

## THE SANOFI APPROACH TO EMPLOYEE WELFARE

### GRI Standards :

N/A

### EXECUTIVE SUMMARY

As a company in the healthcare industry, Sanofi has always had a strong belief in the Duty of Care we have to our employees. We have strived to achieve that by providing good quality healthcare all around the world and giving our employees the motivation and the means to take care of their health as much as possible. As the changes in our company and in our society bring along so much uncertainty and need for constant resilience, we have been focusing on following a more holistic approach to wellbeing, which includes of course providing piece of mind through strong employee benefits and a very active physical wellbeing strategy, but also focusing on mental wellbeing and creating a more supportive working environment to help employees navigate through this uncertainty - knowing that their employer is there to support them and give them all the tools to be at their best. The need for constant change also drives the need for innovation, and at Sanofi we are conscious that there is no innovation without a diverse workforce. Building this diverse workforce and ensuring a truly inclusive culture, where employees feel valued no matter who they are, where they are coming from, and what their personal story and their personal beliefs are, has become one of the main priorities of Human Resources for Sanofi and a key component of our wellbeing strategy.

Wellbeing for Sanofi is an ongoing journey where we are always looking at more innovative ways to make our employees feel good and empowered to focus on the ones who need us the most: our patients.

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## 1. PROVIDING PEACE OF MIND THROUGH STRONG EMPLOYEE BENEFITS

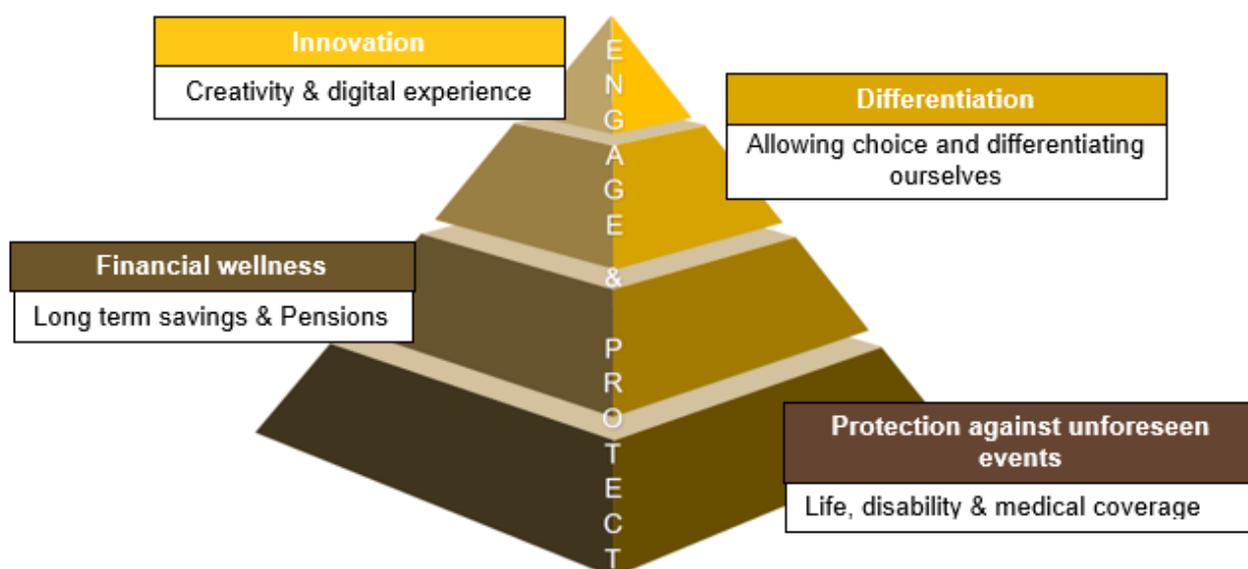
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Our benefits package worldwide is designed to be competitive and meet the Sanofi minimum standards in terms of employee protection so that our employees feel safe and taken care of while working for Sanofi.

### 1.1. GLOBAL BENEFITS AT SANOFI

#### 1.1.1. The Sanofi Approach & Values

The **Sanofi approach to Benefits** is focusing on 4 core values:



#### 1.1.2. Protection Against Unforeseen Events

As a company in the healthcare industry, Sanofi has a strong belief in the Duty of Care we have to our employees, being there for our employees when they need it the most. We ensure that our employees around the world have access to quality healthcare and are covered in case of unfortunate life events such as death and disability.

#### 1.1.3. Financial Wellness

Financial wellness at Sanofi covers a broad range of financial aspects of an employee's lifecycle. Solutions may vary in each country based on market practice and needs. As an employer of choice, we:

- ensure that our employees benefit from our global purchasing power in the benefits they receive;
- ensure that our employees have their future secured through high-quality well-designed savings arrangements;

- empower our employees to plan for their retirement and their long-term financial projects.

#### 1.1.4. Differentiation

We embrace being different and our benefits reflect that more and more through allowing choice and flexibility for our employees to select benefits appropriate for their personal needs. Even in countries where flexible benefits are not prevalent or not easy to implement, simple choices, such as the option to upgrade a medical plan at employee cost or to choose a car allowance instead of a company car can make a huge difference in our employees' lives and are strongly encouraged as part of our global guidelines.

#### 1.1.5. Innovation

- Benefits have developed over the years to encompass much broader items and concepts than just employee benefits insurances and pensions. As an employer of choice, we want to be at the top of the market of new concepts and welcome innovation and exchange of ideas between our teams locally and globally to learn about new trends in the different markets and about what truly matters to the employees and could help us differentiate;
- Our digital benefits strategy is at present locally driven based on market practice and needs. Within our ambitious global digital agenda, we plan to develop a more global digital strategy which should fit with our delivery model which will be globally scalable, efficient, and employee experience focused.

## 1.2. QUALITY HEALTHCARE FOR ALL

In the design of medical benefits, the following principles apply:

### 1.2.1. Level of Coverage

In every country around the world, Sanofi makes sure that all the employees, whether on temporary or permanent contract, whether full time or part time, are well covered in case of health issues. The same applies to employees' dependents (typically partner and children) who can benefit from the Sanofi coverage if the employee chooses to enroll them. This is in particular the case when an employee needs to be hospitalized or suffers from a critical illness – unless the State provides sufficient coverage with access to recognized Hospitals, we always ensure that our medical coverage supplements it sufficiently.

In addition to medical coverage itself, we always ensure that employees have access to reasonable paid illness leave so that they can take the time they need to heal without having to worry about their financial situation.

### 1.2.2. New Employees and New Contracts

For new employees and new contracts, whenever legally and technically possible, we ensure that there are no exclusions in our benefits for pre-existing conditions, in particular:

- No exclusions for conditions such as HIV, chronic conditions, pandemics, congenital defects, suicide, terrorism or war risks;

- No medical questionnaires or medical examinations for employees to obtain coverage except in cases where an employee is above a free cover limit defined in the local policy;
- Coverage should be complementary to the social security system where possible in each country and not be intended to replace the benefit.

### 1.2.3. No Discrimination in our plan design

The design of our employee benefit programs avoids any sort of discrimination where legally possible:

- Healthcare programs are in nearly all of our countries extended to all Sanofi employees at the same level for all unless strong market practice contradicts this rule;
- We are working on ensuring that our policies generally aim at being inclusive: any policy covering spouses (medical) should also enable to cover / define as beneficiaries broader domestic partners, including same sex partners (unless legally forbidden).

### 1.2.4. Financing employee benefits through our captive insurance company

We try to reinsure as many policies as possible through our employee benefits captive insurance company. Through this approach, Sanofi is able to influence on the terms & conditions of the contracts which results in the following:

- An improved quality of benefit design aligned to Sanofi's specific needs with a leading insurer in the marketplace, allowing for tailored coverage even in smaller countries;
- Easier and mostly full waiver of pre-existing conditions and exclusions;
- Guaranteed coverage. The Captive never refuses coverage to a Sanofi employee;
- Lower costs for employees as the cost of the premium is also partly supported by them in countries where market practice or if they purchase additional coverage. Our Captive is on a no profit – no loss basis;
- When budget permits, countries where needs are identified by the Captive Board will get allocated a budget to fund wellness initiatives that will help improve the health of employees.

## 1.3. BEING THERE FOR OUR EMPLOYEES IN CASE OF CRITICAL LIFE EVENTS

Death or Disability cases cause a major distress to our employees and/ or their families. While we cannot control these unfortunate events, as a responsible employer we ensure that all our countries provide a good level of benefits in line with the Sanofi standards in such situations. In nearly all of our countries, we provide at least 2 annual base salaries in case of death or disability – in many countries the level of coverage is higher than this based upon market practices and norms.

Similarly to the healthcare coverage, the principles of non-discrimination and avoidance of exclusion of employees with pre-existing conditions apply, and so does the financing through the Captive whenever possible to allow us full control over the coverage of our employees and to ensure that no employee, whatever his/her situation is, finds himself or herself uncovered.



To strengthen support for Sanofi employees, “Enfants de Sanofi”, a non-for-profit organization under the French law was founded in 1993 by both Sanofi and employees. Its purpose is to help employees' children who are experiencing difficulties such as medical problems, social troubles, or educational difficulties.

The program provides individual support to families worldwide. It also carries out collective actions within Sanofi subsidiaries, which are tailored to meet local needs through health programs and education & awareness campaigns.

For more information, see the [Enfants de Sanofi's annual report](#)

## 1.4. PROVIDING ACCESS TO HIGH QUALITY & LOW-COST PENSION ARRANGEMENTS

As for all other benefits, Sanofi ensures that when it comes to pensions, our offering is competitive and supports the employees to better plan their retirement and ensure reasonable revenue as they end their career. While we at present don't offer retirement plans where it is not market practice, Sanofi encourages the establishment of employee sponsored pension savings programs if those can be set up in a tax efficient way for the employees.

Our pension plans are defined contributions in nature whenever possible and we apply the following rules to the contributions level:

- Employer contribution levels are set at a market competitive level.
- Where possible, employees are enrolled in a plan automatically unless they specifically "opt out" of participation. In case of employer matching plans, the default employee contribution is the one maximizing the employer match.
- As statutory pensions tend to decrease more and more, the employees are encouraged to voluntarily contribute to building their wealth through the Sanofi savings & retirement plans.
- As part of the company diversity & inclusion policy, if possible, countries should ensure that spouse pensions cover any domestic partners and not only spouses.

## 2. SUPPORTING THE MENTAL WELLBEING OF OUR EMPLOYEES

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Most of our affiliates (over 90%) have currently some wellbeing initiatives in place. Our aim is to achieve 100% by the end of 2022.

16% of our countries have been recognized externally for their wellbeing strategy.

### 2.1. OUR TAKE CARE & BWEL! PROGRAM

The program is detailed in the separate "Health and wellness program in the workplace" factsheet and provides for all employees worldwide an access to a wide range of solutions and tools to support their wellbeing and prevent mental health issues.

### 2.2. EMPLOYEE ASSISTANCE PROGRAMS (EAP)

Close to 70% of our employees worldwide have access to an employee assistance program where they are able to reach out if they need support. While the EAP is not the only tool we offer to employees in need, we are working on expanding it worldwide so that all of our employees have it as a minimum solution available when they need help.

## 2.3. MENTAL HEALTH PREVENTION & SUPPORT

Further tools supporting mental health prevention and assistance are available in our countries.

### 2.3.1.1. Mental Health First Aider Programs

Mental Health First Aider Programs are in place in some countries, for instance in Australia or UK. They include an internal coaching program to provide to employees initial support based on non-judgmental listening and guidance. Coaches are volunteering trained Sanofi employees with duty of confidentiality.

### 2.3.1.2. Other mental wellbeing support initiatives

Sanofi has won many awards over the years for its employee wellbeing strategies focusing on solutions that make our employees feel well, energized and engaged at work.

Some examples of programs that focus on our employees' mental wellbeing are:

- The Thrive program in USA:
  - > Provides in addition to an EAP onsite counselors, daily mindfulness breaks, second opinion medical services, a mobile app with emotional support on demand, a mental health education platform and a digital family support platform.
- The Life Program in Australia:
  - > 8 choices of on-site coaching modules: positive emotions, engagement, meaning, accomplishment, relationships, art of mindfulness, leadership using strengths and thriving through adversity
  - > Sessions lead by Learning & Development teams
  - > Mental health first aiders program
  - > EAP
- The China wellbeing program:
  - > Employee assistance program with 24/7 hotline, newsletters on mental health and a mental health survey provided twice a year
  - > Mental health management workshops on:
    - Family relations topics
    - Career development and issues
    - Stress management
- The France wellbeing program:
  - > Employee assistance program
  - > Psychosocial risks program with a strong prevention module and tracking of such risks
  - > Mental health awareness trainings and webcasts
  - > Specific management trainings

During the Covid19 pandemic crisis, a campaign has been launched to support employees during these difficult times through:

- The Executive Committee recognizing the difficulties employees with young children had to face combining work and family and providing great understanding for their situation and their limited availability

- Encouraging employees to take time for themselves and have a walk outside even during working hours to stretch and take fresh air
- Encouraging all to have regular catch-ups to check on each other and make sure no one feels isolated
- Regular tips and communications from the Take Care & Bwel! Team on how to stay healthy, deal with the crisis, and keep busy through nice and relaxing activities during lockdown.
- In terms of financial wellbeing, all the employees worldwide continued to be remunerated at 100% of their salary, even when only able to temporarily work part-time.

### 2.3.1.3. Employee Wellbeing Surveys

In many of our countries, we perform at least every 3 years surveys to evaluate the level of stress of our employees. We are currently working on making those surveys more systematic and more consistent from country to country to better assess the success of our existing programs and those to come.

## 3. SUPPORTING THE PHYSICAL WELLBEING OF OUR EMPLOYEES

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### 3.1. OUR TAKE CARE & BWEL! PROGRAM (TCBW)

The program is detailed in the separate “Health and wellness program in the workplace” factsheet and allows for all our countries worldwide to have a minimal wellbeing strategy in place. In addition to the mental health prevention components, it also provides useful guidelines to countries to ensure the physical health through its “eat well!” and “move often!” pillars.

### 3.2. PHYSICAL HEALTH PROMOTION CAMPAIGNS

We generally publish on our sites a lot of campaigns to stay fit, either through the TCBW program or other local initiatives. With the Covid19 crisis, those on-site communication have become increasingly digital to ensure that our employees in the difficult permanent home-office set up stay healthy. Regular tips are shared to help the employees take care of their physical wellbeing.

### 3.3. KEEPING OUR EMPLOYEES FIT

In many of our big sites where the infrastructure allows for it, we provide sport facilities, or alternatively arrangements with external sport facilities so that the employees can benefit from reduced subscription rates.

We also organize regular sport events with team building features everywhere around the world (e.g. walking challenges).

### 3.4. VACCINATION CAMPAIGNS

As a traditional vaccine business, we provide access in the vast majority of our locations to onsite flu shots, or alternatively ensure those are reimbursed to our employees.

As the Covid19 crisis is evolving and the possibility to vaccinate increases, we also offer the opportunity on more and more of our sites to vaccinate employees in accordance with the government guidelines in terms of eligibility.

## 4. PROVIDING A SUPPORTIVE WORKING ENVIRONMENT

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### 4.1. SUPPORTIVE WORKPLACE ENVIRONMENT

Sanofi has over the time built very strong facility management teams who ensure that our workplaces around the world maximize our employees' wellbeing through:

- Maximal safety
- Optimized space to exchange new ideas and have necessary meetings
- Optimized space to allow the employees to focus on their work and have sufficient privacy even under an Open Space set-up
- Areas to relax (quiet rooms) or have a well-deserved break (cafeterias)
- Areas to have lunch in the vast majority of our facilities (canteens or cafeterias)

### 4.2. SUPPORTIVE WORKING CULTURE

As we are operating a full transformation of our company, Sanofi focuses a lot on the working culture to make it supportive, inclusive and empowering for the employees. Most of the initiatives are currently developed at the global level with a local deployment.

In many countries, including our biggest locations such as France and United States, we provide managers training to raise awareness around mental health.

### 4.3. BUILDING A DIVERSE AND INCLUSIVE CULTURE FOR OUR EMPLOYEES

#### 4.3.1. Our diversity and inclusion vision

We want to make an impact in the world through who we are, what we do, and the way we do it. And we recognize that the only way to really do this, is to do it together and by being all in.

That's why we believe that our leaders and teams must reflect the vibrant diversity of the communities we serve so that we are able to act for our patients and customers in a way that makes a difference through our diversity of thought. We want to create a safe and inclusive space where everyone feels they can bring their best selves so that we unleash the full creative potential of individuals and teams. And we think our impact should go beyond our four walls and extend to the communities in which we live and operate.

Diversity & Inclusion (D&I) is part of our larger Play to Win strategy, helping us reinvent how we work and driving our cultural transformation. In this new strategic context, the timing was right to evolve a more global, far-reaching approach to D&I. And to do this with people from all over the Sanofi world: co-created and co-owned so that it can be co-led.

Our approach to D&I is fully integrated with our people strategy and our commitment to society because we're putting our people at the center. We want them to thrive in an inclusive culture where they can have the best employee experience, boosting their sense of pride and belonging. Also, our social impact strategy will be integrated into our leaders' career development worldwide, ensuring a mindset that fosters diversity and inclusion throughout the company. This is how we'll attract and retain the best talent and build our competitive edge, our diversity edge.

The business and societal advantages that come from a diverse workforce and inclusive environment are well established: Diverse teams make better decisions, are more creative, and deliver better outcomes with a better bottom line. A diverse and inclusive culture also impacts how we engage with the communities we serve.

#### 4.3.1.1. Our diversity and inclusion strategy

Our D&I strategy is focused on impact – impact on our workforce, our workplace, and our marketplace so that we leverage the power of our collective difference. And we know that the best way to deliver impact is together. Together as an organization with our people, our suppliers, our stakeholders, and society at large. Together we will deepen our understanding by having constant conversations that drive greater equity for five key strands of diversity (Gender, Race/Ethnicity, Faith, LGBTQIA+, Age and Disability). We will ensure that anti-racism is a systemic part of our organization and is reflected in everything we do, making sure we maintain local relevance.

This strategy is about doubling down on our efforts, leaning into our challenge, and truly going all in.

We will enable stronger outcomes across three key pillars by 2025:

- Building representative leadership (which is our workforce);
- Creating a work environment where we can all bring our best selves (which is our workplace);
- Engaging with our diverse communities (which is our marketplace).

#### 4.3.2. Parental leaves

Building a truly inclusive company culture also means for Sanofi offering equal opportunities to focus on work, but also to focus on private life when needed. We do believe that treating women and men equally also means giving both the chance to enjoy their children in the first months of their lives as they are the most vulnerable. We have started working on the design of parental leaves in our countries and offer as much as 6 months in Latin America independently of the gender as an example of our commitment to true inclusion. Other key countries such as the US, Germany and Spain offer 8 weeks of paternity leave.

We also are working on a global parental leave policy to be implemented in the near future.

#### 4.4. ALLOWING FOR FLEXIBLE WORKING CONDITIONS TO MEET OUR EMPLOYEES' NEEDS

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 best selves to work. Working flexibly is an important part: 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 us to feel more included because Sanofi acknowledges and caters to individual needs and working styles.

Local situations and regulations differ, so there is no 'one-size-fits-all'. And we always need to strike the right balance between human work interaction, relationships and technology-enabled remoteness

Sanofi is committed to offering flexible work globally, providing a set of global guidance for local execution according to the business needs and local laws.

The type and amount of flexibility depends on many things, such as: the nature of the job and work activities, any requirements for being on-site, needs of the team and department, impact on stakeholders, ability to complete core tasks productively and impact on our performance.