



Le Directeur Général  
Chief Executive Officer

**United Nations**  
Mr. Ban Ki-Moon  
Secretary General of the United Nations  
New York 10017  
US

May 30<sup>th</sup>, 2011

Re: CEO commitment to UNGC

Dear Mr. Secretary General,

As the CEO of SANOFI, I am personally committed to our company's corporate social responsibility efforts. As a signatory of the UN Global Compact we have integrated the 10 principles into our internal policies. We continue to strongly support the spirit and intent of the Compact in all areas: human rights, labour standards, anti-corruption and environmental protection, within our business activities which focus on patient needs.

Acting ethically and responsibly, SANOFI publishes its practices through its annual CSR report which is complemented by additional information directly accessible on our CSR website <http://csrreporting.sanofi.com>

Our company is proud to be a member of the UN Global Compact.

Sincerely yours,

Christopher A. Viehbacher



June 6<sup>th</sup>, 2011

Dear Stakeholders,

Everything we do at Sanofi centers around the patient. Our passion is to work with our partners to protect health, enhance life and respond to the hope of the 6.8 billion people in need around the world. Sanofi continues to undergo significant business transformation. We are no longer just a pharmaceutical company but a diversified healthcare leader. The acquisitions we have made will help us to not only be a sustainable business but will help more patients live healthier lives.

This is our eighth communication on progress since we signed the Global Compact in 2003. The Corporate Social Responsibility Direction, which was formed in 2009, has grown by adding regional and country CSR representatives to its operating model so that we can more effectively engage with stakeholders as well as implement the "spirit" of CSR within our Sanofi family worldwide.

We continue to be inspired by the UN Global Compact – on our journey to achieve continuous improvement in the 10 principles we have signed. Since our last COP in 2010, we have made strides in many areas. They are described in detail within our 2010 Corporate Social Responsibility (CSR) Report. Here are several examples:

## HUMAN RIGHTS

Human Rights Assessment - Respect for human rights forms the foundation upon which our corporate social responsibility policy is built. Both international regulations and voluntary initiatives alike have made human rights a key issue for companies. This is particularly true for international companies like Sanofi that operate in countries where the risk of human rights violations can be significant. In 2010, Sanofi established an ambitious self-assessment of its practices as well as employee training to ensure that human rights are respected throughout the company. The first stage of the assessment was implemented at the end of 2010. It includes and evaluation of the company's practices at the Corporate and Regional levels. It is based on an international tool: the Business Leaders Initiative on Human Rights (BLIHR) matrix. When the first step is completed (First Quarter of 2011), its outcomes will be presented to the appropriate Functions with relevant action plans established.

The second step of the assessment will be performed between the first and second quarter of 2011 and includes an evaluation of local practices in a pilot country. The Danish Institute for Human Rights Quick Check and the Human Rights Assessment Pharma tool (derived from the Quick Check tool) will be used. The latter includes queries focused on the pharmaceutical industry.

Another aspect of Human Rights is the right to health, specifically for low-income populations. In this field, Sanofi has launched specific programs targeting major diseases that affect developing countries and in which we have therapeutic expertise. These programs include specific R&D investments to develop and adapt non-patented products, sell at differentiated prices as well as donate drugs and vaccines (more details are available in the 2010 Sanofi CSR report).

Diversity – Sanofi continues to promote and support gender diversity as well as for the disabled. During 2010, we expanded recruitment and retention for the disabled. Sanofi sites in 40 countries participated in the "World Diversity Tour" a program launched in 2009 to increase awareness about diversity and disability and foster implementation of Sanofi's diversity policies. In March 2010, the Sanofi Diversity Management team launched an initiative called the World Women's Words @ Sanofi project. It focused on providing a forum to women employees whereby they could discuss (via questionnaire) issues related to women and work as well as share results of their exchanges with one or more members of management at the site or country level. All the responses, ideas and suggestions were compiled and featured in a document that was presented to the company's Senior Management in September 2010 and subsequently to the Management Committee, the Human Resources department and all participants. Ultimately, the World Women's Words @ Sanofi project rallied more than 500 women in 50 different countries and sites.

In October 2010, Sanofi was the premier sponsor of the Women's Forum, which took place in Deauville, France. Thirty Sanofi women employee representatives attended from all over the world. They were able to exchange ideas with each other and with women from





other countries and companies. Mr. Lhernould and I also attended the conference, where I clearly expressed my commitment to equal opportunity within the company during the CEO Champions session.

Espoir Foundation – which was founded October 2, 2010, contributes to reducing health inequalities, particularly among the most needy, by focusing on key issues in prevention, training and access to healthcare. In addition to responding to humanitarian emergencies, the Foundation's objective is to partner on projects that impact health and development in such a way as to reduce the economic burden of disease and break the illness/poverty cycle.

The Foundation's actions support the Millennium Development Goals, especially those related to fighting diseases, improving maternal and child health, and fighting poverty. The Foundation provides a dedicated operating framework, governance and additional resources to gain better leverage from initiatives already underway, as well as stimulating new projects through an Ideas Lab.

WHO/Sanofi Partnership – Sanofi has had a 10 year partnership with the World Health Organization (WHO) to eliminate the most neglected tropical diseases. Since the initiation of this partnership (in 2006) we have helped to save more than 150,000 people suffering from sleeping sickness (equates to one person treated = one person saved). We have made excellent progress in combating Buruli ulcer and leishmaniasis. Working together with our international community, Sanofi has demonstrated what can be achieved when each partner works together within their strengths to truly make a difference. In 2011, Sanofi renewed its partnership with the WHO for another 5 years. We have committed:

- A total of \$25 million USD over 5 years
- A non-financial contribution to combat sleeping sickness: free supply and distribution of pentamidine, melarsoprol and elfornithine, in sufficient quantities to provide treatment for ALL patients. This represents \$6 million USD over 5 years.
- A financial contribution of \$19 million USD over 5 years to support control programs for sleeping sickness, leishmaniasis, Chagas disease, Buruli ulcer and yaws

## LABOR

Worker rights – Sanofi supports freedom of association and recognizes the right to collective bargaining. The company's social policy is described in our Social Charter, which is distributed to all employees. We regularly apprise our employees as well as several employee Work Councils about new issues regarding the company.

As an example, the Sanofi European Works Council is composed of 40 permanent members and 40 alternates, representing employees from the 27 countries in the European Union member states where the company operates. The Council met four times in 2010 providing employee representatives frequent updates about organizational changes within the company's various entities (R&D, Industrial Affairs, Commercial Operations, Vaccines and support functions etc.). These changes were necessary for Sanofi to remain competitive internationally migrating research and industrial facilities to biotechnologies, and adjusting the sales force in response to evolving regulatory requirements and generic competition.

Despite transformation, Sanofi is making every effort to provide career support to displaced employees, in a variety of ways including, outplacement assistance, re-training employees, helping employees begin new businesses (in Europe) etc. The support methods employed vary from country to country.

Supply Chain Transparency – As we have reported previously, Sanofi has implemented a Code of Supplier Conduct that is based on the principles of the UN Global Compact. This Code enables us to collaborate with all of our suppliers. It commits the supplier to strictly observe and comply with the fundamental principles of the Code for all its activities worldwide. We embarked on implementing a Responsible Purchasing Program (effectively a risk assessment process) to review high risk suppliers as well as training our buyers in how to implement this approach. We continue to make progress in incorporating the program into our business practices. As of 2010:

- 1883 (about 12%) of our suppliers were evaluated
- 100% of our chemical suppliers from China and India were evaluated
- Our Responsible Purchasing Program was implemented in 48 purchasing organizations in 29 countries
- 80% of our buyers were trained in our Responsible Purchasing Program approach

Revised Health, Safety and Environment (HSE) Policy and 2015 HSE Strategic Plan - Our HSE management system is continuously being improved. In 2010, the focus was on improving performance and managing HSE risks while keeping pace with changes within the company. Our revised HSE policy, that was endorsed by me as the Sanofi CEO covers Sanofi's new and existing entities as well as its new values.





In order to incorporate the HSE policy within the company's business activities, a five-year strategic plan – HSE 2015 – was developed by the Corporate HSE Committee in 2010. This plan focuses on the following areas:

- A new HSE organization
- Developing and anticipating future HSE skills
- Training
- Support for new entities
- Feedback about experiences
- Better HSE communication

HSE Culture Training was implemented over the last three years to strengthen the company's safety culture. This training is for HSE professionals and operational managers. The goal for HSE professionals was to enhance their expertise. For operational managers, the goal was to strengthen a safety culture based on a sound understanding of risk management fundamentals and the recognition of safe behavior.

Our Safety Results:

- A 30% decrease in the occupational lost-time injury frequency rate between 2006 – 2010
- A nearly 40% decrease in the occupational lost-time frequency rate involving motor vehicles between 2006 – 2010.

## ENVIRONMENT

Biodiversity – Sanofi recognizes that biodiversity must be maintained and protected to ensure its existence for future generations. In 2010, we developed a Biodiversity position paper that describes our Biodiversity policy. Our commitment to this area is based on the Convention on Biological Diversity.

Water - Water is needed for processes to make medicines and vaccines. Responsibly managing this resource is important to our operations. At all levels, the company systematically assesses areas for water savings and invests in implementing new projects to reduce consumption. In 2011, Sanofi will implement a new tool to improve how the company manages water: the Global Water Tool. This tool, developed by the World Business Council for Sustainable Development, allows companies to assess and manage water-related risks. The Global Water Tool is used to analyze water use and make forecasts to define an action plan.

Pharmaceuticals in the Environment (PIE) - is an ever present issue for our industry. Sanofi works with stakeholders in the pharmaceutical sector and academia to expand scientific knowledge in this area. Since 2005, independent of any regulatory requirement, through a group of internal experts, the ECOVAL committee, Sanofi has carried out environmental risk assessments of some of the company's marketed drugs. Eight new environmental assessments were carried out in 2010.

Global Green Meetings Charter – was established with ten key points for eco-responsible behavior for organized company events and congresses.

New CO<sub>2</sub> Emissions Goal for 2015 - Fifteen percent reduction in direct and indirect CO<sub>2</sub> emissions based on units produced.

CO<sub>2</sub> Emissions reduction in Supply Chain – using trains and barges instead of road transportation for our product distribution in Europe has helped us achieve a 56% reduction in CO<sub>2</sub> emissions from 2007 – 2010.

Renewable Energy – Sanofi continues to make progress in implementing renewable energy by installing solar, geothermal and biomass energy sources at plants in Europe and the US.

## ANTI-CORRUPTION

In 2010, Sanofi established an anti-corruption policy, which was provided to all employees, via the company's intranet. This policy describes Sanofi's commitment to fighting all forms of corruption by presenting anti-corruption laws and regulations to employees so that they can apply them within the scope of their work. In 2010, Sanofi also established an anti-bribery policy and made it available to all employees via the Group and Corporate Compliance intranets. The policy was also distributed to employees by Compliance Officers based in all countries and over 3,200 employees (including affiliate managers and compliance officers) participated in e-learning sessions.



Sanofi is committed to fully integrate CSR into our business activities and way of thinking. We are still on our journey and we have a long way to go. Our partnership with the UN Global Compact helps us to achieve our goal – to be a leader in corporate social responsibility which in turn improves our performance as a company and as a healthcare partner. Through our CSR approach, Sanofi reaffirms its pledge to uphold the UN Global Compact principles. They are the benchmark we use to develop and maintain our CSR policies and practices. We will continue to demonstrate our obligation to protecting Human Rights, abiding by core labor standards, supporting freedom of association, protecting against child and forced labor, combating discrimination and protecting the environment.

For additional information about Sanofi's CSR activities, please refer to our 2010 Corporate Social Responsibility Report. This year, our Report is a comprehensive website and contains a GRI reference table so that sections relating to the UNGC are easy to locate. Click on the following link to access our Report website: <http://CSRReporting.Sanofi.com>.

Sincerely Yours,

A handwritten signature in blue ink, reading "Chris Viehbacher".

Christopher Viehbacher  
Chief Executive Officer  
Sanofi

A handwritten signature in black ink, consisting of several overlapping loops.

Gilles Lhernould  
Senior Vice President  
Corporate Social Responsibility  
Sanofi