



CORPORATE
SOCIAL
RESPONSIBILITY

Human Rights at Sanofi

A holistic approach

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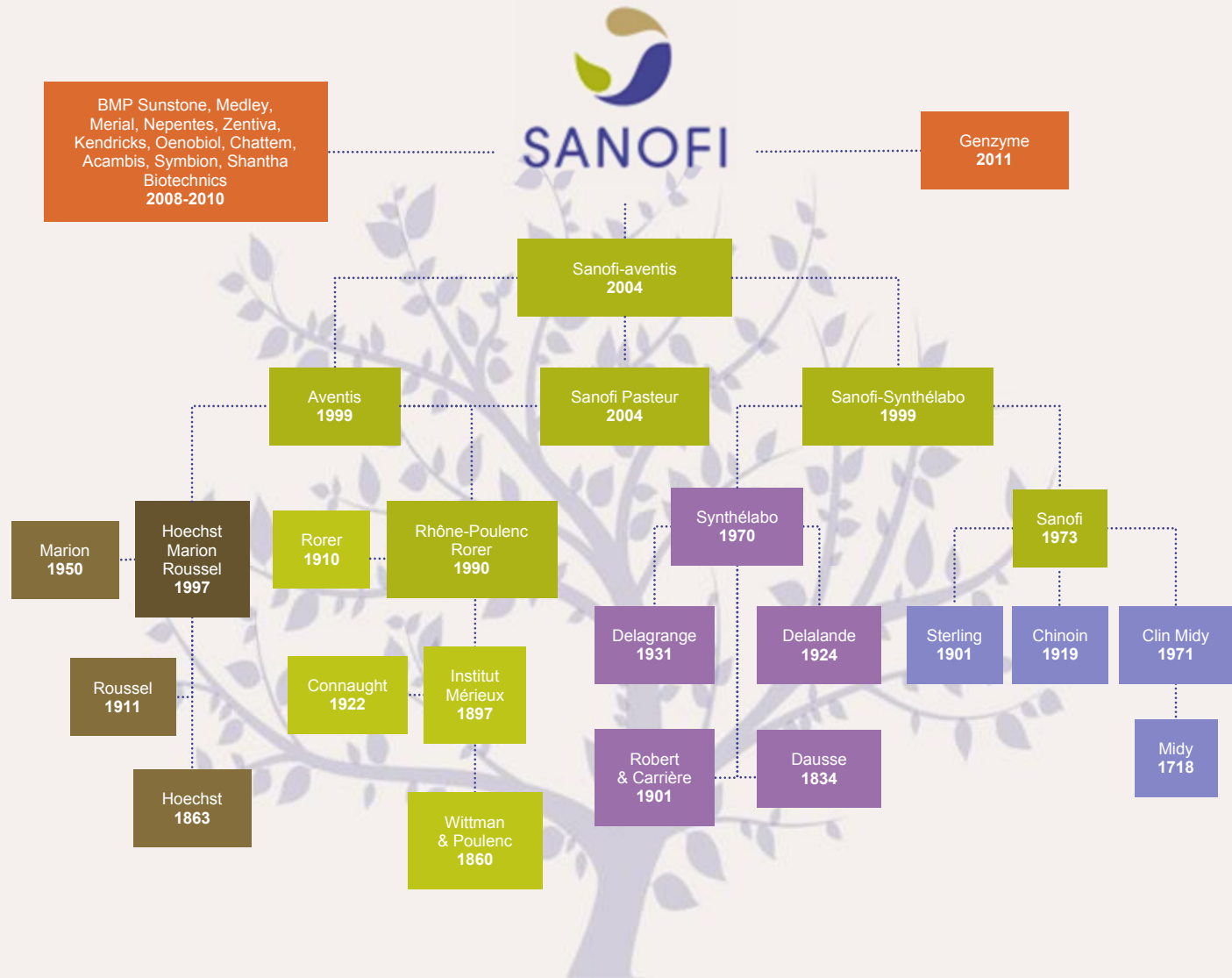


SANOFI AT A GLANCE

SANOFI AT A GLANCE

OUR HERITAGE

A long tradition in health



**SANOFI AT A
GLANCE**
OUR GROUP

● We are a **global healthcare company** engaged in the research, development, manufacturing and marketing of healthcare solutions.

€33 bn*
In sales in 2013

* €32,951 M

R&D
A major biopharmacy player

- **45%** of revenues generated by biologics
- **80%** of development projects are biologics

present
in more than
100
countries

112
Industrial sites
in 41 countries

more than
110 000
employees

Information of December 31st 2013

OUR GROWTH PLATFORMS



Emerging markets



Diabetes solutions



Vaccines



Consumer Healthcare



Animal Health



Genzyme



Other Innovative Products



OUR HUMAN RIGHTS APPROACH

Why implement a Human Rights approach?



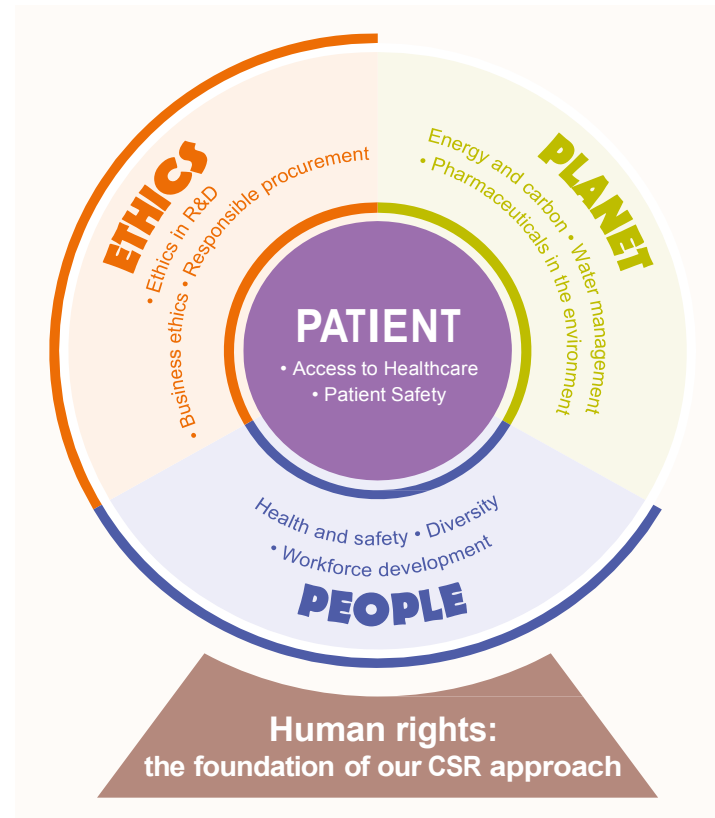
- It is the foundation of our CSR approach
- To anticipate increasingly stringent standards
- To prevent and mitigate risks
- To create opportunities for innovation and differentiation
- To answer stakeholders' expectations: e.g. CSR rating agencies
- To contribute to the good image and reputation of the Group

Human Rights as a foundation of our CSR approach



The foundation on which we build our CSR strategy is respect for human rights in all our activities.

We are committed to following this approach because we are convinced that the principles of human rights apply to people, to nations and, by extension, to businesses.



SANOFI'S HUMAN RIGHTS APPROACH



1. Implement an internal framework



- Code of Ethics
- Social Charter
- Suppliers Code of Conduct

- System of monitoring and surveillance through internal audits and grievance mechanisms

- In addition, Sanofi is a member of the United Nation Global Compact since 2003
 - Communication On Progress



2. Participate in tools and standards development



EDH association:

- Sanofi is a founding member of “Entreprises pour les droits de l’Homme” (Business for Human Rights)
- 8 French international groups: BNP Paribas, Casino, EDF, GDF SUEZ, Lafarge, Orange, ST Microelectronics and Sanofi
- Multi-sectors: energy, bank, micro-electronics, retailing, healthcare, construction
- Approximately 1 million employees in over 150 countries

Goals:

- Promote respect for human rights as an integral part of business conduct
- Develop operational tools to integrate human rights principles in daily business activities : training, assessment tools, etc.
- Participate in the development/ review of international standards texts

3. Assess internal practices (1/2)



Self-assessment and progress-based approach:

- ❑ **At the Group level**
 - In-house self-assessment tool based on Business Leaders Initiative for HR matrix
 - Assessment done at the level of several corporate and regional functions: Human Resources, R&D, HSE, Legal, etc.
 - Action plan based on results
- ❑ **At the country level**
 - Mapping of countries “at risk” (Maplecroft profiles)
 - In-house methodology and tools designed for country-wide assessment of practices based on the “HR Assessment tool for pharma companies” (Danish Institute for Human Rights)
 - Self-assessment in India, as a pilot country
 - Action plan
 - Sharing of good practices with other countries
- ❑ **Next step**
 - 2014: Perform additional assessments in countries “at risk” (cf Maplecroft)

3. Assess internal practices (2/2)



Evaluating and mitigating risk linked to Human Rights:

- ❑ Proactive strategy for managing risks related to our business
 - Risk Coordination Direction reporting to the CSR Direction
 - Risk Committee chaired by the Head of CSR
 - Risk internal framework and tools to help Sanofi entities assessing and mitigating risks related to their activities

- ❑ Specific working group set-up to develop a risk profile on social and human rights
 - Within Sanofi Operations
 - Within Suppliers

- ❑ Human Rights risks assessed by the working group:
 - Child labor, forced labor, freedom of association, non-discrimination, fair compensation/living wage, social benefits, human capital, personal data privacy, security of employees, psychosocial risks and health and safety at the workplace

4. Assess suppliers



- ❑ Selection of suppliers to be assessed using 2 criteria:
 - Identification of countries with possible human rights concerns: countries “at risk”
 - Definition of procurement categories where human rights non-compliance have been observed according to external sources (e.g. maplecroft profiles, etc.): procurement categories “at risk”

 - ❑ Evaluation in priority of suppliers providing goods or services “at risk” in countries “at risk”
 - Labor practices, respect of the environment, ethical behavior, etc.

 - ❑ Two types of assessment performed:
 - Evaluations performed through questionnaires with the support of a subcontractor specialized in suppliers CSR evaluation (Ecovadis)
 - On-site audits of suppliers performed by Sanofi Procurement

 - ❑ In 2013: About 500 suppliers underwent a CSR assessment
-

5. Train senior and operational managers



□ The situation

- Employees not always aware of the application of human rights principles within the company
- Human rights sometimes considered to be separate from the business

□ An awareness program designed for executives and managers

- Training organized within the scope of EdH or specific to Sanofi
- Sessions taught by top-level academics and specialists
- Basic principles and case studies
- More than 100 Sanofi team members received training since 2011

6. Develop a Human Rights internal guide



Objectives:

- ❑ Identify potential impact of Sanofi activities on human rights principles
- ❑ Raise awareness of Sanofi employees on this complex matter by taking into account stakeholders' expectations
- ❑ Describe some Sanofi good practices at every step of drugs' life cycle and in the workplace
- ❑ Act as a reference document for all Sanofi's managers making decisions about potential issues linked to human rights in their daily activity



7. Address Human Rights principles specific to Sanofi business



For instance, Right To Health

- ❑ Sanofi commitment is to enable individuals to assert their right to health by facilitating access to quality medicines and vaccines
- ❑ Specific access to quality medicines and vaccines programs in developing, emerging or developed countries
 - Affordability of drugs: Differentiated pricing, generics, etc.
 - Developing solutions adapted to patients' needs: specific drug formulations, dosages, packaging, etc.
 - Philanthropic programs through local partners
 - Training of healthcare professionals
 - Prevention/ education for patients

In 2013

- ❑ **177 million** people benefited from **over 260 programs**
 - **163 000** healthcare professionals received **training**
 - **97 million** patients received **diagnosis, vaccination**, etc.
 - **80 million** individuals were targeted by **awareness campaigns**

8. Communication: measuring performance and reporting (1/2)



- Human rights commitment and performance is addressed in our CSR Reporting tools
 - Annual CSR report : lien
 - CSR download center :
 - Human rights in business
 - Children rights
- Performance disclosure through specific indicators such as those developed by the Global Reporting Initiative (GRI)
- Global Compact: Communication on Progress (COP)
- Group performance also described in several CSR rating agencies questionnaires: Robeco-SAM (DJSI), Vigeo, ATM, Oekom, etc.

CONCLUSION



- ❑ Human rights in business is a complex topic that encompasses numerous issues, questions and concerns
- ❑ We cannot address this topic in the same way from one Group to another : customization is needed
- ❑ Sanofi is one of the leaders in the field thanks to its holistic approach and the many initiatives that have been taken over the past years
- ❑ A learning process, a long-term perspective
- ❑ Sanofi strongly believes that this approach will create value for the Group

THANK YOU