SANOFI

United Nations Global Compact Communication on Progress-2015 June 4th

Sanofi is a signatory to the UN Global Compact (UNGC).

Olivier Brandicourt, our Chief Executive Officer renews our commitment in page 7 of our 2014 CSR report :

"Sanofi is committed to the 10 principles of the United Nations Global Compact in the field of human rights, working conditions, the environment and business integrity. We renew this commitment as an integral part of our CSR approach." May 2015

All information in this COP is compiled from our 2014 Corporate Responsibility Report, our CSR Download Center and our 2014 Document de Référence, accessible through the sanofi.com website.

Independent verification of Sanofi CSR data :

Each year, the reliability and thoroughness of our CSR data are audited by Independent Verifiers. Their review report appears at the end of the Document de Référence and CSR Report.

Sanofi's COP has been reviewed on june 1st 2015 by some peers of the Global Compact France Advanced Club

The 21 advanced criterion relate to the UNGC Ten Principles :

Human Rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

Labour

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Implementing the Ten Principles into Strategies and Operations	
Criterion 1: Mainstreaming into corporate functions and business units	
Best practices	**References**
Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc) ensuring that no function is conflicting with company sustainability commitments and objectives	2014 CSR report P15
Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy	2014 CSR report P14-16 2014 CSR report P13
Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary	2014 CSR report P15
Design corporate sustainability strategy to leverage synergies between and among issue areas and to deal adequately with trade-offs	2014 CSR report P19
Ensure that different corporate functions coordinate closely to maximize performance and avoid unintended negative impacts	2014 CSR report P19
Criterion 2: Value chain implementation	
Best practices	**References**
Analyze each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts	2014 CSR report P10-11-24-38-48-58-68-86 Responsible Procurement Factsheet
Communicate policies and expectations to suppliers and other relevant business partners	Suppliers'code of conduct 2014 CSR report P64-65
Implement monitoring and assurance mechanisms (e.g. audits/screenings) for compliance within the company's sphere of influence	Quality management system factsheet Responsible Procurement Factsheet

Criterion 3: Robust commitments, strategies or policies in the area of human rights	
Best practices	**References**
Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates	Human Rights Guide P3 Code of Ethics Suppliers' Code of Conduct Sanofi Social Charter
Integrated or stand-alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company	2014 CSR report P7
Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services	Human Rights Guide P24-25
Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties	Human Rights Guide P3

Criterion 4: Effective management systems to integrate the human rights principles	
Best practices	**References**
Process to ensure that internationally recognized human rights are respected	Sanofi Social Charter 2014 CSR report P61-67
On-going due diligence process that includes an assessment of actual and potential human rights impacts	2014 CSR report P19
Internal awareness-raising and training on human rights for management and employees	Factsheet Human Rights
Operational-level grievance mechanisms for those potentially impacted by the company's activities	Factsheet Resp Procurement 2014 CSR report P19 & p40 to 47
Allocation of responsibilities and accountability for addressing human rights impacts	2014 CSR report P19

Criterion 5: Effective monitoring and evaluation mechanisms of human rights integration	
Best practices	

System to monitor the effectiveness of human rights policies and implementation with quantitative and qualitative metrics, including in the supply chain	Human rights guide and factsheet Factsheet Resp Procurement 2014 CSR report P19 Internal control & Internal Audit Factsheet
Leadership review of monitoring and improvement results	Internal control & Internal Audit Factsheet
Process to deal with incidents the company has caused or contributed to for internal and external stakeholders	Compliance Factsheet
Grievance mechanisms that are legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning, and based on engagement and dialogue	2014 CSR report P19 & p40 to 47

Criterion 6: Robust commitments, strategies or policies in the area of labour

Best practices	References
Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments in company policies	DDR P358 2014 CSR report P51 2014 CSR report P60-67
Written company policy to obey national labour law, respect principles of the relevant international labour standards in company operations worldwide , and engage in dialogue with representative organization of the workers (international, sectoral, national).	Sanofi Social Charter
Inclusion of reference to the principles contained in the relevant international labour standards in contracts with suppliers and other relevant business partners	Sanofi Suppliers code of conduct
Specific commitments and Human Resources policies, in line with national development priorities or decent work priorities in the country of operation	Sanofi Social Charter Human rights guide and factsheet

Criterion 7: Effective management systems to integrate the labour practices

Best practices	References
Risk and impact assessments in the area of labour	2014 CSR report P19-20 DDR P358-359 Risk management factsheet HSE policy
Dialogue mechanism with trade unions to regularly discuss and review company progress in addressing labour standards	DDR P351-353

Allocation of responsibilities and accountability within the organization	DDR P351-353
Active engagement with suppliers to address labour-related challenges	Sanofi Suppliers code of conduct
Grievance mechanisms, communication channels and other procedures (e.g., whistleblower mechanisms) available for workers to report concerns, make suggestions or seek advice, designed and operated in agreement with the representative organization of workers	Compliance Factsheet

Criterion 8: Effective monitoring and evaluation mechanisms of labour principles integration

Best practices	References
Dialogues with the representative organization of workers to regularly review progress made and jointly identify priorities for the future	DDR P353; 2014 CSR report P73
Audits or other steps to monitor and improve the working conditions of companies in the supply chain, in line with principles of international labour standards.	DDR P385 Responsible Procurement Factsheet

Criterion 9: Robust commitments, strategies or policies in the area of environmental stewardship

Best practices	References
Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development)	DDR P361
Reflexion on the relevance of environmental stewardship for the company	HSE management system Factsheet
Written company policy on environmental stewardship	Biodiversity and Biopiracy Policy and Factsheet HSE Policy
Specific commitments and goals for specified years	2014 CSR report P88-94

Criterion 10: Effective management systems to integrate the environmental principles

Best practices	References
Environmental risk and impact assessments	DDR P358-359
Assessments of lifecycle impact of products, ensuring environmentally sound management policies	2014 CSR report P98-99 Disposal of unused medicines Factsheet

Allocation of responsibilities and accountability within the organisation	HSE Management system Factsheet
Internal awareness-raising and training on environmental stewardship for management and employees	2014 CSR report P95 DDR & CSR report

Criterion 11: Effective monitoring and evaluation mechanisms for environmental stewardship

Best practices	References
System to track and measure performance based on standardized performance metrics	2014 CSR report P106-108
Leadership review of monitoring and improvement results	2014 CSR Report and DDR
Process to deal with incident	DDR P360-361

Criterion 12: Robust commitments, strategies or policies in the area of anti-corruption

Best practices	References
Support by the organization's leadership for anti-corruption	2014 CSR report P65 Code of Ethics
Publicly stated formal policy of zero-tolerance of corruption	2014 CSR report P 65-66
Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor change	DDR P381-382 Fighting Corruption factsheet
Policy on anti-corruption regarding business partners	Brochure Standards for external experts' participation at scientific events Responsible procurement factsheet

Criterion 13: Effective management systems to integrate the anti-corruption principle

Best practices	References
Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees	Code of ethics 2014 CSR report P 65-66
Actions taken to encourage business partners to implement anti-corruption commitments	Conflict of interest Factsheet Responsible procurement factsheet

Management responsibility and accountability for implementation of the anti-corruption commitment or policy	2014 CSR report P63
Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice	Compliance factsheet
Internal accounting and auditing procedures related to anticorruption	Internal control & Internal Audit Factsheet

Criterion 14: Effective monitoring and evaluation mechanisms for the integration of anti-corruption

Best practices	References
Leadership review of monitoring and improvement results	Internal Audit and Control factsheet
Process to deal with incidents	Compliance factsheet Code d'Ethique P36
Public legal cases regarding corruption	DDR P127-128

Taking Action in Support of Broader UN Goals and Issues

Criterion 15: Core business contributions to UN goals and issues

Best practices	References
Align core business strategy with one or more relevant UN goals/issues	Position Paper Access to Healthcare 2014 CSR report P24-37 EDH : http://e-dh.org/index.php DDR P380-381
Develop relevant products and services or design business models that contribute to UN goals/issues	http://fondation-sanofi-espoir.com/en/action_programs.php
Adopt and modify operating procedures to maximize contribution to UN goals/issues	DDR P367

Criterion 16: Strategic social investments and philanthropy

Best practices	References

Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy	Sanofi Espoir website 2014 CSR report P24-37 Access to vaccines factsheet
Coordinate efforts with other organizations and initiatives to amplify—and not negate or unnecessarily duplicate—the efforts of other contributors	2014 CSR report P24-37

Criterion 17: Advocacy and public policy engagement

Best practices	References
Publicly advocate the importance of action in relation to one or more UN goals/issues	2014 CSR report P6 DDR P381 Human rights guide

Criterion 18: Partnerships and collective action

Best practices	References
Develop and implement partnership projects with public or private organizations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy	Factsheets : Participating in Collaborative Efforts to Promote Access to Healthcare Access to healthcare programs developed by our affiliates ACCESS TO MEDICINES Direction programs – 2014
Join industry peers, UN entities and/or other stakeholders in initiatives contributing to solving common challenges and dilemmas at the global and/or local levels with an emphasis on initiatives extending the company's positive impact on its value chain	DDR P376-380

Corporate Sustainability Governance and Leadership

Criterion 19: CEO commitment and leadership

Best practices	References
CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact	2014 CSR report P7
CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards	2014 CSR report P13

CEO leads executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation	2014 CSR report P13
Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team	2014 CSR report P81

Criterion 20: Board adoption and oversight

Best practices	References
Board of Directors (or equivalent) assumes responsibility and oversight for long-term corporate sustainability strategy and performance	DDR - Chapitre 1.2.1 - Evaluation du Conseil- Page 11 DDR - Chapitre 1.2.1 - Comité d'audit - Page 16
Board (or committee), where permissible, approves formal reporting on corporate sustainability	2014 CSR report P13

Criterion 21: Stakeholder engagement

Best practices	References
Publicly recognize responsibility for the company's impacts on internal and external stakeholders	2014 CSR report P14-16-17
Define sustainability strategies, goals and policies in consultation with key stakeholders	2014 CSR report P14-16-17