

#### Category (enabling activity) (20)

- N/A

#### Category (transitional activity) (21)

- N/A

#### Taxonomy-aligned proportion of revenue in year N-1 (19)

- N/A

#### Taxonomy-aligned proportion of revenue in year N (18)

- 0%
### TAXONOMY APPENDIX – CAPEX

<table>
<thead>
<tr>
<th>Economic Activities (I)</th>
<th>A. TAXONOMY-ELIGIBLE ACTIVITIES</th>
<th>B. TAXONOMY NON-ELIGIBLE ACTIVITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.3. Installation, maintenance and repair of energy efficiency equipment</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>7.7. Acquisition and ownership of buildings</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>6.5. Transport by motorbikes, passenger cars and light commercial vehicles</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>7.2. Renovation of existing buildings</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>7.7. Acquisition and ownership of buildings</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Code(s) (2)</td>
<td>7.3</td>
<td>7.7</td>
</tr>
<tr>
<td>TOTAL (A + B)</td>
<td>2,251</td>
<td>3,150</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Code(s) (2)</th>
<th>€ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.3</td>
<td>22</td>
</tr>
<tr>
<td>7.7</td>
<td>912</td>
</tr>
<tr>
<td>6.5</td>
<td>200</td>
</tr>
<tr>
<td>7.2</td>
<td>634</td>
</tr>
<tr>
<td>7.7</td>
<td>912</td>
</tr>
<tr>
<td>6.5</td>
<td>200</td>
</tr>
<tr>
<td>7.2</td>
<td>634</td>
</tr>
<tr>
<td>7.3</td>
<td>22</td>
</tr>
<tr>
<td>7.7</td>
<td>912</td>
</tr>
<tr>
<td>6.5</td>
<td>200</td>
</tr>
<tr>
<td>7.2</td>
<td>634</td>
</tr>
<tr>
<td>TOTAL (A + B)</td>
<td>2,251</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Code(s) (2)</th>
<th>€ million</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.3</td>
<td>22</td>
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<tr>
<td>7.7</td>
<td>912</td>
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<tr>
<td>6.5</td>
<td>200</td>
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<tr>
<td>7.2</td>
<td>634</td>
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<tr>
<td>7.7</td>
<td>912</td>
</tr>
<tr>
<td>6.5</td>
<td>200</td>
</tr>
<tr>
<td>7.2</td>
<td>634</td>
</tr>
<tr>
<td>7.3</td>
<td>22</td>
</tr>
<tr>
<td>7.7</td>
<td>912</td>
</tr>
<tr>
<td>6.5</td>
<td>200</td>
</tr>
<tr>
<td>7.2</td>
<td>634</td>
</tr>
<tr>
<td>TOTAL (A + B)</td>
<td>2,251</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category (transitional activity) (21)</th>
<th>Category (enabling activity) (20)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxonomy-aligned proportion of CAPEX in year N-1 (19)</td>
<td>Taxonomy-aligned proportion of CAPEX in year N (18)</td>
</tr>
<tr>
<td>Minimum safeguards (17)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DNSH</th>
<th>Biodiversity and ecosystems (16)</th>
<th>Pollution (15)</th>
<th>Circular economy (14)</th>
<th>Water and marine resources (13)</th>
<th>Climate change adaptation (12)</th>
<th>Climate change mitigation (11)</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Substantial Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biodiversity and ecosystems (10)</td>
</tr>
<tr>
<td>YES</td>
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</table>

### Economic Activities (II)

<table>
<thead>
<tr>
<th>4. Corporate Social Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate social responsibility cross-reference tables</td>
</tr>
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</table>

SANOFI 2022 UNIVERSAL REGISTRATION DOCUMENT
## TAXONOMY APPENDIX – OPEX

<table>
<thead>
<tr>
<th>Economic Activities</th>
<th>OPEX on environmentally-sustainable activities (Taxonomy-aligned) (A.1.)</th>
<th>OPEX on Taxonomy-eligible but not environmentally-sustainable activities (non-aligned) (A.2.)</th>
<th>TOTAL (A.1 + A.2.)</th>
<th>OPEX on Taxonomy non-eligible activities (B.)</th>
<th>TOTAL (A. + B.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.5. Transport by motorbikes, passenger cars and light commercial vehicles</td>
<td>2</td>
<td>0%</td>
<td>2</td>
<td>N/A</td>
<td>2</td>
</tr>
<tr>
<td>7.2. Renovation of existing buildings</td>
<td>18</td>
<td>0%</td>
<td>18</td>
<td>81</td>
<td>99</td>
</tr>
<tr>
<td>7.3. Installation, maintenance and repair of energy efficiency equipment</td>
<td>0</td>
<td>0%</td>
<td>0</td>
<td>81</td>
<td>81</td>
</tr>
<tr>
<td>7.7. Acquisition and ownership of buildings</td>
<td>N/A</td>
<td>0%</td>
<td>N/A</td>
<td>81</td>
<td>81</td>
</tr>
<tr>
<td>TOTAL (A.1 + A.2.)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>OPEX on Taxonomy non-eligible activities (B.)</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

**Category (transitional activity) (21)**
- Category (enabling activity) (20)
- Taxonomy-aligned proportion of OPEX in year N-1 (19)
- Taxonomy-aligned proportion of OPEX in year N (18)
- Minimum safeguards (17)

**Substantial Contribution**
- Biodiversity and ecosystems (16)
- Pollution (15)
- Circular economy (14)
- Water and marine resources (13)
- Climate change adaptation (12)
- Climate change mitigation (11)

**DNSH**
- Biodiversity and ecosystems (10)
- Pollution (9)
- Circular economy (8)
- Water and marine resources (7)
- Climate change adaptation (6)
- Climate change mitigation (5)

**% of OPEX (4)**
- 0%

**Total OPEX (3)**
- € million
- 0

**Economic Activities (1)**
- OPEX on environmentally-sustainable activities (Taxonomy-aligned) (A.1.)
- OPEX on Taxonomy-eligible but not environmentally-sustainable activities (non-aligned) (A.2.)
- OPEX on Taxonomy non-eligible activities (B.)

**Code(s) (2)**
- N/A

**Corporate Social Responsibility**
- 4.9. Corporate social responsibility cross-reference tables

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**SANOFI 2022 UNIVERSAL REGISTRATION DOCUMENT**
4.9.4. Sustainability Accounting Standards Board (SASB) index

The cross-reference table below shows the disclosures in line with SASB.

<table>
<thead>
<tr>
<th>Code</th>
<th>Metrics</th>
<th>Cross-reference to the present document (Chapter 4) or to the 2022 Annual Report on Form 20-F</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Safety of Clinical Trial Participants</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HC-BP-210a.1</td>
<td>Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials</td>
<td>4.3.5.12.2. Medical ethics and clinical trials</td>
</tr>
</tbody>
</table>
| HC-BP-210a.2  | Number of FDA Sponsor Inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI) | 4.3.4.1. Pharmacovigilance:  
  - 4.3.4.1.2. Policy and action plans  
  - 4.3.4.1.3. Performance indicators |
<p>| HC-BP-210a.3  | Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries            | Form 20-F 2021: Item 8, A., “Consolidated Financial Statements and Other Financial Information”                              |
| <strong>Access to Medicines</strong> |                                                                                                                                   |
| HC-BP-240a.1  | Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index | 4.3.2. Access to healthcare                                                                                                  |
| HC-BP-240a.2  | List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)    | 4.3.2. Access to healthcare                                                                                                  |
| <strong>Affordability &amp; Pricing</strong> |                                                                                                                                   |
| HC-BP-240b.1  | Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/or provisions to delay bringing an authorized generic product to market for a defined time period | Form 20-F 2021: Item 8, A., “Consolidated Financial Statements and Other Financial Information”                              |
| HC-BP-240b.2  | Percentage change in: (1) average list price and (2) average net price across U.S. product portfolio compared to previous year     | 4.3.2.4. Product pricing                                                                                                      |
| HC-BP-240b.3  | Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year                  | Not reported                                                                                                                  |
| <strong>Drug Safety</strong> |                                                                                                                                   |
| HC-BP-250a.1  | List of products listed in the Food and Drug administration’s (FDA) MedWatch Safety Alerts for Human Medical Products database    | Form 20-F 2021: Item 5, A.2.1, 5/“Net sales – Consumer Healthcare segment/GBU”                                                 |
| HC-BP-250a.2  | Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System                               | Information available on the FDA – MedWatch website                                                                          |
| HC-BP-250a.3  | Number of recalls issued, total units recalled                                                                              | 4.3.3.3. Performance indicators                                                                                              |
| HC-BP-250a.4  | Total amount of product accepted for takeback, reuse, or disposal                                                           | 4.3.10.5. Environmental releases                                                                                              |
| HC-BP-250a.5  | Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type       | 4.3.3.3. Performance indicators                                                                                               |</p>
<table>
<thead>
<tr>
<th>Code</th>
<th>Metrics</th>
<th>Cross-reference to the present document (Chapter 4) or to the 2022 Annual Report on Form 20-F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Counterfeit Drugs</td>
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<tr>
<td>HC-BP-260a.1</td>
<td>Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting</td>
<td>4.3.4.2. Fight against falsified medicine and illicit trafficking</td>
</tr>
<tr>
<td>HC-BP-260a.2</td>
<td>Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products</td>
<td>4.3.4.2. Fight against falsified medicine and illicit trafficking</td>
</tr>
<tr>
<td>HC-BP-260a.3</td>
<td>Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products</td>
<td>4.3.4.2. Fight against falsified medicine and illicit trafficking</td>
</tr>
<tr>
<td>Ethical Marketing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HC-BP-270a.1</td>
<td>Total amount of monetary losses as a result of legal proceedings associated with false marketing claims</td>
<td>Form 20-F 2021: Item 8, A., “Consolidated Financial Statements and Other Financial Information”</td>
</tr>
<tr>
<td>HC-BP-270a.2</td>
<td>Description of code of ethics governing promotion of off-label use of products</td>
<td>4.3.8. Ethics and business integrity</td>
</tr>
<tr>
<td>Employee Recruitment, Development &amp; Retention</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HC-BP-330a.1</td>
<td>Discussion of talent recruitment and retention efforts for scientists and research and development personnel</td>
<td>4.3.1.3. How we attract and retain talent to deliver on our strategy</td>
</tr>
<tr>
<td>HC-BP-330a.2</td>
<td>(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) midlevel managers, (c) professionals, and (d) all others</td>
<td>4.3.1.3.1. Efficient hiring and fostering internal mobility</td>
</tr>
<tr>
<td>Supply Chain Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HC-BP-430a.1</td>
<td>Percentage of (1) entity’s facilities and (2) Tier I suppliers’ facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party audit programs for integrity of supply chain and ingredients</td>
<td>4.3.3. Product quality</td>
</tr>
<tr>
<td></td>
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<tr>
<td>Business Ethics</td>
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<tr>
<td>HC-BP-510a.1</td>
<td>Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery</td>
<td>Form 20-F 2021: Item 8, A., “Consolidated Financial Statements and Other Financial Information”</td>
</tr>
<tr>
<td>HC-BP-510a.2</td>
<td>Description of code of ethics governing interactions with health care professionals</td>
<td>4.3.8. Ethics and business integrity</td>
</tr>
<tr>
<td></td>
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<tr>
<td>Activity Metric</td>
<td></td>
<td></td>
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<tr>
<td>HC-BP-000.A</td>
<td>Number of patients treated</td>
<td>4.3.2. Access to healthcare</td>
</tr>
<tr>
<td>HC-BP-000.B</td>
<td>Number of drugs (1) in portfolio and (2) in research and development (Phases I-3)</td>
<td>4.3.2. Access to healthcare</td>
</tr>
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