Dear shareholders,

Summarizing 2020 in a few words is difficult. The progress Sanofi has made in this first year of execution of the new strategy presented in December 2019 is very real. Our Research and Development pipeline is improving and the global business units are refocusing on their core activities. More than half of the cost savings achieved due to our collective efforts to be smarter in how we spend, has been reinvested in science. We strengthened our positioning in therapeutic areas through several acquisitions by adding pipeline projects where we already have a promising future. This would not have been possible without the support of all employees to the ‘Play to Win’ strategy.

Since the start of the health crisis, all our industrial sites have remained operational to maintain the continuous production of essential medicines for patients. We have initiated two vaccine projects against COVID-19: for the most advanced of them¹, the objective is to obtain approval of the health authorities in the fourth quarter of 2021 and first doses of the vaccine available for people worldwide to be ready. In the meantime, we are committed to helping some of our competitors whose vaccines have already been approved by participating in the manufacturing of millions of additional doses. In this tough times we are all going through, solidarity comes first.

Finally, I would like to thank all our employees more than usual. Indeed, behind the name of Sanofi, there are thousands of women and men who work tirelessly for our common purpose: to transform the practice of medicine in the service of patients.

The year ahead of us will not be easy, but we will continue to be resilient and adapt in these unusual circumstances to welcome the future with confidence.

I thank you for your trust and continuing loyalty.

"In this tough times we are all going through, solidarity comes first."

¹. Recombinant protein-based COVID-19 vaccine project, in collaboration with GSK.
**Full-year 2020 performance**

Sales increased 3.3% to €36,041 million, driven by Dupixent® (€3,534 million, up 73.9%) and Vaccines.

Business EPS of €5.86, up 3.9% on a reported basis and 9.2% at CER ahead of the guidance of 7% to 8%.

In 2020, cost savings of €1,680 million were realized of which approximately 60% were reinvested.

IFRS EPS of €9.82 (up 338.4%), reflecting capital gain from sales of Regeneron.

Entering the sustainable finance landscape with two revolving credit facilities linked to selected sustainability KPIs.

Board held on February 4, proposes annual dividend of €3.20.

**2021 financial outlook**

Sanofi expects 2021 business EPS to grow high single digit at CER, barring unforeseen major adverse events.

Applying average January 2021 exchange rates, the currency impact on 2021 business EPS is estimated to be between -4.5% to -5.5%.

### Net sales by franchise

<table>
<thead>
<tr>
<th>Franchise</th>
<th>2020</th>
<th>Change at CER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialty Care</td>
<td>€10,954m</td>
<td>+22.4%</td>
</tr>
<tr>
<td>General Medicine</td>
<td>€14,720m</td>
<td>-7.6%</td>
</tr>
<tr>
<td>Consumer Healthcare</td>
<td>€6,394m</td>
<td>-1.9%</td>
</tr>
<tr>
<td>Vaccines</td>
<td>€5,973m</td>
<td>+8.8%</td>
</tr>
</tbody>
</table>

**What is your assessment of the full-year 2020 results?**

Last year was an extraordinarily challenging year for all, so I am incredibly proud of the measurable progress we made, especially during a global pandemic. Thirteen months following the announcement of our ‘Play to Win’ strategy, we are delivering 3.3% sales growth in constant currency, ahead of the 2.8% growth the year before. I am extremely proud of our achievements: Dupixent® became Sanofi’s #1 product in 2020, reaching €3.5 billion in sales, at a growth rate of 74%. Our influenza vaccine franchise crossed the €2 billion mark, responding to public health needs with our differentiated flu products. Specialty Care grew strongly during 2020, despite fewer new patient starts due to COVID-19. This year has proven that we have resilient, attractive businesses that set us up well for continued growth. I am confident that we will emerge stronger from this continuing crisis.

**Could you please give us an update on Sanofi’s R&D pipeline?**

It is important to highlight that as many as 12 projects have entered Phase 3 trials in 2020, all of them in Specialty Care. These are the results of our strategy to prioritize and accelerate our portfolio of potentially transformative therapies. Among these 12 projects, let me name a few of them, which you will no doubt hear again in a near future. In oncology, the Phase 3 trial of our asset amcenestrant in breast cancer enrolled its first patients. In immunology, we started a Phase 3 trial for our itepekimab asset in chronic obstructive pulmonary disease, and tolebrutinib, a brain-penetrant BTK inhibitor, entered four Phase 3 trials this year in multiple sclerosis.

Moreover, talking about breakthrough medicines, I think it’s worth remembering that in Vaccines, one of our key growth drivers, we have expanded our existing collaboration with Translate Bio in order to develop mRNA vaccines across all infectious disease areas. The expansion of this agreement will further unite Translate Bio’s expertise and knowledge from more than 10 years of mRNA R&D with Sanofi’s leadership in vaccine R&D.

“We will emerge stronger from this continuing crisis.”

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1- Growth rates are expressed at constant exchange rates (CER). Growth rates in parentheses are expressed on a reported basis. For definitions of financial indicators, please consult the press release issued on February 5, 2021.
2- Earnings per share.
3- Dividend submitted for approval at the April 30, 2021 General meeting.
Sanofi and GSK announce the initiation of a new Phase 2 study with 720 volunteers aged 18 and over to select the most appropriate antigen dosage for Phase 3 evaluation of their adjuvanted recombinant protein COVID-19 vaccine candidate.

VERY ENCOURAGING PRECLINICAL DATA

“Over the past few weeks, our teams have worked to refine the antigen formulation of our recombinant-protein vaccine, based on learnings from our initial Phase 1/2 study, said Thomas Triomphe, Head of Sanofi Pasteur. We are confident that our vaccine candidate has strong potential and we are very encouraged by the latest preclinical data. This new Phase 2 study will enable us to identify the final vaccine formulation for adults of all ages. We have demonstrated our commitment to focusing efforts and capabilities towards the global fight against the pandemic, and this new study takes us a step closer to achieving our primary goal of developing a COVID-19 vaccine with a good efficacy and safety profile.”

In parallel to the new Phase 2 study and recognizing the global emergence of new SARS-CoV-2 variants and their potential impact on vaccine efficacy, Sanofi has commenced development work against new variants, which will be used to inform next stages of the Sanofi/GSK development program.

ABOUT PHASE 2 TRIAL

The new Phase 2 trial is a randomized, double-blind, multi-center dose finding study conducted in adults aged 18 years of age and older to evaluate the safety, reactogenicity, and immunogenicity of two injections given 21 days apart. The trial will include equal numbers of adults 18 to 59 years and those 60 years and above.

Three different antigen doses with a fixed dose of adjuvant will be tested in a total study population of 720 volunteers, in the United States and Honduras. Results of the Phase 2 trial will inform the Phase 3 protocol.

TARGETING A POTENTIAL AVAILABILITY OF THE VACCINE END OF 2021

In December 2020, Phase 1/2 study results showed an immune response comparable to patients who had recovered from COVID-19 in adults aged 18 to 49 years, but a lower immune response in older adults, likely due to an insufficient concentration of the antigen. If data from the new Phase 2 trial are positive, a global Phase 3 study is planned for Q2 2021. Positive results from the Phase 3 study would lead to regulatory submissions in the second half of 2021, with the vaccine expected to be available in Q4 2021, if approved.
A SECOND COVID-19 VACCINE PROJECT USING MRNA TECHNOLOGY

In addition to the recombinant protein-based vaccine in collaboration with GSK, Sanofi is developing a messenger RNA COVID-19 vaccine in partnership with Translate Bio. Encouraging preclinical data showed that two immunizations of the mRNA vaccine induced high neutralizing antibody levels that are comparable to the upper range of those observed in infected humans. Sanofi and Translate Bio initiated a phase 1/2 study in March 2021.

SANOFI TO PROVIDE MANUFACTURING SUPPORT TO BIONTECH AND JOHNSON & JOHNSON FOR THEIR COVID-19 VACCINES

In order to address public health needs and global supply demands, Sanofi announced in January and February 2021 its commitment to help BioNTech and Johnson & Johnson produce their COVID-19 vaccines.

Sanofi and BioNTech announced on January 27, 2021 they have entered into an agreement under which Sanofi will support manufacturing and supply of BioNTech’s COVID-19 vaccine which is being co-developed with Pfizer. Sanofi will provide BioNTech access to its established infrastructure and expertise to produce over 125 million doses of COVID-19 vaccine in Europe. Initial supplies will originate from Sanofi’s production facilities in Frankfurt from summer of 2021.


Once authorized, Sanofi will provide Johnson & Johnson access to the established infrastructure and expertise of its vaccine manufacturing plant in Marcy l’Etoile, France, to formulate and fill vials of Janssen’s COVID-19 vaccine candidate in 2021, at a rate of approximately 12 million doses per month, starting third quarter 2021.

LIBTAYO® APPROVED IN THE U.S. IN TWO NEW ONCOLOGY INDICATIONS

Libtayo®, a fully-human monoclonal antibody developed in collaboration with Regeneron, was approved by the FDA in its second and third indications in the U.S., on February 9, 2021 as the first immunotherapy indicated for patients with advanced basal cell carcinoma (skin cancer) and then on February 22, 2021 as monotherapy for patients with first-line advanced non-small cell lung cancer with PD-L1 expression of ≥50%.

SANOFI TO ACQUIRE KYMAB

Sanofi and Kymab, a clinical-stage biopharmaceutical company developing fully human monoclonal antibodies with a focus on immune-mediated diseases and immuno-oncology therapeutics, announced on January 11, 2021 they have entered into an agreement under which Sanofi will acquire Kymab.

The transaction will result in Sanofi having full global rights to KY1005, a fully human monoclonal antibody that has a novel mechanism of action. KY1005 binds to OX40-Ligand and has the potential to treat a wide variety of immune-mediated diseases and inflammatory disorders.

EUROAPI

Sanofi chose EUROAPI as the name for the future leading European company dedicated to the development, production and marketing of active pharmaceutical ingredients (API are the chemicals or biologicals which have a beneficial therapeutic effect in a medicine. These are the essential molecules used in the composition and the production of any drug) and appointed Karl Rothier as its future Chief Executive Officer. EUROAPI will represent the “made in Europe” API state-of-the-art industrial capabilities and technologies, with approximately €1 billion in expected sales by 2022. It will rank number 1 in small molecules API, and number 2 on the global API market.

Addressing recent increasing medicine shortages that critically impact patient care, EUROAPI will ensure additional API supply capacities for Europe and beyond, and help balancing the industry’s heavy reliance on API sourced from other regions.

1. Subject to consultation with social partners and works councils.
2. Source: company estimates based on comparison with data published in annual reports of major API companies.
Following the presentation of its fourth quarter and full-year 2020 results, Sanofi held on February 5, 2021 a virtual investor event with key members of the Sanofi leadership team to share and discuss the overall progress in implementing the ‘Play to Win’ strategy in core parts of the business as well as the transformation of R&D. Capital Markets Day 2021 (CMD21) was the occasion to provide a comprehensive update on Sanofi’s General Medicines and Consumer Healthcare strategies as well as Dupixent® (dupilumab) and multiple new immunology assets.

FINANCE

Sanofi confirmed its target to expand its business operating income (BOI) margin to 30% by 2022, with the ambition for its BOI margin to exceed 32% by 2025. The company is tracking toward its 2022 target as planned, with the BOI margin up 120 basis points in 2020.

In 2020, Sanofi achieved around €1.7 billion of savings – almost 85% of the 2022 target announced at Capital Markets Day 2019. Sanofi announced it will increase its cost savings target by €500m to €2.5bn by 2022, to be derived from continued operational excellence. These extra €500m savings are intended to be fully reinvested to further drive top line growth and fund the pipeline.

GENERAL MEDICINES

Sanofi has prioritized core medicines with differentiated and/or established profiles that have significant opportunity for growth in key markets. Some of these well-established medicines are the standard-of-care for patients living with diabetes or cardiovascular disease.

Olivier Charmeil, Head of General Medicines

“We are focusing on our differentiated core brands in key markets to fully realize their volume potential, compensating for price erosion, and aimed at generating today’s level of sales in 2025”. This objective will be supported by the ongoing implementation of our innovative go-to-market model, while we continue to streamline the tail of the portfolio to improve profitability,” said Olivier Charmeil, Head of General Medicines.

CONSUMER HEALTHCARE

Sanofi has advanced on its plan to establish a standalone business to unlock the value of brand equity and outperform the global market.

Julie Van Ongevalle, Head of Consumer Healthcare

With the ongoing implementation of our fully integrated standalone model, we look forward to being more agile and reducing the complexity of our portfolio to drive growth with our consumer-centric, data-driven marketing approach,” said Julie Van Ongevalle, Head of Consumer Healthcare. “We continue to make progress in bringing two potential over-the-counter switches to the market in the coming years that could lead to a blockbuster opportunity in combined sales.”
TRANSFORMATIONAL CULTURE

Sanofi is engaging its workforce in a cultural shift towards ‘Play to Win’ behaviors, including accountability, productivity, and increased focus. Sanofi’s 2025 People Ambitions are based on four key pillars and put patient lives at the center of the company’s business purpose.

“"Our teams have embraced our ‘Play to Win’ strategy and are confident to leave our old ways of working behind,” said Natalie Bickford. “A topic that is close to my heart is establishing a culture of diversity and an inclusive environment that reflects different patient populations. This includes better representing the diversity of our patients in clinical trials and involving all local leadership teams in their community projects.”

RESEARCH & DEVELOPMENT

Sanofi has taken a unique approach to transforming its R&D efforts and expanding its capabilities based on three pillars – pathways, patients, and platforms. In 2020, 12 Specialty Care projects in the R&D pipeline entered Phase 3, demonstrating significant progress in moving forward a pipeline of potentially innovative medicines to address unmet patient needs.

"Since I took on the leadership of Sanofi R&D, we have transformed our approach to the discovery and development of medicines with a focus on deep understanding of disease pathways informed by patient insights, while leveraging our expanding repertoire of unique research platforms," said John Reed, M.D., Ph.D., Global Head of Research & Development. "I am very pleased to share the breadth and depth of Sanofi’s rich immunology pipeline, which positions us to bring practice-changing innovation to patients.”

GENERAL MEETING 2021

The Sanofi General Meeting will be held on April 30, 2021, without the physical presence of shareholders. Shareholders are invited to exercise their right to vote prior to the General Meeting. The main items on the agenda of this year’s AGM will be:

- The approval of the 2020 financial statements and the payment of a dividend of €3.20 per share;
- The composition of the Board of Directors;
- The vote on the remuneration policy 2020 applicable to the Directors, the Chairman of the Board and the Chief Executive Officer;
- The renewal of the financial authorizations and authorizations to increase or reduce the share capital.

All information and documentation relating to the General Meeting will be available on our website: www.sanofi.com/AG2021

27TH CONSECUTIVE INCREASE IN ANNUAL DIVIDEND

The Board of Directors convened on February 4, 2021 and proposed a dividend of €3.20 per share. If approved by the Shareholder’s General Meeting, this would mark the 27th consecutive annual increase.

Key dates for ordinary shares:
- April 30, 2021: Annual General Meeting
- May 5, 2021: Ex-dividend date: the opening share price will be reduced by the amount of the dividend
- May 6, 2021: Record date
- May 7, 2021: Payment of the dividend

E-CONVOCATION

Sanofi offers to its registered shareholders the possibility to receive electronically the notice of meeting and to vote online the resolutions submitted to the Annual General Meeting. Opting for the e-notice of the AGM is simple, easy, secured and free process. You will also do your part for the environment. Follow the instructions here: www.sanofi.com/AG2021
Sanofi has filed its Annual Report on Form 20-F to the U.S. Securities and Exchange Commission (SEC) and its Document d’enregistrement universel to the Autorité des Marchés Financiers (AMF) on March 4, 2021. The 2020 Annual Report on Form 20-F, which includes the Annual Financial Report, is made freely available to the public under the conditions provided by the regulations in force and can be consulted in the “Reports & Publications” section of the website www.sanofi.com/en/investors/reports-and-publications and on the SEC and AMF websites.

Forward-looking statement:
This letter contains projections and other forward-looking statements that are not historical facts. Although the management of Sanofi believes that these projections and forward-looking statements, and their underlying assumptions, are reasonable as of the date of this letter, investors are cautioned that such projections, assumptions, intentions and forward-looking 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 or implied. These risks and uncertainties include those discussed elsewhere in this letter, as well as in the filings of Sanofi with the U.S. Securities and Exchange Commission (SEC) and the French Autorité des marchés financiers (AMF), notably under the caption “Risk Factors” in the company’s Annual Report on Form 20-F. Other than as required by applicable law, Sanofi does not undertake any obligation to update any statement that is not a historical fact.

Please note that not all products indications described in this document are necessarily in each of the markets in which the products are approved. For specific information, please refer to the full labelling approved in each market.

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