

**LETTER TO
SHAREHOLDERS**
AUGUST 2020

#SanofiACTS

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SANOFI

MESSAGE FROM THE CHAIRMAN



Serge Weinberg, Chairman of the Board of Directors

Dear shareholders,

The health crisis caused by the emerge of COVID-19 is exceptional both in terms of magnitude and brutality. Sanofi decided to step up to the plate very early on both in terms of research looking for new vaccines and clinical trials to test out therapeutic solutions: these were massively increased. The manufacturing of essential products has been significantly increased as well and significant donations have been made to unburden healthcare systems and help medical workers. Finally, Sanofi, in a spirit of responsibility, decided to waive any kind of government aids.

You witnessed yourselves by participating virtually in our digital General Meeting, your company immediately adapted its working methods to ensure the continuity of its mission in these extraordinary times.

I would like to congratulate and thank all company employees who have shown remarkable commitment, working relentlessly to provide solutions to the various problems encountered in this exceptional situation. Some of our medical and paramedical staff have also joined the front lines. Thanks to this tremendous commitment, under the leadership of Paul Hudson and the Executive Committee, the company has demonstrated that it is an essential link in the healthcare supply chain in France and worldwide.

As you can see, despite the circumstances, we can be confident about the future of Sanofi.

I thank you for your trust and continuing loyalty.

“The company has demonstrated that it is an essential link in the healthcare supply chain in France and worldwide.”

FIRST HALF 2020 RESULTS



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 July 29, 2020.
2- Earnings per share.

INTERVIEW WITH THE CHIEF EXECUTIVE OFFICER



Paul Hudson, Chief Executive Officer

GENERAL MEETING 2020



The Ordinary General Shareholders' Meeting of Sanofi was held on April 28, 2020, without the physical presence of its shareholders, in accordance with the derogating measures adapting the rules governing the deliberation of general meetings taken by the French authorities as part of the fight against COVID-19, at the Company's registered office in Paris, under the chairmanship of Serge Weinberg.

All resolutions submitted to the vote were adopted by the shareholders, except for the nineteenth resolution relating to the compensation awarded for the 2019 financial year to Olivier Brandicourt, former Chief Executive Officer in office until August 31, 2019. The Board of Directors met after the meeting. The final financial terms of Olivier Brandicourt's departure were communicated in a separate press release.

The General Meeting approved the individual Company and consolidated financial statements for the fiscal year 2019. The General Meeting decided

on the distribution of a cash dividend to the amount of €3.15 per share with payment as of May 6, 2020.

The General Meeting also renewed Laurent Attal, Carole Piwnica, Diane Souza and Thomas Südhof as Directors, ratified the co-opting of Paul Hudson and approved the appointment of Rachel Duan and Lise Kingo as Independent Directors in replacement of Suet-Fern Lee and Claudie Haigneré.

Following the General Meeting, the Board of Directors is still comprised of 16 members, of whom six are women and two are Directors representing employees. The Board of Directors remains for a large majority comprised of Independent Directors.

The voting results and the videocast of the Annual General Meeting are available on: www.sanofi.com/AGM2020

At its meeting held on May 22, 2020, the Board of Directors duly noted the resignation of Emmanuel Babeau and decided, after consultation of the Appointments and Governance Committee, to coopt Gilles Schnepf as Independent Director for the remainder of Emmanuel Babeau's term of office (expiring at the end of the Annual Shareholders' Meeting held in 2022 to approve the financial statements for the fiscal year ending December 31, 2021). Gilles Schnepf has also been appointed as a member of the Audit Committee.

The cooptation of Gilles Schnepf will be subject to ratification by the next Shareholders' Meeting of Sanofi, on April 28, 2021.

Sanofi has recently presented new R&D updates in a few virtual events. What can we learn from it?

Since joining Sanofi, I have often noted that our R&D engine and pipeline is, unfortunately, a well-kept secret. Our virtual R&D Day event allowed us to further share the story of the science that drives our pipeline and demonstrate the real momentum developing over the last few months with positive clinical and regulatory results. We could have easily fallen short of our R&D commitment because of COVID-19. Instead, the pandemic revealed the best of Sanofi as a company of entrepreneurs and innovators.

Precisely, about COVID-19, could you tell us more about your vaccine projects?

We are moving forward with two different and complementary approaches because we believe this gives us a better chance of success to develop a safe and effective vaccine. One of the projects uses our recombinant DNA platform. It is a proven technology platform, used for our Flublok® influenza vaccine. We are partnering with GSK and collaborating with the Biomedical Advanced Research and Development Authority (BARDA) on this project and, should clinical development prove successful, we could expect an approval by the first half of 2021. All of our teams are working hard to ramp up our manufacturing capacity to be able to produce a billion doses and make this potential vaccine accessible to as many people as possible. Our second vaccine candidate developed with Translate Bio takes a more innovative approach based on natural messenger RNA.

The pandemic gave us a glimpse of what a world without vaccines could look like, so we also doubled down on our efforts to develop new vaccines against infectious diseases, a key pillar of our corporate strategy. We announced investments to make France our world class center of excellence in vaccine research and production and expanded our collaboration with the US biotech Translate Bio to pursue novel mRNA vaccines.

How do you see the near future?

We still have some work to do to catch up to some of our industry peers, and we are doing so quickly.

Expanding the universe of drugs is a continuous process, but it is essential to achieving our goal of changing the practice of medicine to the benefit of patients. I am lucky to work with some phenomenally talented people who are working tirelessly every day to push the boundaries of science. The pandemic is also an opportunity for large corporations like ours to rethink societal impact strategy and accelerate efforts to tackle other pressing but less apparent threats, such as climate change.

"The pandemic revealed the best of Sanofi as a company of entrepreneurs and innovators."

SANOFI'S RESPONSE IN THE FIGHT AGAINST COVID-19

As the unprecedented COVID-19 pandemic continues to spread around the world, Sanofi is at the forefront of multiple initiatives to fight the disease, while also carrying on the daily business of making and delivering medicines for patients.



#SanofiACTS in numbers

1

home test in development

2

ongoing vaccine projects

100%

of manufacturing sites operational

€100 million

to the national solidarity effort in France

€610 million

investments announced in vaccines

20,000

employees working every day
in all industrial sites

DEVELOPING A HOME TEST

This initiative consists in the development of an over the counter, self-testing solution, in collaboration with a Californian startup, Luminostics.

The goal is to provide a smartphone-based solution that can be carried out at home without a healthcare professional or laboratory tests. The test, designed to detect the COVID-19 virus from respiratory samples, gives a result in 30 minutes or less. Aim is to have a self-testing solution available before the end of 2020.

VACCINES PROJECTS

Sanofi Pasteur, the vaccines global business unit of Sanofi, has launched several collaborations to pursue different, innovative approaches to develop a safe and effective vaccine as quickly as possible. Most recently, it joined forces with GlaxoSmithKline (GSK) to develop an adjuvanted COVID-19 vaccine.

Sanofi brings to the partnership the antigen (the protein that stimulates the body's immune

response against the virus), which is based on recombinant DNA technology. Development of the recombinant-based COVID-19 vaccine candidate is being supported through funding and a collaboration with the Biomedical Advanced Research and Development Authority (BARDA), in the US.

GSK will contribute its adjuvant technology, an ingredient added to enhance the immune response, reduce the amount of vaccine protein required per dose and improve the chances of delivering an effective vaccine that can be manufactured at scale.

The candidate vaccine is expected to enter clinical trials in the second half of 2020 and to be available by the second half of 2021.

Additionally, Sanofi is exploring other options to discover, design, and manufacture a vaccine against COVID-19. This includes working with Translate Bio, a clinical-stage messenger RNA (mRNA) biotechnology company, where Sanofi is combining its deep vaccine expertise with Translate Bio's mRNA platform.

Collaborations are also ongoing with the Coalition for Epidemic Preparedness Innovations,



"We are using an existing technology that was designed for influenza, and we're applying it to the new virus that causes COVID-19 disease. Having the existing platform and partnerships are key to accelerating development as much as possible."

John Shiver,
Head of Sanofi Vaccine R&D

which coordinates the development of future vaccines against targeted epidemic pathogens identified by the World Health Organization (WHO). Sanofi is also part of a consortium of 15 healthcare companies alongside the Bill & Melinda Gates Foundation working to identify concrete actions that will accelerate treatments, vaccines, and diagnostics.



MAINTAINING MANUFACTURING AND SUPPLY

Two-thirds of Sanofi medicines and vaccines are on the WHO's list of essential medicines, so while much of the world has gone into lockdown, Sanofi's global network of manufacturing plants remains operational to help ensure continued supply of all Sanofi medicines and vaccines. There are currently no anticipated shortages for patients resulting from the COVID-19 situation.

It is with these patients in mind that the 20,000 industrial affairs collaborators show up for work seven days a week to meet the demand from governments, health authorities, hospitals, wholesalers and pharmacies around the world.



"We are on the front line in this battle, and patients, healthcare professionals and health authorities count on us to obtain the medicines they need."

Philippe Luscan,
Executive Vice President,
Global Industrial Affairs

INVESTING IN SCIENCE

Sanofi's quick response on so many fronts is not accidental. It stems from years of investment in vaccine technology and earlier work on a SARS vaccine program. The pace with which regulatory authorities globally have provided cooperation is also unprecedented, enabling clinical trials to start in days rather than months.



Sanofi invests to make France its world class center of excellence in vaccine research and production

During a visit by French President Emmanuel Macron at the Sanofi Pasteur site of Marcy-l'Étoile, Sanofi announced it will invest more than half a billion euros to create a state-of-the-art vaccine production site (Neuville-sur-Saône) and a new research center (Marcy-l'Étoile) dedicated to vaccines.

- **Neuville-sur-Saône: €490 million investments**

Sanofi will create its Evolutive Vaccine Facility (EVF). This state-of-the-art industrial site –first worldwide to be built– will utilize the latest innovative vaccine production technologies. EVF is a new type of factory designed around a central unit housing several fully digital production modules that make it possible to produce three to four vaccines simultaneously, versus only one in current industrial sites.

- **Marcy-l'Étoile: €120 million investments**

Sanofi will create a new R&D center to develop future vaccines. This state-of-the-art digital facility will house highly specialized laboratories that will enable the development of vaccines against emerging diseases and pandemic risks. The facility will become a world reference for pre-clinical research and pharmaceutical and clinical development.



"Sanofi's heart beats in France. We have a long history and exceptional teams working throughout the country, embodying our strong values. By investing in a new industrial site and a R&D center, Sanofi positions France at the core of its strategy, aiming to make France a world-class center of excellence in vaccine research and production."

Paul Hudson,
Chief Executive Officer at Sanofi

R&D DAYS

Sanofi hosts a series of interactive webcast events highlighting key priority pipeline programs. The five-part webcast series included a virtual R&D Day on June 23, 2020.



On June 23, 2020, Sanofi Chief Executive Officer Paul Hudson, Global Head of R&D John Reed, and members of the R&D and commercial leadership teams provided an update on Sanofi’s approach to deliver potentially transformative medicines to patients.



“Since last December, we have been making tremendous progress on our ability to grow a pipeline of potentially transformative treatments through a unique, adaptive strategy that best positions Sanofi to deliver on our goal of bringing practice-changing medicines and vaccines to patients. While we have greatly accelerated our efforts across six priority development programs, the momentum we are seeing can be found across our entire pipeline. This is largely driven by how we are leveraging our innovative technology platforms and the deep insights we have gained into patients’ needs and disease pathways.”

Paul Hudson,
Chief Executive Officer at Sanofi

SANOFI TRANSFORMS ITS R&D TO DRIVE PRODUCTIVITY

Sanofi is transforming its R&D organization based on the pillars of the Company’s strategy announced at Capital Markets Day last December.

Focus on priorities by allocating R&D resources towards potential first-in-class or best-in-class medicines.

Lead with innovation: Sanofi’s unique range of internal technologies are delivering novel, cutting-edge drug discovery capabilities.

Accelerate efficiency by relentlessly improving clinical operations and embedding digital and real-world data capabilities, so Sanofi can move at greater speed.

Reinvent the way R&D performs by substantially simplifying the organization’s ways of working. This includes an integrated development organization, streamlined governance and greater team empowerment.

SYNTHORIN PLATFORM

Originated from the acquisition of the Californian biotech Synthorx early 2020, the Synthorin platform, based on novel synthetic biology, is a unique platform that expands the genetic alphabet through the creation of a new DNA base pair, resulting in substantially increased diversity of proteins, and gives scientists the potential to build a new generation of precision medicines for oncology and autoimmune disease.

OTHER R&D UPDATES

This session was also the opportunity to give new updates about some of the ongoing clinical projects: venglustat in rare diseases, fitusiran and BIVV001 (from Bioverativ) in hemophilia:

Venglustat builds on Sanofi’s rare diseases heritage combined with a deep understanding of disease pathways,

Fitusiran & BIVV001 use new modalities and cutting-edge protein engineering to potentially deliver differentiated solutions for patients suffering from hemophilia.

R&D DAYS – FIRST 3 SESSIONS

April 23, 2020: BTK inhibitor ('168)

Sanofi's investigational BTK (Bruton's tyrosine kinase) inhibitor, an oral, brain-penetrant, selective small molecule achieved both the primary and secondary endpoints in a Phase 2b trial evaluating efficacy and safety in participants with relapsing forms of multiple sclerosis. The BTK inhibitor (SAR442168) significantly reduced disease activity associated with multiple sclerosis. Sanofi obtained global rights to develop and commercialize SAR442168 under a license agreement with Principia Biopharma, Inc.

June 2, 2020: strategy in oncology & ASCO

Paul Hudson along with R&D and commercial leaders provided an overview of Sanofi's oncology strategy and progress update of its related key products and pipeline programs. Sanofi's oncology strategy is focused on four core therapeutic areas with four anchor treatments the company believes have the potential to transform patient care.

June 11, 2020: Dupixent® (dupilumab) R&D

Sanofi commercial and R&D executives provided an overview of the growth and development strategy for Dupixent®. As announced in December 2019, Sanofi expects to deliver strong growth for Dupixent® with the ambition of achieving more than €10 billion in peak sales driven by its selective mechanism of action targeting the type 2 inflammation pathway. Sanofi co-develops and co-commercializes Dupixent® with Regeneron.

The Company plans to hold its fifth event on July 30, 2020, focused on nirsevimab, a monoclonal antibody that could potentially offer a population-based solution to prevent respiratory syncytial virus (RSV) infection for all infants.

SANOFI SELLS ITS EQUITY INVESTMENT IN REGENERON

Sanofi announced on May 29, 2020 the closing of its sale of 13 million shares of Regeneron common stock through a registered offering, and the completion of Regeneron's repurchase of 9.8 million shares in common stock directly from Sanofi. As a result of the offering, Sanofi has sold its entire equity investment in Regeneron, (excluding 400,000 Regeneron shares, which Sanofi is retaining) for total gross proceeds amounting to \$11.7 billion. Sanofi originally purchased a shareholding in Regeneron in 2004.

"Sanofi and Regeneron's collaboration, which started in 2003, has been one of the most productive in the industry, creating significant value for both companies but more importantly, resulting in five important medicines for patients. Sanofi remains committed to continuing our collaboration with Regeneron which remains an integral part of our overall strategy, and this decision was fully aligned with Regeneron, said Paul Hudson, Chief Executive Officer, Sanofi. The decision to divest our holdings is consistent with our efforts to enhance value creation for our shareholders. We believe the proceeds from this transaction will help further our ability to execute on our strategy to drive innovation and growth."

This article shall not constitute an offer to sell or the solicitation of an offer to buy the securities described herein, nor shall there be any offer or sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

EXECUTIVE COMMITTEE

APPOINTMENT OF NEW LEADERS TO EXECUTIVE COMMITTEE

Sanofi has named four new leaders to its Executive Committee. These appointments now complete the announced changes in February to further simplify the Company's executive leadership team.

Natalie Bickford, Executive Vice-President, Chief People Officer

Natalie Bickford joined Sanofi on August 1, 2020. Ms. Bickford brings a wealth of consumer-facing experience. She held previous Human Resources leadership positions at Sodexo, AstraZeneca or Merlin Entertainments. She has consistently demonstrated passion for engaging teams and driving change in behaviors and culture.

Arnaud Robert, Executive Vice-President, Chief Digital Officer

Arnaud Robert joined Sanofi as CDO on June 15, 2020. A newcomer to the pharma sector, Mr. Robert brings a strong background in consumer and omni-channel digital experiences, big data solutions and technology. He has held previous leadership positions at The Walt Disney Company, Nike or Viking Cruises.

Julie Van Ongevalle, Executive Vice-President, Consumer Healthcare

Julie Van Ongevalle will join Sanofi on September 1, 2020. She is currently Global Brand President of Origins, a division of the Estée Lauder Companies. Her deep knowledge of consumers and digital will be essential as Sanofi advances build a standalone, agile and multi-local brands Consumer Healthcare business.

Thomas Triomphe, Executive Vice-President, Sanofi Pasteur

Thomas Triomphe was promoted to Executive Vice-President, Head of Sanofi Pasteur, effective June 15, 2020. Mr. Triomphe joined Sanofi Pasteur in 2004 and has since held different roles of increasing responsibility in sales and marketing, at the country, regional, and global levels.



The complete Sanofi Executive Committee now includes the four heads of the Company's global business units (Sanofi Genzyme, Sanofi Pasteur, General Medicines, and Consumer Healthcare) as well as the global Heads of Research and Development, Industrial Affairs, Finance, Human Resources, Legal and Digital.

Find out all information about the Executive Committee:

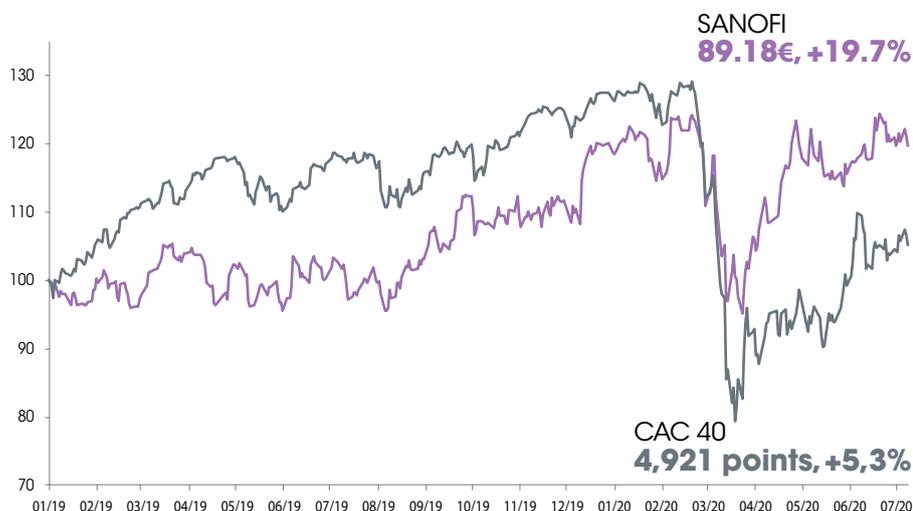
<https://www.sanofi.com/en/about-us/governance/executive-committee>

SHAREHOLDER INFORMATION

Share performance in Paris

SANOFI SHARE PRICE TREND

Euronext Paris, from January 1, 2019 to July 8, 2020



CAC 40 rebased on the Sanofi share price – Source: Bloomberg

On July 8, 2020, Sanofi had a market capitalization of around €114bn.

Find out the latest publications online

HALF-YEAR FINANCIAL REPORT 2020

The Half-Year Financial Report includes: the condensed Half-Year consolidated financial statements, the Half-Year management report, the Statutory Auditors' review report on the half-yearly financial information and the responsibility statement of the Certifying Officer – Half-Year Financial Report.

INTEGRATED REPORT 2019

This report provides an overview of how Sanofi's activities and investments lead to sustainable business performance and provide value for all stakeholders.

Find out all your shareholder and financial publications on our website:

<https://www.sanofi.com/en/investors/reports-and-publications>



CALENDAR

October 29, 2020
Third quarter 2020 results

February 5, 2021
Fourth quarter and full-year 2020 results

April 30, 2021
Annual General Meeting

SANOFI STOCK

Euronext Paris, compartment A
Member code: SAN
ISIN code: FR 0000120578

Nasdaq
Symbol: SNY
CUSIP number: 80105N105000

SNY
Nasdaq Listed

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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 the uncertainties inherent in the impact that COVID-19 will have on us, our customers, suppliers, vendors, and other business partners, and the financial condition of any one of them, as well as on our employees and on the global economy as a whole. Any material effect of COVID-19 on any of the foregoing could also adversely impact us. This situation is changing rapidly and additional impacts may arise of which we are not currently aware and may exacerbate the risks identified 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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