



**ANNUAL REVIEW 2011**

PUTTING PATIENTS FIRST



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# PROFILE

## SANOFI, A DIVERSIFIED, GLOBAL HEALTHCARE LEADER FOCUSED ON PATIENTS' NEEDS.

### Sanofi's **STRATEGY**:

- increase innovation in Research & Development;
- seize external growth opportunities;
- adapt to future challenges and opportunities.

### **SIX GROWTH PLATFORMS:**

Diabetes, Emerging Markets, Innovative Products, Human Vaccines, Consumer Healthcare, Animal Health.

With **GENZYME**, Sanofi is strengthening its expertise in biotechnologies and rare diseases.



MORE THAN  
**110,000**  
EMPLOYEES




PRESENT IN  
**100**  
COUNTRIES




A  
**DIVERSIFIED**  
OFFER  
of medicines  
and innovative  
therapeutic  
solutions



A  
**WORLD**  
LEADER  
IN HUMAN  
VACCINES



A  
**WORLD**  
LEADER  
IN ANIMAL  
HEALTH



**€33.4**  
BILLION SALES  
in 2011 representing  
a growth rate of **5.3%**  
(at constant exchange rates)



“THE ESSENTIAL PURPOSE OF OUR WORK  
**IS TO IMPROVE HEALTH.**”

Serge Weinberg  
Chairman of the Board of Directors

## 2011 A YEAR RICH IN CHANGE FOR SANOFI

Our Group completed two ventures that significantly modified our sphere of activities.

### **The most important was the acquisition of Genzyme.**

This was initiated in 2010 and completed in April 2011 when Genzyme, a leader in the field of rare diseases, came under the umbrella of Sanofi. Completing the Genzyme deal was a major investment, close to €15 billion. But it allows the Group to increase its presence in biotechnologies which hold great promise for the future and acquire a very interesting research portfolio. The second operation was the 100% integration of Merial into the Group. In the past, we only held 50% of this leader in animal health. In addition to these two strategic actions, several other acquisitions – particularly in China and India – also strengthened our position in emerging markets which delivered 30.3% of Group sales and experienced

growth of more than 10% in 2011. The Emerging Markets growth platform, together with the others: Diabetes, Consumer Healthcare, Animal Health, Human Vaccines and Innovative Products, will be the key for the future success of Sanofi.

In the short term, these platforms will help to minimise the effect of the end of exclusivity of several major molecules (Lovenox® and Taxotere® in 2010-2011; Plavix®, Avapro® and Eloxatine® in the United States in 2012). In the mid-term, **our diversified platforms will provide Sanofi with a capacity for growth** without major exposure to generic competition for its major molecules. Alongside the sustained focus on these growth platforms we will continue to improve the efficiency of our R&D.

**The future of Sanofi will be built upon its capacity to innovate.** More in-house selectivity and the development

of dynamic external partnerships will accelerate our innovation and allow us to offer new therapeutic solutions to meet patients needs.

The essential purpose of our work is to improve health. 2012 will be a pivotal period. I am convinced that the strategy defined by the Board of Directors in 2008 and implemented over the past three years will allow us to strengthen further our market-leading position in the long-term, creating sustainable growth in an environment satisfying the needs of patients, authorities, employees and shareholders.



« DELIVER SUSTAINABLE GROWTH  
TO CONTINUE **TO INNOVATE**  
**FOR PATIENTS.** »

Christopher A. Viehbacher  
Chief Executive Officer

# QUESTIONS FOR...

## CHRISTOPHER A. VIEHBACHER

### CHIEF EXECUTIVE OFFICER

#### How well did Sanofi perform in 2011 and what were some of the key highlights?

**C.V.:** 2011 was a key year in transforming Sanofi. We successfully acquired and integrated Genzyme, our growth platforms recorded double-digit growth, we delivered cost savings as planned and delivered on innovation. Several product exclusivity losses were absorbed and we successfully limited the impact on business EPS. Our late stage development portfolio holds significant value with five new medicines submitted for registration in 2011 and a sixth will be submitted in the first half of 2012. We now have important new molecules in development: in multiple sclerosis, colon cancer, familial hypercholesterolemia, VTE for patients undergoing chemotherapy and a number of innovative projects to improve the treatment of diabetes. Beyond the remaining patent cliff in 2012, the robust performance of our diversified

growth platforms, the reduced exposure to future patent expiries and progress on R&D, position Sanofi for a period of sustainable growth.

#### You've been pursuing the same strategy since 2008...

**C.V.:** Yes and we can see the fruits of this consistency in building a company based on sustainable growth. By increasing innovation in R&D, maximizing external opportunities and adapting the company for future challenges and opportunities, we now have strong growth platforms with minimal patent exposure post 2013. In fact, at our strategic seminar in September of 2011, we indicated that the compound annual growth rate between 2012 and 2015 was likely to average 5% for sales with increased dividend payout.

#### Let's go back to Genzyme: what does this acquisition bring to Sanofi and vice versa?

**C.V.:** This was an important acquisition and it has already been accretive to Sanofi in 2011 with the return on investment in the first year at least the same as our weighted average cost of capital invested.

**This acquisition further establishes Sanofi's foothold in biotechnology,** specifically in rare diseases where there is huge unmet need. We created the Boston Hub, bringing together our research activities across all our businesses together. The goal is to increase innovative exchange internally, and externally with the leading scientists of the world. We also created a strong Multiple Sclerosis division with the near term launches of Genzyme's Lemtrada™\*, which demonstrated very robust Phase III results and Sanofi's Aubagio™\*. Eliglustat, the next generation oral treatment for Gaucher disease has shown promising results and recruitment for Phase III is now completed. Most importantly, **following the approval in early 2012, of our new plant**

\* Definitions p. 44



●●● **in Framingham** by the FDA and EMA, we are on track to re-establishing full supply to patients on Fabrazyme® and Cerezyme®.

**Emerging markets offer significant growth potential for Sanofi, so what progress are you making in these markets?**

**C.V.:** Our historic presence in emerging markets is a true strength of Sanofi demonstrated by over 10% growth in 2011. There are over 80 individual markets, and overall we hold the number one position. We achieved €10 billion sales in emerging markets, including 65% in non-BRIC countries (BRIC being Brazil, Russia, India and China) demonstrating our significant geographical reach.

**The key to our continued success is our strong local management, which has a true understanding of the culture and needs,** a portfolio of products adapted to each market and local production

sites which provides a cost base adapted to each market.

**Diabetes is a highly competitive market. What were the major advances made in 2011?**

**C.V.:** With over 360 million people worldwide afflicted by this disease, this is an important growth platform for us **and I was pleased with our strong double digit growth in 2011.** And particularly in the fourth quarter, we grew over 16% in the USA driven principally by switch to SoloSTAR®. In emerging markets, we had an excellent result, growing more than 30%. We continue to develop innovative products to meet the needs of patients and to this end, filed our dossier for Lyxumia®\*, our GLP-1 molecule in Europe, and will do the same in the USA late 2012. We also began Phase III studies for a new larginine formulation. But to become a true diabetes company, we need to go

beyond treatment. We thus also began the roll-out of our iBGStar® blood glucose monitoring system, which will enable patients to monitor their disease better.

**How about vaccines?**

**C.V.:** The best way to treat disease is to prevent it in the first place! Not only did we have strong growth **and a record year in flu, but we continue to excel in innovating for patients.** For example, in the US, we launched the highdose flu for people over 65 and a new flu intradermal, where you can hardly see the needle – a great development for patients. Emerging markets grew at over 10% with Pentaxim® particularly strong, while Menactra® delivered a solid performance in the USA. Our dengue fever vaccine is also progressing well in trials. There is currently no treatment for dengue fever and about half the world's population is at risk. This vaccine would respond to a very real public health need.

●●●



# SPOTLIGHT

## HIGHLIGHTS

### FEBRUARY 24<sup>TH</sup>, 2011

The Group acquires BMP Sunstone Corporation in China.



### MARCH 22<sup>ND</sup>, 2011

Meriel becomes a wholly owned division of Sanofi and establishes its headquarters in Lyon, France.



### APRIL 4<sup>TH</sup>, 2011

Sanofi successfully finalizes its acquisition of Genzyme, which becomes a Group affiliate.



### MAY 6<sup>TH</sup>, 2011

At the General Meeting, a resolution to **change the company's name** is passed and the Group becomes Sanofi. Already in de facto use worldwide, the name Sanofi is easier to pronounce and remember in new markets.



"The single word 'Sanofi' simplifies our name at the international level and better reflects the current reality of the Group. The name federates our employees under a solid brand name. **Our new corporate identity** illustrates our desire to be a diversified global healthcare leader, focused on patients' needs."

**Laure Thibaud**, Senior Vice President, Communications, Sanofi.

### JANUARY 30<sup>TH</sup>, 2012

Partnership signed with the Bill and Melinda Gates Foundation and Eisai to combat neglected tropical diseases.



●●● **Other big pharma are moving away from Consumer Healthcare, but not Sanofi, why?**

**C.V.:** CHC is an important platform. Products are long lasting assets, are not patent dependent and are based on brand loyalty. This means that they can really deliver the sustainable growth we are looking for. Chattem, which we acquired 2 years ago in the USA, has grown each year for over 140 years! Their historic presence enabled us to launch Allegra® over-the-counter (OTC) in 2011 and **it has proven to be the most successful OTC launch in the US.** Within just a few weeks, it was already the No.2 product in the market. The platform delivered record sales of over €2.6bn, which places us in the top 5 globally. The acquisition of BMP Sunstone in China in 2011 was also important as it gives us access to new distribution channels, a strategically important factor in China, but it is our first move into traditional Chinese medicine.

**Where is the growth potential in the animal health market?**

**C.V.:** Our double-digit growth in emerging markets is indicative of the potential. As global population continues to expand, so does the need for a healthy food supply and therefore vaccines and treatment for production animals. We are also seeing increased pet ownership as new middle classes evolve. **As the global leader in the pet market** with products such as Frontline® and Heartgard®, we are well positioned to maximize these new opportunities and focus on growing our business in livestock medication and vaccines.

**How does Sanofi contribute to improving access to medicines globally?**

**C.V.:** We have a huge opportunity to make a difference in global health and feel a responsibility to society to use our expertise

to improve the lives of those in need. **Our strategy goes beyond simple drug donation however and is also based on R&D, industrial development and information & education programs,** we are extensively involved in diseases where we have strong expertise such as TB, malaria and mental illnesses. **We are also committed to fighting against neglected diseases.** We recently expanded our commitment with a partnership agreement with the Bill & Melinda Gates Foundation to support the WHO program to eliminate lymphatic filariasis by 2020. We have also extended our partnership with the WHO in sleeping sickness, Buruli ulcer and Chagas. Since 2001, we have saved over 170,000 lives and together, we aim to eliminate sleeping sickness by 2020.

 To learn more:  
[www.sanofi.com](http://www.sanofi.com)

# SPOTLIGHT

## INDUSTRIAL AFFAIRS IN 2011

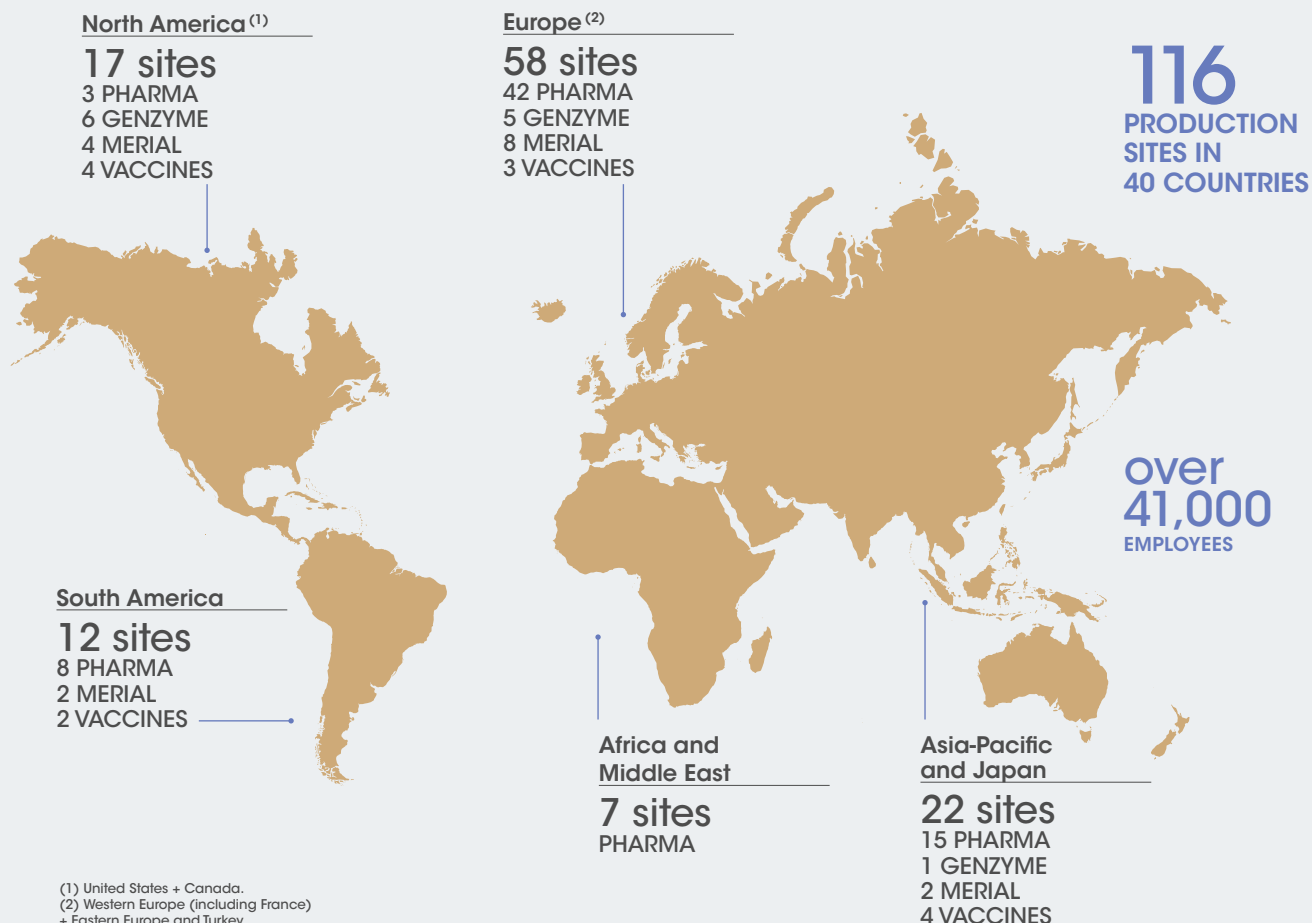
In 2011, Sanofi's industrial sites achieved increases in production volume while respecting and demonstrating their guiding fundamentals: product quality, client services and respect for environmental and safety rules. Industrial Affairs also contributed to the Group's economic performance. With improvements in procurement and processes and reductions in energy usage, Sanofi's competitiveness was strengthened.

Finally, Sanofi also demonstrated its ability to benefit from synergistic opportunities within the industrial network via the mobility of personnel and the sharing of production and distribution capacities. In 2012, Genzyme and Merial participated in the 4<sup>th</sup> edition of the Industrial Affairs Innovation Awards, which recognize innovation in processes, technologies and organization.

## TRANSVERSALITY: AN INDUSTRIAL REFLEX

The four pillars of industrial dynamics within the Group are **innovation, industrial fundamentals, competitiveness, and transversal collaboration**. The latter in particular is an indispensable element of Sanofi's growth. Transversality is about finding and sharing synergistic opportunities among Sanofi pharmaceutical activities, Sanofi Pasteur, Merial and Genzyme.

## AN INDUSTRIAL NETWORK CLOSE TO PATIENTS



# GOVERNANCE

The Company's corporate governance agenda is founded on the Afep-Medef code, available on the Medef ([www.medef.fr](http://www.medef.fr)) and Sanofi ([www.sanofi.com](http://www.sanofi.com)) websites.

## BOARD OF DIRECTORS

Sanofi is administered by a Board of Directors currently comprising fifteen members. The majority of the Directors are independent. Women represent 20% of the Directors and nearly half are from countries other than France. Subject to the authority expressly reserved by law to the shareholders' meetings and within the scope of the corporate purpose, the Board

of Directors deals with and decides upon all issues relating to the proper management of the Company and other matters concerning the Board. It determines the general directions of the Company's activities and ensures that they are implemented.

Members of the Board of Directors<sup>(1)</sup> : **SERGE WEINBERG**, Chairman of the Board of Directors • **CHRISTOPHER A. VIEHBACHER**, Chief Executive Officer • **LAURENT ATTAL** • **UWE BICKER\*** • **ROBERT CASTAIGNE** • **THIERRY DESMAREST** • **LORD DOURO\*** • **JEAN-RENÉ FOURTOU\*** • **CLAUDIE HAIGNERÉ\*** • **IGOR LANDAU** • **SUET-FERN LEE\*** • **CHRISTIAN MULLIEZ** • **CAROLE PIWNICA\*** • **KLAUS POHLE\*** • **GÉRARD VAN KEMMEL\***

(1) Subject to reappointment at the General Meeting of May 4th, 2012.

\*Independent Director.

## EXECUTIVE COMMITTEE

**CHRISTOPHER A. VIEHBACHER**  
Chief Executive Officer

**OLIVIER CHARMEIL**  
Senior Vice President,  
Vaccines

**JÉRÔME CONTAMINE**  
Executive Vice President,  
Chief Financial Officer

**DAVID-ALEXANDRE GROS**  
Chief Strategy Officer

**KAREN LINEHAN**  
Senior Vice President, Legal Affairs  
and General Counsel

**PHILIPPE LUSCAN**  
Senior Vice President,  
Industrial Affairs

**ROBERTO PUCCI**  
Senior Vice President,  
Human Resources

**HANSPETER SPEK**  
President,  
Global Operations

**ELIAS ZERHOUNI**  
President, Global  
Research & Development

 **To learn more:**  
Form 20-F  
[www.sanofi.com](http://www.sanofi.com)

The Executive Committee is chaired by the Chief Executive Officer.



CHRISTOPHER A. VIEHBACHER



OLIVIER CHARMEIL



JÉRÔME CONTAMINE



DAVID-ALEXANDRE GROS



KAREN LINEHAN



PHILIPPE LUSCAN



ROBERTO PUCCI



HANSPETER SPEK



ELIAS ZERHOUNI

# PERFORMANCE

## 2011: A KEY YEAR FOR SANOFI'S TRANSFORMATION

**Sanofi sales grew 5.3% over the previous year (at constant exchange rates) to reach €33,389 million.** For the year, sales of Genzyme and the six growth platforms reached €21,703 million. Together they now account for 65% of total Group sales and their progression partially offset losses due to new generic competition for certain products.

10.8%

Progression in sales for the growth platforms (excluding A/H1N1).

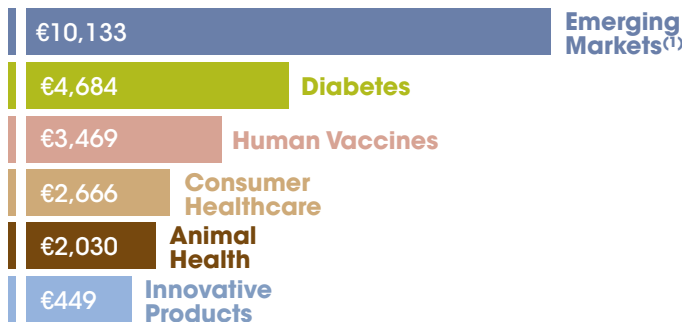
7.7%

Total sales for Genzyme increased 7.7% (at constant exchange rates) to reach €2,395 million in nine months (consolidated from April 1<sup>st</sup>, 2011).

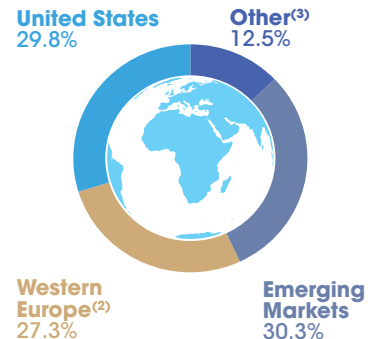
€2 billion

In 2011, Sanofi continued its cost-cutting efforts, attaining its goal of €2 billion in savings. A plan for equivalent, complementary savings by end-2015 has been implemented.

### TOTAL SALES FOR THE GROWTH PLATFORMS (in millions of euro)



### TOTAL SALES BY GEOGRAPHICAL ZONE (in % of sales)




(1) Includes €347 million for Genzyme. (2) France, Germany, United Kingdom, Italy, Spain, Greece, Cyprus, Malta, Belgium, Luxembourg, Portugal, Holland, Austria, Switzerland, Sweden, Ireland, Finland, Norway, Iceland, Denmark. (3) Canada, Japan, Australia and New Zealand.

**SANOFI CONTINUED ITS ACTIVITIES FOR ITS SIX GROWTH PLATFORMS:** Diabetes, Emerging Markets, Innovative Products, Human Vaccines, Consumer Healthcare and Animal Health. Furthermore, with Genzyme, the Company created a global center of excellence in the fields of rare diseases and multiple sclerosis. The growth platforms and Genzyme now represent 65% of total sales for the Group. In 2011, the best growth was in the Consumer Healthcare, Diabetes and Emerging Markets platforms.

ACTIVITIES IN

2011



SANDRA AND HER DAUGHTER,  
UNITED STATES

**GENZYME IS  
DISCOVERING AND  
DELIVERING INNOVATIVE  
TREATMENTS FOR  
PATIENTS LIKE SANDRA,  
WHO LIVE WITH A RARE  
DISEASE.**

With the acquisition of Genzyme, Sanofi now has a global center of excellence for rare diseases. By strengthening its work in biotechnologies, the Group remains steadfast to its commitment of meeting patients' needs.



# A STRENGTHENED PRESENCE IN BIOTECHNOLOGIES

**The Genzyme acquisition brings to Sanofi highly specialized expertise in rare diseases and helps the Group broaden its presence in biotechnologies.**

Sanofi focused on completing the full integration of Genzyme in 2011, ensuring a strong management team is in place and focusing work on rare diseases and multiple sclerosis. The products and services offered by Genzyme are primarily for treatment of rare genetic lysosomal storage disorders. Genzyme offers enzyme replacement therapies, including: Cerezyme® (imiglucerase for injection) for the treatment of Gaucher disease, Fabrazyme® (agalsidase beta) for Fabry disease, and Myozyme/Lumizyme® (alglucosidase alfa) for Pompe disease. As a new player in the field of multiple sclerosis, Genzyme's portfolio includes two molecular entities\*,

alemtuzumab and teriflunomide, for which the marketing authorization applications were submitted in the United States in 2011 and in Europe in early 2012. Both treatments are for patients with relapsing multiple sclerosis.

## FOCUS

**In January 2012, the EMA<sup>(2)</sup> and FDA<sup>(3)</sup> approved the manufacturing plant in Framingham (United States) for the production of Fabrazyme® (Fabry disease).**

(1) consolidated from April 1<sup>st</sup>, 2011.  
(2) European Medicines Agency.  
(3) Food and Drug Administration.

\*Defintion p. 44

€2,395  
million in sales<sup>(1)</sup>.

## CLOSE-UP: EXPRESSION OF HOPE

Every year since 2008, Genzyme has partnered patient associations around the world to recognize International Rare Disease Day an annual celebration held on the last day of February. This event was created by EURORDIS to raise public awareness about research and treatments for rare diseases. Genzyme recognizes Rare Disease Day through a broad spectrum of activities: patient testimonials, participation in research activities, Olympic-style relay races, and more. On February 29, 2012, Genzyme kicked off the second edition of the "Patient Advocacy Leadership

Awards" with a \$100,000 award earmarked to support patient advocacy organizations supporting rare disease communities. In collaboration with patient associations around the world, Genzyme also supports the international program Expression of Hope, dedicated to the artistic creations by patients with lysosomal storage disorders, as well as their families. Expression of Hope was created to generate public awareness about these rare genetic diseases and spotlight the spirit and courage of these thousands of patients.



Zack Dumond, United States



Angel Wu, Taiwan



To learn more:  
[www.expressionofhope.com](http://www.expressionofhope.com)



MARY, CHINA

**MARY HAS DIABETES. FOR HER, AND THE 366 MILLION OTHER PEOPLE IN THE WORLD WITH THIS DISEASE, SANOFI IS WORKING TO IMPROVE ITS OFFER OF THERAPEUTIC SOLUTIONS.**

**By 2030, more than 552 million people will have diabetes.**

More than ever, diabetes is a public healthcare priority, including in emerging countries where the disease is spreading at an alarming rate due to lifestyle changes (eating habits, inactivity, etc.). Sanofi is and will remain there to accompany patients and improve their quality of life.



# DIABETES

## AN ALL-ENCOMPASSING APPROACH

**In 2011, Lantus®<sup>(1)</sup> confirmed its place as the market-leading insulin. Beyond treatments, Sanofi is engaged in a comprehensive approach to diabetes management, from diagnosis to patient services. The launches of BGStar® and iBGStar™ confirm the company's unique position.**

Building upon its century-long commitment to fighting diabetes, Sanofi again returned solid results in 2011, with sales growing 12% to €4,684 million.

### **Strong growth in emerging markets**

Several factors explain the Group's sustained growth in diabetes. First, there is Lantus®, the Group's number one product, with sales of €3,916 million (+15%) in 2011. Lantus® can be administered with an injection pen such as Lantus® SoloSTAR® or ClickSTAR®, or subcutaneously with a syringe. Its growth was particularly strong in the United States (+14.6%) thanks to the success of the Lantus® SoloSTAR® pens, which represented 50% of global Lantus® sales in the fourth quarter of 2011.

Emerging markets are a second factor, with sales of €911 million, including growth of 20.1% in diabetes products. In these markets sales for Lantus® grew by 26%, with a particularly strong performance in Brazil. Apidra® sales grew also by nearly 9.6%.

**Sanofi's teams maximize their efforts to improve the overall management of diabetes.** Beyond traditional approaches, Sanofi proposes encompassing management via personalized and integrated solutions, including diagnostics, medicines, services and devices for blood sugar monitoring or treatment administration. The company's objective is to best serve the interests of patients with a model that goes beyond the

(1) Lantus®: Best-selling insulin brand worldwide in terms of total sales and number of units sold.

# FOCUS



## WORLD DIABETES DAY

November 14<sup>th</sup> 2011

Sanofi participated in World Diabetes Day, Patients and their loved-ones, specialists, the media and the public came together, particularly in the Near and Middle East, for a number of events including conferences, activities and meetings. The objective of the day was to improve awareness on the impact of diabetes on people and society. Sanofi offered free screening to the public as part of its ongoing battle against the disease.

•••

current fragmentation of care provision.

In 2011, the blood sugar monitors BGStar® and iBGStar™ were launched in Germany, France, Switzerland, Spain, the Netherlands and Italy. The market deployment will continue worldwide in 2012. The launch of these monitors is an example of Sanofi's continuing ambition to be a health partner focused on patients' needs.



The first blood glucose meter that connects to an iPhone® and allows patients to view and analyze blood sugar levels in real-time.



To learn more:  
[www.sanofi.com](http://www.sanofi.com)

# SPOTLIGHT

## PRINCIPAL MEDICINES

- **Lantus® (Insulin glargine)**: long-acting analog of human insulin.
- **Apidra® (insulin glulisine)**: rapid-acting analog of human insulin.
- **Insuman®**: a range of rapid- and intermediate-acting human insulins.
- **Amaryl® (Glimepiride)**: sulfonylurea-class hypoglycemic.

## PRINCIPAL MEDICAL DEVICES

- **ClickSTAR®**: rechargeable pen for Lantus®, Insuman® or Apidra® insulins.
- **BGStar® et iBGStar™**: blood glucose monitors for diabetic patients.
- **SoloSTAR®**: pre-filled multi-use disposable pen for the administration of Lantus®, Insuman® or Apidra®.



€4,684 M

2011 SALES,  
growth of 12%<sup>(1)</sup>

(1) All variations provided at constant exchange rates.

## GEOGRAPHICAL

### DISTRIBUTION OF SALES

(in millions of euro)

#### UNITED STATES

2,405 +14.4%

#### WESTERN EUROPE

943 +4.3%

#### EMERGING MARKETS

911 +20.1%

#### REST OF THE WORLD

425 +0.5%

## INDUSTRIAL AFFAIRS

The production of cartridges for Lantus® SoloSTAR® insulin pens was launched at the Orel production site in Russia. Purchased by Sanofi in 2010, the site will produce 20 million cartridges per year for the local market.

## HIGHLIGHTS 2011

### www.T1DSTARS.com

A website, targeting teenagers in particular, to raise awareness of type 1 diabetes.

### CHINA

Sanofi supports the launch of the China Initiative for Diabetes Excellence, an unprecedented, patient-centered, public-private partnership focusing on the integrated management of diabetes.

### KOREA

Green Star Campaign: an awareness-raising campaign focused on insulin therapies and environmental protection with the Korean Diabetes Association.

### LYXUMIA®\* (Lixisenatide) GLP1 class

Submission of application for regulatory approval in Europe for type 2 diabetes, developed under a license from Zealand Pharma.

\* Definition p. 44



LARA, BRAZIL

## FOR LARA AND FOR ALL PATIENTS IN EMERGING COUNTRIES

**Sanofi has chosen a regionalized strategy to respond to the dynamics of emerging markets.** To address local needs, the Group favors approaches that are adapted to the specificities of local healthcare systems.



# EMERGING MARKETS

## A FRUITFUL ACQUISITIONS STRATEGY

**A pillar of Sanofi's growth strategy, emerging markets continued their progression in 2011; they now represent more than 30% of total Group sales.**

Sanofi  
**#1**  
 in emerging markets

(1) Includes €347 million for Genzyme.  
 (2) Excludes A/H1N1 influenza vaccines.  
 (3) Excludes Genzyme and A/H1N1 vaccine sales.

With sales increasing 10.4%<sup>(1)</sup> to €10,133 million, emerging countries now account for nearly a third of Sanofi's total sales, ahead of both the United States (29.8%) and Europe (27.3%). This performance is explained by organic growth greater than 10%<sup>(2)</sup>, confirming Sanofi's positioning in these regions. **Targeted acquisitions, reaching €3.7 billion since 2009**, have further strengthened the Group's presence in emerging countries.

**Flourishing BRIC economies**  
 The most impressive growth in emerging countries is to be found in Brazil, Russia, India and China (grouped under the acronym "BRIC"). Together, BRIC countries

grew 19.8% to €3,467 million. Brazil leads within BRIC, accounting for 43.9% of this total, with sales growth of 16.9%<sup>(3)</sup>. Overall, Latin America grew by 18.1%<sup>(3)</sup>. The majority of Sanofi's activities demonstrated growth in emerging markets, for example, sales for the Diabetes platform increased 20.1% thanks to Lantus® (+26%) and vaccine sales (excluding A/H1N1) grew by 10.7%. Consumer healthcare (+20.8%) and generics (+14%) grew strongly in Latin America, benefiting in particular from the deployment of Medley brands in additional countries. Generics, which accounted for 62% of sales in emerging countries, continued to grow in Eastern Europe, thanks to Zentiva.

...

# COUNTRY FOCUS



## MEXICO

Sanofi Pasteur and Merial, respectively the Human Vaccines and Animal Health divisions of Sanofi, have teamed with the Mexican authorities to eradicate rabies. Within the partnership, the Sanofi divisions are providing both vaccines and logistical support to the national center for disease control and prevention programs. This collaboration is essential for addressing a major public health issue: each year, more than 20 million rabies vaccines are used to immunize dogs and cats in Mexico, and more than 60,000 human rabies vaccines are administered.

...

Finally, sales in animal health increased by 12.4%.

### **Sanofi: a pioneer in China**

Sanofi was the first multinational pharmaceutical company to establish a business presence in China. In 2011, sales growth was especially strong: +38.5%. Sales of Lantus® in particular, but also Plavix®, Aprovel® and Eloxatine® contributed largely to these results. In February 2011, the acquisition of BMP Sunstone allowed the Group to strengthen its position in the Chinese over-the-counter market. The year-end acquisition of the nutraceutical activities of Universal Medicare in India is another example of Sanofi's strategy of targeted acquisitions. The Group now

has more than 21,000<sup>(1)</sup> sales representatives throughout the emerging countries, with the largest constituency in China.

(1) December 2011.

## UNIVERSAL MEDICARE IN INDIA

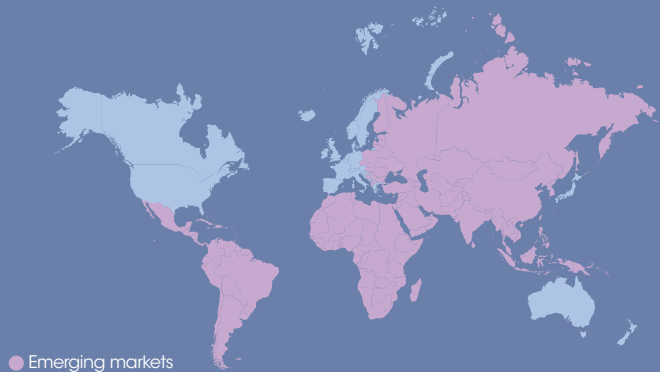
With the purchase of Universal Medicare, Sanofi has strengthened both its Emerging Markets growth platform and its sustainable growth strategy in India. Additionally, this action will favor the creation of a Consumer Healthcare platform in the country.

To learn more:  
[www.sanofi.com](http://www.sanofi.com)



# SPOTLIGHT

## SANOFI AND EMERGING MARKETS <sup>(1)</sup>



● Emerging markets

(1) Excluding the United States, Canada, Japan, Australia, New Zealand and Western Europe (France, Germany, United Kingdom, Italy, Spain, Greece, Cyprus, Malta, Belgium, Luxembourg, Portugal, Holland, Austria, Switzerland, Sweden, Ireland, Denmark).

## CHINA

Sanofi's acquisition of BMP Sunstone will strengthen the offer provided by the Minsheng Pharmaceutical Co. Ltd. joint venture.



## INDUSTRIAL AFFAIRS



Hangzhou site (China)

To respond to strong demands, several production sites are being developed in emerging countries: Brasília (Brazil), Goa (India), Saudi Arabia, Beijing and Hangzhou (China). The Beijing site will begin manufacturing Lantus® SoloSTAR® injection pens in 2012.

## HIGHLIGHTS 2011

### BRAZIL

For the sixth consecutive year, Sanofi was listed as one of the "best businesses to work for" in Brazil (Abril classification). For this year's classification, the Group was recognized in the category "social business and development." The Group's 15 million real (slightly more than €6 million) investment in training and the priority it gives to promoting

talent development were emphasized. Sanofi was also awarded the prize for the most admired company in Brazil, an honor that demonstrates the important recognition that the Group has built over the years in the country.

### RUSSIA

At the Platinum Ounce 2011 awards' Sanofi was honored twice, receiving the international pharmaceutical manufacturer prize and the business project - localization of insulin production prize.

### VIETNAM

Sanofi was honored with a business medal from the President of Vietnam in recognition of its performance and contribution to the country's development over the past five years.

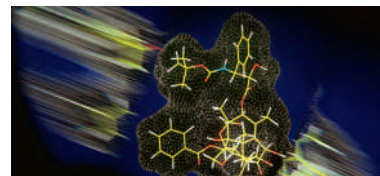
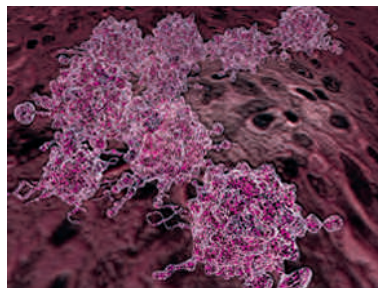
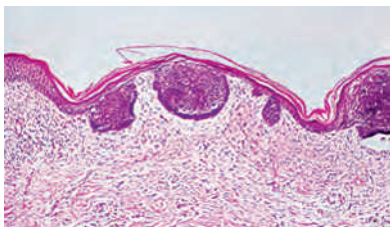


SCOTT, UNITED STATES

**LIKE SCOTT, MORE THAN  
12 MILLION PEOPLE  
ARE DIAGNOSED WITH  
CANCER WORLDWIDE  
EVERY YEAR.**

**A number that has doubled  
over the past thirty years.**

The objective of research at Sanofi is to give patients hope. Our research teams create durable partnerships to discover and develop new medicines for treating cancer.



# INNOVATIVE PRODUCTS

## FOCUSING ON KEY INNOVATIONS

**To respond to the ever-increasing needs of patients, Sanofi endeavors to transform the most recent scientific discoveries into highly efficacious treatments. Via Sanofi's own R&D capacities and its numerous partnerships, the cycle of innovation is accelerating.**

The year 2011 was a pivotal year for research and development at Sanofi. Dr. Elias Zerhouni implemented a new worldwide organizational structure for this strategic motor of the Group, with the ambition of creating **four innovation centers located in the United States, France, Germany and Asia.**

Teams within the R&D structure are open and interconnected, thus creating a foundation for a unique and accessible body of knowledge in the fields of medicines, vaccines, biotechnologies and animal health. The structure eases synergies and insures access to external innovations via "intelligence partnerships" with local academic, scientific

and medical communities. The result: more than five products are currently in the registration process.

### **Benefiting from local opportunities**

Five priority fields of disease have been defined: diabetes, oncology, inflammatory diseases, ageing, and rare diseases. Sanofi R&D has also the means to address diseases endemic to emerging regions: the dengue vaccine, for which the results of efficacy studies will be available this year, is a good example of this. Beyond their potential as a motor of growth, Sanofi's focus on endemic diseases treatments provides a veritable worldwide public health needs.

...

# FOCUS



## TRANSLATIONAL MEDICINE: A CONCRETE EXAMPLE IN FAMILIAL HYPERCHOLESTEROLEMIA

Developed in partnership with Regeneron, the PCSK9 antibody is scheduled to enter into Phase III trials on the heels of encouraging efficacy studies done in 2011. The discovery of the antibody's target, the PCSK9 protein, was the result of a remarkable translational study in humans. Genetic studies have demonstrated that lowering PCSK9 function can be extraordinarily advantageous in controlling cholesterol; the PCSK9 antibody thus holds great promise for patients.

...

### **A critical look at the R&D portfolio**

Sanofi has chosen to concentrate its efforts on projects with great added value for patients. Among these, three are currently in Phase-III testing: a new formulation of insulin glargine to treat type-2 diabetes; SAR302503, a JAK-2 inhibitor, for the treatment of myelofibrosis; Fluzone® and VaxiGrip®, quadrivalent inactivated influenza vaccines.

intended for second-line therapy of metastatic colorectal cancer. It slows the growth of new tumor-irrigating vessels. The Zaltrap® application was accepted for review by EMA at the end of 2011 and submitted to the FDA in February 2012.

\* Definition p. 44.

### **Zaltrap®, a concrete example of partnerships with strong added value for patients**

Zaltrap®\* (afibercept), developed in partnership with Regeneron, is one of Sanofi's most advanced compounds. This experimental inhibitor is

# 60

new molecules and vaccines in clinical development, of which 17 are in Phase III trials or currently being considered for market authorization (as of Feb. 2012).

To learn more:  
[www.sanofi.com](http://www.sanofi.com)

# SPOTLIGHT

## ELIAS ZERHOUNI, PRESIDENT, GLOBAL R&D: "STRENGTHENED COOPERATIONS"



"Our objectives for 2012 are clear. For the 7 billion people of this planet, we must mobilize all our talent to prevent, treat and cure diseases. To achieve this, we have three primary levers: medical value, or in other words focusing on projects with high added value

for patients and payers; operational efficiency, which obliges us to continuously question our ways; and finally scientific quality, that is, favoring project quality, not quantity. We are convinced by what translational medicine has brought to the field. Every day, we work internally and externally to strengthen cooperation between all the researchers whose work is focused on patients. This new discipline, which we hope to integrate into all our R&D methods, will be a major tool for accomplishing our mission, especially when backed by open innovation."

## FIVE NEW PRODUCTS\* SUBMITTED TO AMERICAN AND/OR EUROPEAN REGULATORY AGENCIES

### ● Kynamro™ (mipomersen)

– Licensed by Isis Pharmaceuticals Inc. – Homozygous familial hypercholesterolemia (HoFH) and heterozygous familial hypercholesterolemia (HeFH).

### ● Aubagio™ (teriflunomide)

Monotherapy treatment for relapsing forms of multiple sclerosis.

### ● Visamerin® / Mulsevo® (semuloparin)

Prevention of venous thromboembolism events in people receiving chemotherapy.

### ● Lyxumia® (lixisenatide)

– Licensed from Zealand Pharma – type 2 diabetes.

### ● Zaltrap® (afiibercept)

Developed in partnership with Regeneron, second-line treatment for colorectal cancer in association with chemotherapy.

### ● Lemtrada™ (alemtuzumab)

to treat patients with relapsing multiple sclerosis. Genzyme is finalizing the regulatory submissions in Europe and in the United States in 2012.

# 18

## POTENTIAL PRODUCT

launches between 2012 and 2015



Biolaunch site, Vitry-sur-Seine (France).

## INDUSTRIAL AFFAIRS

Several European production sites are being prepared for the launches of innovative products\*.

### ● Aubagio™ (teriflunomide)

Frankfurt (active pharmaceutical ingredient), Compiègne (final product)

### ● Dengue vaccine

Neuville-sur-Saône

### ● Certifect® (animal health)

Toulouse

## HIGHLIGHTS 2011

JEVTANA® (cabazitaxel) injection receives marketing approval in Europe for the treatment of hormone refractory metastatic prostate cancer (previously treated with docetaxel).

\* Definitions p. 44



FOR THE POPULATION AT LARGE

**SANOFI PASTEUR  
MAKES 1 BILLION  
DOSES OF VACCINES  
AVAILABLE EVERY YEAR,  
THUS PERMITTING THE  
IMMUNIZATION OF 500  
MILLION PEOPLE THE  
WORLD OVER.**

**Sanofi Pasteur offers the world's largest range of vaccines, covering 20 different infectious diseases:** Cholera, diphtheria, *Haemophilus influenzae* type b, meningococcal infections, whooping cough, pneumococcal infection, tetanus, tuberculosis, typhoid fever, hepatitis A and B, seasonal flu, Japanese encephalitis, measles, mumps, poliomyelitis, rabies, rubella, chicken pox, yellow fever.



# HUMAN VACCINES

## INNOVATION FOR PREVENTION

**In 2011, Sanofi Pasteur confirmed its place as the world leader in influenza vaccines. The vaccines division of Sanofi also continued introducing pediatric combination vaccines in numerous countries while pursuing the development of new vaccines.**

The year 2011 was a record-breaker for the production of seasonal flu vaccines due to high demand in the southern hemisphere, particularly in Latin America. In America, influenza A (H1N1) campaigns in 2010 were well-received; furthermore they raised public awareness of the importance of seasonal flu vaccination. In 2011, Sanofi Pasteur bolstered its position as the world's largest producer of seasonal flu vaccines.

Pediatric combination vaccines have the advantage of immunizing infants and children against several diseases in a single injection, thus reducing the number of shots administered and increasing the adherence to vaccination schedules. Already in widespread use in Europe,

Sanofi Pasteur's pediatric combination vaccines are currently being deployed via public vaccination campaigns not only in the United States but also in emerging countries such as Mexico and South Africa. Furthermore, in China, Sanofi Pasteur has launched Pentaxim® (DTaP-IPV-Hib), which protects children against 5 potentially deadly diseases: diphtheria, tetanus, pertussis (whooping cough), poliomyelitis and Hib infections. Pentaxim® is the first-ever 5-in-1 vaccine on the Chinese market. More than 100 million doses have been distributed in more than 100 countries. Pentaxim® is included in the routine vaccination schedules of 23 countries. Hexaxim™, an unprecedented totally liquid vaccine protecting against six



Any information provided on cited products is in no way intended to promote their use.

# COUNTRY FOCUS



## FLUZONE<sup>®</sup>, A VACCINE FOR UNIVERSAL COVERAGE

Since 2010, the United States recommends universal vaccination for seasonal flu. To respond to this demand, Sanofi Pasteur has developed the innovative Fluzone<sup>®</sup> family of vaccines specifically for this market. The family comprises three vaccines: Fluzone<sup>®</sup>, a classic intramuscular injection; Fluzone<sup>®</sup> High-Dose, specifically developed for people over 65; and Fluzone<sup>®</sup> ID, administered intradermally with a very fine needle. The Fluzone<sup>®</sup> family thus increases administration comfort and the rate of vaccinal coverage for influenza in adults.

...

diseases (same as Pentaxim<sup>®</sup> plus hepatitis B), is currently submitted for authorization and should become available in 2013. Sanofi Pasteur's development of pediatric combination vaccines is also a building block of its ongoing efforts to eradicate polio in partnership with the World Health Organization (WHO). Today, Sanofi Pasteur is the primary manufacturer of injectable or oral monovalent polio vaccines.

### Responding to unmet needs

The current portfolio development comprises 13 vaccines, some of which are intended specifically for emerging markets. Among these is **the dengue vaccine which is particularly important for Sanofi.**

A new organization and major industrial investments were necessary for its development, which is currently underway. Another important product for the Group's growth is the cholera vaccine ShanChol<sup>™</sup>, produced at the Shantha Biotechnics site in India. It has already been prequalified by the WHO. ShanChol<sup>™</sup> will be available at accessible prices for the populations living in cholera-endemic zones. The disease affects approximately 150,000 people every year.

To learn more:  
[www.sanofi.com](http://www.sanofi.com)



# SPOTLIGHT

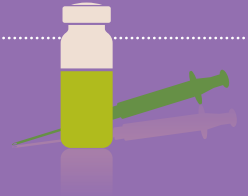
Beyond being the world's leader in influenza vaccines, Sanofi Pasteur also produces several pediatric combination vaccines that are recommended in vaccination schedules in numerous countries in Europe, in the United States, and in many emerging countries. Sanofi Pasteur also offers the largest range of vaccines for endemic and travel diseases. The company is currently developing a vaccine for dengue, a disease that threatens 50% of the world's population, and for which there is currently no specific treatment. There are currently 10 vaccine production sites throughout the world. This number will soon climb to 13, when new sites enter into service.



## Neuville-sur-Saône

In France, the Neuville-sur-Saône production site was recently converted from the production of chemicals to that of dengue vaccines. The launch of the vaccine is scheduled for 2014.

**13**  
**VACCINES**



under development, of which **6 are**  
in **Phase III** trials or being registered.

**OVER 200**  
**MILLION DOSES**  
of influenza vaccine delivered  
in the year

**+21.9%**  
**PROGRESSION**  
in sales of Polio / Pertussis / Hib  
vaccines in emerging markets in 2011.

## HIGHLIGHTS

### MAY 2011

The FDA approves Fluzone® ID.

### SEPTEMBER 2011


Sanofi Pasteur donates a vaccinal strain to the WHO for the eradication of polio.

### JANUARY 2012

Brazil, with the world's fifth-largest population, makes Sanofi Pasteur's inactivated polio vaccine part of its national vaccination program.

### FEBRUARY 2012

Sanofi Pasteur and the Centre National d'Etudes Spatiales, France's national space agency, join forces to launch a pilot project to map dengue-endemic zones using satellite imagery.

A close-up portrait of a middle-aged man with dark hair, smiling broadly. He is wearing a light blue polo shirt with dark blue horizontal stripes and a gold crest on the chest. The background is a blurred indoor setting with shelves.

KUMAR, INDIA

**FOR KUMAR  
AND FOR AS MANY  
AS POSSIBLE**

**Health needs evolve  
continuously; the Group must  
do the same to provide  
pertinent answers.**

"Sanofi, a global leader in  
consumer healthcare, works  
incessantly to make a difference  
in people's daily lives."



# CONSUMER HEALTHCARE

## SUCCESS FOR ALLEGRA® OVER-THE-COUNTER

**Sales of Sanofi's Consumer Healthcare platform grew 22.8% in 2011.**

**The successful conversion of Allegra® to an over-the-counter medicine in the United States and the acquisition of several companies, in particular BMP Sunstone in China, explain this solid performance.**

Allegra® OTC (over-the-counter) has become Sanofi's number-one consumer healthcare product with sales reaching €245 million, €211 million of which were in the United States.

**A cornerstone of this success was the strategic acquisition of Chatterm Inc.,**

a veritable platform for consumer healthcare products in the US. In Europe, Sanofi is focusing its efforts on five key market segments: colds and cough, pain, gastro-intestinal discomfort, allergies, vitamins and food supplements.

The Group is implementing a deployment strategy built upon the internationalization of strong brand-names within these segments, for example, Maalox® (stomach pain), Allegra® (allergies), Magné B6® and Omnivit® (vitamins) and

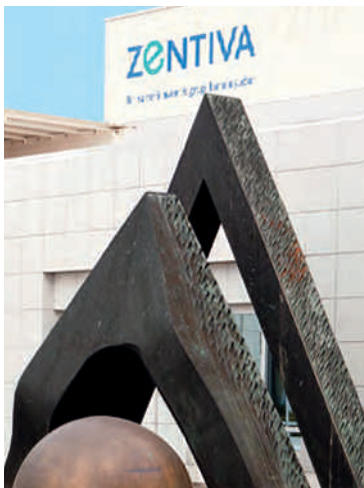
Oenobiol® (food supplements for beauty). Market-leading local brands such as Doliprane® (fever and pain), as well as Enterogermina®, Essentielle® and No Spa® (gastro-intestinal disorders) are also included in this strategy.

**A stronger presence in China**

With the acquisition of BMP Sunstone and its market-leading brand Haowawa® (Good Baby), Sanofi has become one of the top-five multinational companies on the Chinese self-medication market. The acquisition also gives Sanofi access to a vast distribution network of approximately 80,000 drugstores. The joint-venture with Minsheng Pharmaceutical Co., Ltd. also strengthens Sanofi's presence

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# FOCUS



## GENERICS PROGRESS

Sales in generics grew 16.2% to €1,746 million in 2011. The threshold of €1 billion was crossed for the first time in emerging countries, which now account for two-thirds of total sales. Sanofi's current generics strategy is to continue expanding in the South American market with Medley, while also developing **Zentiva to create a unique brand in Europe**. In generics as in other areas, Sanofi aims at offering a large range of products that respond to the real needs of patient.

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in China, in particular for vitamins and mineral supplements. These recent acquisitions of strong companies and brands illustrate the Group's focus on targeted investments to attain dominant positions in strategic sectors. In addition to China, other geographical zones also grew considerably in 2011. For example, sales in Latin America grew by 16% with a particularly strong contribution from Brazil. Regional brands, notably Medley, also continued to grow strongly. In 2011, approximately half of the sales in consumer healthcare products was recorded in emerging markets.

USA, RUSSIA,  
FRANCE

**3**  
main markets  
for consumer  
healthcare  
products  
in 2011



Haowawa® a leading brand from BMP Sunstone.

To learn more:  
[www.sanofi.com](http://www.sanofi.com)

# SPOTLIGHT

## PRINCIPAL PRODUCTS AND MARKETS

- **Allegra®**  
(allergy)  
United States, Eastern Europe.
- **Doliprane®**  
(pain)  
France, Africa.
- **Enterogermina®**  
(gastro-intestinal)  
Europe, Latin America, India, Central Asia.
- **Essentiale®**  
(gastro-intestinal)  
Russia, Eastern Europe, Southeast Asia.
- **No Spa®**  
(gastro-intestinal)  
Russia, Eastern Europe.
- **Maalox®**  
(gastro-intestinal)  
Europe, Latin America, Russia, Africa, Middle East, Asia.
- **Magne B6®** (vitamins and mineral supplements)  
Europe, Russia.
- **Lactacyd®/Dermacyd®**  
(feminine hygiene)  
Brazil, Asia.



The Lactacyd® line, launched in China in 2011.

## DISTRIBUTION OF SALES, CONSUMER HEALTHCARE

BY GEOGRAPHICAL ZONE  
(in millions of euro)

### WESTERN EUROPE

**651** +3.2%

### UNITED STATES

**549** +80%

### EMERGING MARKETS

**1,225** +20.8%

### REST OF THE WORLD

**241** +5.1%

## INDUSTRIAL AFFAIRS

Sanofi has increased its industrial presence in China with two production sites entirely dedicated to consumer healthcare products: BMP Sunstone Corporation and Minsheng Consumer Healthcare Co., Ltd. Specific production sites for consumer healthcare products are also located in France, Australia, Brazil and Mexico.

## HIGHLIGHTS 2011

### BMP SUNSTONE

Sanofi acquires BMP Sunstone and creates a solid Consumer Healthcare platform in China.


### ALLEGRA®

In the United States, Allegra®, a range of allergy medicines for adults and children aged 2 years or more, is approved as an over-the-counter product.

### UNIVERSAL MEDICARE

Sanofi agrees to acquire the Indian company Universal Medicare, which specializes in nutraceuticals and other products such as vitamins, antioxidant and mineral supplements.

The acquisition eases the development of a local Consumer Healthcare platform.



**With Merial, a world leader in animal health, Sanofi is developing, producing and marketing innovative medicines and vaccines for livestock and pets.**

The company's range of products includes antiparasitics, anti-infectives and other products such as anti-inflammatories, ulcer treatments and pet and livestock vaccines.



# ANIMAL HEALTH

## SUSTAINED GROWTH LED BY EMERGING COUNTRIES

**In 2011, Merial was completely integrated into Sanofi. Its sales for the year grew by 4.3%. Livestock and poultry activities performed solidly, as did sales in emerging markets.**

To capitalize on Merial's contribution to the Group, Sanofi is rebalancing its portfolio via the development of livestock and poultry activities, which currently account for 37% of the affiliate's sales. In 2011, sales grew 8.9% to €753 million, with particularly strong performance in products for ruminants (+11.6%) and poultry (+7.8%). The year was also rich in R&D, with several new marketing authorizations (MAs). In the United States, MAs were obtained for Certifact® (fipronil-based antiparasitic for tick and flea control in dogs), Zactran® (antibiotic for treating bovine respiratory diseases) and Eprinomectin (antiparasitic for cattle). Certifact® also received an MA in the

European Union, as did Purevax® Rabies (for use in cats) and an equine West-Nile virus vaccine.

### **Strong progression in emerging countries**

The United States is Merial's largest market, accounting for 39.5% of total sales, followed by France, Brazil and Italy. However, emerging markets provided the strongest increasing 12.4% in 2011. They now represent a fourth of total animal health sales, due to the success of Vaxxitek®, a vaccine for preventing infectious bursal disease and Marek's disease in chickens. Merial is focusing on developing its farm-animal activities and strengthening its presence in emerging markets. In 2012, the affiliate

...

# FOCUS

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## A VET PARTNER IN 2011



The 250th anniversary of the founding of the world's first veterinary school in Lyon (France) was celebrated in 2011. With Vet2011 and the declaration of 2011 as "World Veterinary Year", professionals in animal health are reminding the world that they too are defenders of global public health. Because of its activity, history and commitment to animal health, Merial was quite naturally a major partner of Vet2011.

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will continue diversifying its product portfolio via new partnerships and acquisitions.

### Good performance in the pets segment

For the year 2011, sales for Sanofi's animal health division progressed to €2,030 million. The Frontline Plus® (Frontline Combo® in Europe) line grew moderately by 0.9%, hampered somewhat by generic competition and the appearance of new

companies in the sector in the United States and Western Europe. The pets sector nonetheless attained its objectives, with growth in sales of 1.8%.



To learn more:  
[www.sanofi.com](http://www.sanofi.com)

## SPOTLIGHT

● A renowned expertise in antiparasitics, with in particular, the Frontline® range of tick and flea control products for pets.

● A major partner for countries in their battle against several animal pathologies identified by the World Organisation for Animal Health.

# #1

World leader in vaccines for rabies, foot-and-mouth disease and ovine catarrhal fever.



## 16 INDUSTRIAL SITES



Merial owns 16 industrial sites in 9 countries. The Lyon Porte des Alpes site (France) produces bacterial and viral vaccines (all types of animals) for distribution on all markets except the United States. The site produces annually 80 million flasks, each containing between 1 and 300 ml of freeze-dried (35 million) or liquid (45 million) vaccine.



**AS A GLOBAL HEALTHCARE LEADER, SANOFI  
HAS A RESPONSIBILITY TOWARD ITS INTERNAL  
AND EXTERNAL STAKEHOLDERS.**

Sanofi acts conscientiously and ethically, putting forward solutions to support economic and social development and favor environmental protection.

CSR

COMMITMENT

# ACTING ETHICALLY AND RESPONSIBLY FOR THE PATIENT

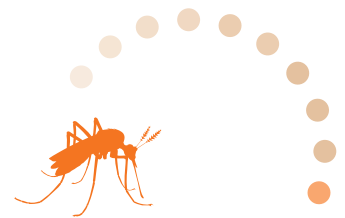
**Sanofi's Corporate Social Responsibility (CSR) approach focuses on four key principles: respond to the needs of patients; guarantee business and research ethics; promote social engagements for employees and local communities; protect the environment. The year 2011 reinforced of the Group's long-term engagement to CSR.**

## SUPPORT ACCESS TO HEALTHCARE

**Sanofi is committed to a policy of access to medicines** for underprivileged populations, particularly in developing countries. To fulfill its mission, the Group works with numerous external partners, focusing on four priority areas: **neglected tropical diseases** (sleeping sickness, Chagas disease, Buruli ulcer, leishmaniasis, and lymphatic filariasis); **pandemic diseases** (malaria and tuberculosis); **chronic diseases** (epilepsy and mental disorders); **vaccines**.

In March 2011, Sanofi renewed its agreement with the WHO to combat neglected tropical diseases. The Group's investment of U.S. \$25 million was extended for five additional years, a partnership first established in 2001.

**To date, the lives of more than 170,000 people have been saved** thanks to critical treatments. As part of the agreement, Sanofi made a commitment to eliminating sleeping sickness by 2020. Furthermore, on January 30th, 2012, Sanofi signed a partnership with the Bill and Melinda Gates Foundation and Eisai Laboratory to furnish 120 million tablets of diethylcarbamazine (DEC) for two years to protect 60 million people from the ravages of lymphatic filariasis.



# 52

million Winthrop ASAQ<sup>®</sup> treatments sold in 2011 to treat malaria.

Doses and prices adapted to emerging markets: Once daily during three days. Less than \$1/treatment for adults, \$0.50/treatment for children.



To learn more:  
[www.sanofi.com](http://www.sanofi.com)



**The Sanofi Espoir Foundation** celebrated its first anniversary in 2011. Its priority is to reduce health inequalities in underprivileged populations by combating neglected diseases and preventing mother and child mortality.

The Foundation supports numerous projects throughout the world. For example, "A call for life" is a project piloted by the NGO Care. With its 3-year budget of €1 million, the project is focused on preventing maternal and neonatal mortality in 35 villages in Benin. "A call for life" is part of the international campaign

"Mothers matter" launched in 2011 and will contribute to a 25% reduction in maternal mortality in Africa.

The Foundation's responses to humanitarian emergencies, to permit uninterrupted access to healthcare for injured or displaced persons, concerned thirteen countries or regions: Australia, Brazil, Ivory Coast, horn of Africa (Kenya, Somalia, Ethiopia), Libya, Japan, New Zealand, Pakistan, Thailand, Turkey and the Philippines.

 To learn more:  
[www.fondation-sanofi-espoir.com](http://www.fondation-sanofi-espoir.com)

**39**

**PROGRAMS**

The Sanofi Espoir Foundation manages **39 solidarity programs** - covering **79 projects** in **46 countries**.

**700,000**

**BOXES OF MEDICINES**

and 900,000 vaccine doses were distributed, representing a value of €28 million. 6.1 million people in 60 countries benefited from these donations.

**€8.4 M**

was allocated by the Foundation and its partners in 2011.





Counterfeited products, accounting for up to 10% of the worldwide medicines market, have become a major public health issue. With its public and private partners, Sanofi is committed to protecting patients by efficiently combating counterfeited medicines.



SANOFI  
CSR Awards

In 2012, the Sanofi CSR Awards were created to recognize the best local, regional and global initiatives of employees in four categories: "Patient, People, Ethics and Planet". For the participants, the objective is to obtain a subsidy, to be passed on in turn to a charitable organization of their choice in their respective countries.



Again in 2011 Sanofi was listed in the most prestigious global indices for CSR, including the Dow Jones Sustainability Index, the FTSE 4Good, the Ethibel Sustainability Index and the ASPI Eurozone®.



## ACTING ETHICALLY

Beyond the respect that it has earned for its business performance and scientific innovations, Sanofi is also recognized as a company that has put integrity and respect at the heart of its business culture. This ethical behavior is essential not only within the company, but also outside the Group, in Sanofi's relations with clients, investors and all stakeholders.

All of Sanofi's employees, wherever they are and whatever they do, are expected to respect the principles and values of the company's code of ethics: consideration for people and privacy, responsible

purchasing, respect for open markets, etc.

Updated in 2011, the Sanofi code of ethics has served as a training support for 75,000 employees. In France, Sanofi is working actively within LEEM (Les Entreprises du Médicament) to develop an international CSR training program for all personnel in the pharmaceutical industry.

Compliance



## COMMITTED TO DIVERSITY

Within all of Sanofi's teams, the absence of discrimination and the promotion of diversity are universal rights, be it for hiring, wages, or access to training and personal development opportunities.

In 2011, Sanofi further strengthened its engagement for diversity and gender equality. For the second consecutive year, Sanofi was a primary sponsor of the Women's Forum. The event, held in France, was an opportunity to promote

a feminine take on today's social and economic questions. Sanofi is renowned for its actions in favor of women, who make up almost half of the Group's personnel.



## ENVIRONMENTAL PROTECTION



To preserve human health, Sanofi takes all necessary measures to minimize the impact of its activities on the environment. Priority is given to controlling the Group's carbon footprint by reducing the emission of greenhouse gases and the consumption of energy for all steps in the production and distribution of medicines. The industrial and R&D sites, the Group's

primary producers of CO<sub>2</sub>, have implemented programs focused on reducing energy use via the optimization of production tools, the choice of better-performing energy sources (e.g. natural gas instead of fuels) and the development of renewable energy sources such as solar or geothermal energy.

In France, photovoltaic panels were installed at five of the Group's sites (Ambarès, Aramon, Saint-Loubès, Sisteron, Toulouse) in partnership with the company EDF Énergies Nouvelles. The panels are installed on the parking lots for a total surface of 22,000m<sup>2</sup>.

Together, they provide nearly 3.6 megawatts-peak, or the yearly energy use of a town of 6,000 inhabitants.

# - 15%

Sanofi set the objective of a 15% reduction in direct and indirect CO<sub>2</sub> emissions per produced unit over the 2005-2013 period. This objective was attained at the end of 2011, two years ahead of schedule.

## IF YOU WOULD LIKE TO LEARN MORE:

The **2011 Annual Review** is available online at [www.sanofi.com](http://www.sanofi.com). Sanofi has also made available **videos on Genzyme and its growth platforms, a feature on the year's highlights and a slideshow on Corporate Social Responsibility.**

You can also consult the Annual Review's interactive pdfs and the 2011 shareholder handbook.



## \* DEFINITIONS

Lyxumia® (lixisenatide): In-licensed from Zealand Pharma  
Kynamro™ (mipomersen): In-licensed from Isis Pharmaceuticals Inc.  
Zaltrap® (afibercept): Partnership with Regeneron

Aubagio™, Kynamro™, Lyxumia®, Zaltrap® and Lemtrada™ are registered trade names submitted to health authorities respectively for terifunomide, mipomersen, lixisenatide, afibercept and alemtuzumab. As of March 1st, 2012 Lyxumia® and Aubagio™ tradenames were not approved by the FDA.

Genzyme is developing alemtuzumab in Multiple Sclerosis in collaboration with Bayer HealthCare.

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Thanks in particular to Mr. Ikhwanul AZMI/Sanofi Indonesia, for the cover picture.

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This 2011 annual review contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, as amended. Forward-looking statements are statements that are not historical facts. These statements include projections and estimates and their underlying assumptions, statements regarding plans, objectives, intentions and expectations with respect to future financial results, events, operations, services, product development and potential, and statements regarding future performance. Forward-looking statements are generally identified by the words "expects", "anticipates", "believes", "intends", "estimates", "plans" and similar expressions. Although Sanofi's management believes that the expectations reflected in such forward-looking statements are reasonable, investors are cautioned that forward-looking information and 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 in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include among other things, the uncertainties inherent in research and development, future clinical data and analysis, including post marketing, decisions by regulatory authorities, such as the FDA or the EMA, regarding whether and when to approve any drug, device or biological application that may be filed for any such product candidates as well as their decisions regarding labelling and other matters that could affect the availability or commercial potential of such product candidates, the absence of guarantee that the product candidates if approved will be commercially successful, the future approval and commercial success of therapeutic alternatives, the Group's ability to benefit from external growth opportunities, trends in exchange rates and prevailing interest rates, the impact of cost containment policies and subsequent changes thereto, the average number of shares outstanding as well as those discussed or identified in the public filings with the SEC and the AMF made by Sanofi, including those listed under "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" in Sanofi's annual review on Form 20-F for the year ended December 31, 2011. Other than as required by applicable law, Sanofi does not undertake any obligation to update or revise any forward-looking information or statements.

