

•

# Suppliers

*Code of conduct*

•



**sanofi**

**By subscribing to the United Nations Global Compact,**

# Sanofi has pledged

to support and apply its fundamental principles in the areas of human rights, working conditions, environment and fight against corruption.

Sanofi wishes to partner with all its suppliers to share the values of the company.

This supplier code of conduct is part of the responsible procurement approach of the Sanofi Group

and a key element of its vigilance plan.

It commits the supplier to strictly observe and comply with all the fundamental principles expressed herein, in all its activities and sites worldwide.

Suppliers are also expected to ensure their own suppliers comply with these requirements.

**The suppliers shall build a management system and train their people in order to:**

- implement this code of conduct and comply with it
- ensure compliance with local and national laws and regulations

**Respect of this code of conduct by the suppliers**

**will determine both the onboarding and the continuing commercial relationship between the suppliers and Sanofi.**

**Sanofi is dedicated to supporting people through their health challenges.**

We are a global biopharmaceutical company focused on human health. We prevent illness with vaccines, provide innovative treatments to fight pain and ease suffering. We stand by the few who suffer from rare diseases and the millions with long-term chronic conditions.

**With more than 100,000 people in 100 countries,** Sanofi is transforming scientific innovation into healthcare solutions around the globe.

**sanofi**

# Labor



Suppliers are expected to comply at least with international human rights treaties, without prejudice to more favorable national laws. In particular, the observance of ILO (International Labor Organization) fundamental conventions by suppliers is an essential requirement for Sanofi.

**They include the following aspects:**

## Child labor<sup>1</sup>

Suppliers are not engaged in or not support any forms of child labor, do not employ person under the age of 15 (or under the legal age for finishing compulsory schooling) or person under the age of 18 for hazardous work.

## Forced labor<sup>2</sup>

Suppliers are not engaged in nor support worker exploitation amounting to forced labor. They give employees the right to enter into employment voluntarily and freely, without the threat of penalty and the right to freely terminate employment voluntary by means of notice of reasonable length at any time and without penalty. They ensure that all employment contracts are written and transparent and include comprehensive provisions for employees.

## Violence and harm

Suppliers will respect the physical or psychological integrity of persons and will not tolerate any practice such as inhuman treatments, physical punishments, insults, harassment, mental or physical coercion.

## Discrimination<sup>3</sup>

Suppliers do not tolerate any forms of discrimination and treat all its employees equally, regardless of any characteristics other than their ability to do their jobs. It must consider that qualifications, skill and experience are the basis for the recruitment, placement, training and advancement at all levels.

**Suppliers must offer decent working conditions to their employees, and in particular in terms of:**

## Working hours<sup>4</sup>

Suppliers must respect working time in accordance with national legislation.

## Wages and fringe benefits<sup>5</sup>

Suppliers guarantee that wages are paid regularly and allow employees and their family to meet their basic needs.

## Freedom of association<sup>6</sup>

Suppliers recognize that all employees are free to form and/or join a workers' organization of their own choice and does not interfere with this right. They prohibit any intimidation, harassment, punishment or discrimination against employee due to trade union activities and do not discourage employee from joining organizations of its own choosing. They respect the right to collective bargaining and the role of

workers' organizations for the purpose of collective bargaining and it commits to bargain in good faith.

They allow workers organizations to act entirely independently, by giving them reasonable access to the information, resources and means necessary to accomplish their missions.

<sup>1</sup> Child labor is understood to be the work carried out by any person under the age of 18: that is economically exploitative, or that interferes with the child's education, or that is dangerous or harmful for the child's health or physical, mental, spiritual, moral or social development ("hazardous work"), or that does not adhere to the conditions on minimum working age. [ILO conventions No 138 and 182]

<sup>2</sup> "the term forced or compulsory labor shall mean all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily" [ILO Convention No. 29 and 105].

<sup>3</sup> Discrimination occurs when a person is treated less favorably than others because of characteristics (gender, gender identity, age, origin, religion, sexual orientation, physical appearance, health, disability, trade union activity, political opinions, nationality and family situation.) that are not related to the person's competencies or the inherent requirements of the job. Discrimination may occur at all stages of the employment and occupation: recruitment, remuneration, entitlements, hours of work and rest, paid holidays, maternity protection, security of tenure, job assignments, performance assessment and promotion, training opportunities, job prospects, occupational safety and health, termination of employment.

<sup>4</sup> Generally speaking, the work time does not exceed 60 hours per week, with a minimum of one day of rest per week.

<sup>5</sup> The minimum wage paid to employees as well as the fringe benefits are in conformity with country laws (including apprentices, trainees or employees during the trial period). While in compliance with country laws relating to the maximum authorized labor time, overtime work is paid at a higher rate than normal hours. The employee is duly notified of the method used to calculate wages. Wages are paid in cash, by check or by bank transfer, to the exclusion of any other form of compensation, except in the specific cases provided for by country regulations. Wages are paid at regular intervals and with reasonable frequency. Deductions from wages for disciplinary reasons are prohibited.

<sup>6</sup> Right for workers and employers, without any distinction (occupation, sex, color, race, etc.), to establish and to join independent labor organizations of their own choosing without prior authorization and without interference from the State or any other entity [ILO Convention n°87and 98]

# Health and safety

Suppliers provide a safe and healthy working environment for all employees and contractors working at their sites and if applicable healthy living quarters.

That includes compliance with the applicable local and national regulations.

## Workers' health, safety protection

Suppliers shall protect workers, contractors, visitors from any accidents or occupational diseases. Suppliers shall have programs to identify, assess and manage processes safely in order to prevent:

- physical hazard (electricity, fall...)
- occupational over-exposure to chemicals, pharmaceutical compounds, biological agents, stress...
- catastrophic events (chemical release, explosion, fire...)
- major business interruption

Suppliers shall operate and maintain its buildings, operations, equipment in the safest manner possible.

For the most hazardous processes, the supplier shall conduct specific risk analyses in order to implement measures avoiding damage inside and/or outside the site.

## Hazard information and training

Safety information for any identified workplace risks shall be made available to inform and train workers to protect them from the risk.

This includes safety information about hazardous substances used: chemicals, active pharmaceutical ingredients, intermediates products.

## Emergency preparedness and response

Suppliers shall identify and assess possible emergency situations in the workplace or living quarters and minimize their impact inside/outside the site by implementing safety barriers, emergency response plans and procedures.



# Environment

Suppliers ensure that programs are in place at all their sites in order to minimize the use of hazardous substances and ensure to operate their sites and activities in an environmentally responsible and efficient manner to minimize adverse impact on the environment.

## Compliance with legal and regulatory requirements

Suppliers ensure compliance with all the applicable local, national, regional and international (when applicable) regulations relating to environmental protection within the countries where they carry out their activities.

All required environmental permits, licenses and chemical registrations shall be obtained and kept up-to-date. Their operational and reporting requirements shall be followed.



## Climate Change

Suppliers measure and report their carbon footprint and greenhouse gases emissions<sup>7</sup> and pledge to voluntarily reduce them.

## Releases in the Environment (Air, Water, Soil)

Suppliers do their best efforts to reduce and even prevent emission sources generated by their activities.

Any waste, wastewater discharge or air emissions with potential to adversely impact human or environment health shall be appropriately managed, measured, controlled and treated prior to release into the environment.

The traceability of these discharges or disposal is assured.

The waste management shall favor waste prevention, recycling or recovery of waste and use of recovered materials.

Suppliers shall evaluate and minimize the environmental impacts of its pharmaceutical substances from manufacturing activities.

## Pollution prevention

Suppliers make sure that all the substances presenting an environmental risk are identified, labelled, stored, handled and shipped in a manner that prevents and mitigates accidental spills and releases to the environment.

A prevention plan and emergency preparedness plan are in place to treat any chronic or accidental event presenting an environmental risk (air, soil, water and groundwater) inside or outside the site.

## Resources management

Suppliers do their best to reduce **energy and water** consumption in order to preserve natural resources.

Suppliers preserve **biodiversity** locally in its sites and indirectly, through their purchased raw material policy.

<sup>7</sup>The assessment shall comply with the GHG protocol methodology and shall cover at least Scope 1 and Scope 2.

# Business ethics

Sanofi has been engaged for many years in fostering, an ethical culture aiming at reaching the highest standards in terms of responsibility and business integrity. When selecting suppliers or services providers, Sanofi is looking for much more than a source of goods or services. It seeks to build a relationship based on trust with business partners that understand and share the same values and ethical principles as Sanofi.

## Therefore, Sanofi requires that all suppliers and service providers:

- Respect the highest ethical standards in all their activities with Sanofi but also all applicable national and international laws and regulations regarding the prevention of and fight against bribery and corruption. This commitment must be extended, by suppliers or services providers, to all the third parties to whom they may subcontract all or part of their tasks or services for Sanofi.
- Declare any conflict of interest that may affect the performance of tasks or provision of services entrusted to them by Sanofi. Because Sanofi's decision must solely be based on the performance and quality of the products and services supplied and not on any form of hidden benefit of conflict of interest.
- Refrain from proposing to Sanofi employees any sum of money, gifts, loans, rebates, valuable objects. Please note that Sanofi employees are not authorized to receive gifts other than token gifts intended to promote your company or your products or services (max. value 5 euros or equivalent) and cannot accept invitation to social activities.
- Undergo a risk based due diligence aiming at assessing any potentially exposure to corruption and/or any other illicit/ inappropriate practices.
- To accept the inclusion of specific anti-bribery provisions in contracts binding them to Sanofi.

## Measuring procedures, tools and indicators

The suppliers possess all of internal measuring procedures, tools and indicators that are necessary and sufficient to guarantee adherence to the principles listed above.

## Compliance assessment

The suppliers agree that Sanofi shall have the right to have a third party, approved by both parties, check compliance to the principles contained in this Code.



# Privacy & Data Protection

Privacy and the protection of personal data is crucial for Sanofi in the digital era.

In this respect, Sanofi is committed to ensure that all partners, suppliers or third parties it has dealing with provide an adequate level of data protection for all personal data.

## Therefore, Sanofi requires that all suppliers and service providers:

- Respect the highest standards of protection for Personal Data in any and all processing of Personal Data implemented on the basis of its relationships with Sanofi as well as all applicable national and international laws and regulations relating to Personal Data protection. This commitment must be extended, by suppliers or services providers, to all third parties to whom they may subcontract all or part of the tasks or services provided to Sanofi.
- Implement adequate technical and organizational security measures to prevent any accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, personal data transmitted, stored or otherwise processed.
- Should a personal data breach occur, contain, handle and, where relevant, notify to Sanofi any personal data breach related to personal data processed on the basis of its relationships with Sanofi.
- Manage, handle and, where relevant, respond and/or notify to Sanofi any exercise of his/her personal data protection rights by any Data Subject.
- Ensure proper training of its personnel regarding privacy and data protection as well as on the implementation of adequate security measures.
- Undergo, through a risk based questionnaire, a review aiming at ensuring Sanofi that its suppliers, distributors, agents, and business partners are complying with Data Protection obligations.
- To accept the inclusion of specific Personal Data Protection provisions in contracts binding them to Sanofi.

## Measuring procedures, tools and indicators

The supplier possesses all of internal measuring procedures, tools and indicators that are necessary and sufficient to guarantee adherence to the principles listed above.

## Compliance assessment

The supplier authorizes Sanofi to have a third party approved by both parties check compliance to these principles.



# AI: Artificial Intelligence

Sanofi is leveraging artificial intelligence ("AI") to transform the practice of medicine and create a safe and ethics-by-design environment for digital solutions.

By harnessing AI's potential responsibly, Sanofi is driving innovation at-scale both internally across organization, and externally to better serve our stakeholders and our patients in a manner that prioritizes fairness, trust, transparency, safety, eco-responsibility, and accountability.

Sanofi is also taking accountability from design through the deployment and use of AI systems, including those from third parties, by adhering to a comprehensive framework that is responsive to the changing AI regulatory landscape, and enforces proportionate governance and technology controls to manage AI innovation responsibly.

Therefore, Sanofi requires that all suppliers and service providers have a proper governance in place to deliver their AI related services according to the following requirements:

## **Fairness and ethics:**

By implementing an ethics-by-design approach into our digital transformation, Sanofi strengthens its long-term resilience across the global ecosystem of health innovation.

AI systems should strive to prevent and minimize bias and uphold fundamental rights which include human-centered values such as data privacy. Consequences of AI systems must be carefully considered and monitored.

Suppliers must strive to maximize fairness in AI systems. In addition, after the deployment of an AI system, Suppliers must continuously monitor for bias & take all appropriate corrective measures. Privacy by design and appropriate data governance & data management techniques must be applied.

Suppliers must ensure that data used in the development of the AI systems (training, validation and testing datasets) are relevant, sufficiently representative, free of errors and complete in the view of the intended purpose. Suppliers shall also conduct prior assessment of availability, quantity, suitability of data. Suppliers should strive to make AI System universally accessible.

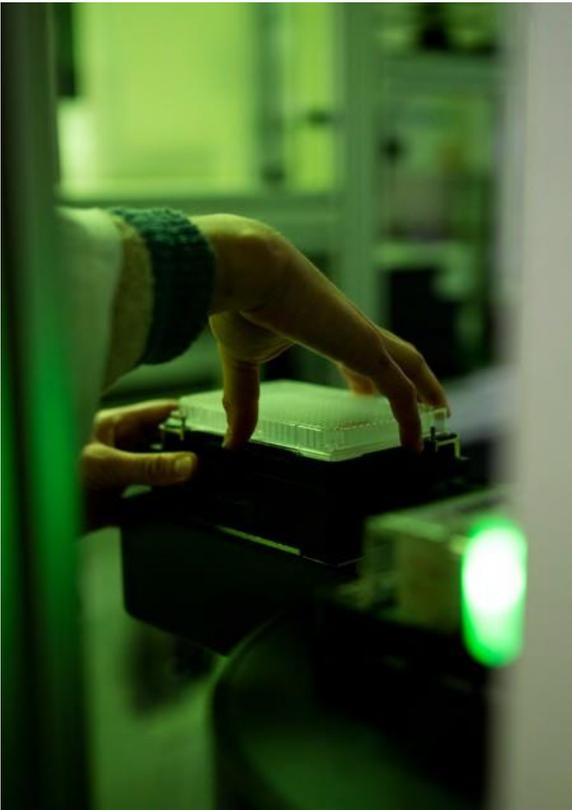
## **Transparency & Explainability:**

Suppliers must clearly articulate to end users the characteristics, capabilities and limitations of performance of the high-risk AI system, including, intended use of their AI system. Where possible, Suppliers must explain how the AI system created its output in a way that end users can understand. End users must be able to question and reject outputs. Suppliers must be transparent about the data, models and techniques used to develop AI systems.

AI systems should be accompanied by concise, complete, correct, and clear instructions for use, providing relevant, accessible, and comprehensible information to users. AI systems must be designed with automatic record keeping of events ('logs') monitoring the duration of each system use and the persons involved in the results' verification.

## **Eco-Responsibility:**

The environmental footprint of AI systems and their energy consumption should be minimized.



## Robustness and safety:

AI systems must be designed to achieve an appropriate level of accuracy, robustness and cybersecurity throughout the lifecycle. AI systems should be resistant to malicious attack. AI systems should be accurate, adaptable, secure and reliable before they are industrialized.

Suppliers must perform the following without limitation:

- Systematic evaluation of the quality and applicability of the AI systems.
- Processes for documenting and auditing the AI systems.
- When AI systems make decisions about people, suppliers need to be able to provide adequate explanations of how the system works, including information about training data, errors during training, and, most importantly, the consequences and predictability of these errors.
- If an AI system makes decisions about people, suppliers must involve experts in that AI system's field in the design and human supervision processes.

## Accountability and human oversight:

Suppliers should deploy a robust and agile governance framework for AI systems to ensure compliance with the evolving legal landscape and ensure they meet public expectations, as well as legal and regulatory requirements.

Mechanisms should be put in place to create responsibility and accountability for AI systems and their results.

Suppliers should ensure that the documented intended use of their AI systems comply with all applicable laws including labor and privacy laws.

Suppliers shall have implemented all the necessary clearance regarding the data used to train the AI systems, in particular with respect to any third-party rights (e.g., intellectual property rights, database rights, etc.). Suppliers shall ensure that all data subjects' notifications, consents or authorizations required by law or regulation have been provided or obtained.

Suppliers shall provide a mechanism for end users to report incidents experienced while using the AI systems.

Suppliers should provide an intellectual property rights infringement indemnification clause to the benefit of Sanofi in case of any third-party claim alleging that the outputs generated by the AI systems infringe any of such third party's intellectual property rights.

Human interface tools have to be integrated, in particular to detect signs of anomalies, dysfunctions and unexpected performance. Additionally, suppliers should provide the ability to refrain from using the AI systems, to override, stop or reverse its outputs.

## Measuring procedures, tools and indicators:

The suppliers must have in place all internal measuring procedures, policies, tools and indicators that are necessary and sufficient to guarantee adherence to the principles listed above. In particular, suppliers must have conducted an AI impact assessment and have a risks management system, iterative and continuous process including suitable testing, capable to estimate, evaluate and anticipate for known foreseeable risks and more.



# Grievance Reporting and Management

## Sanofi Supplier Business Ethics and Speak Up Helpline

*Sanofi vision is to engage with diverse business partners that share its values and uphold highest ethical standards. Sanofi expects its Suppliers to escalate through its Sanofi Helpline any potential breaches or allegation of the Sanofi Code of Conduct, or Supplier Code of Conduct. Suppliers are also expected to conduct any appropriate due diligence or investigation to gather and understand the relevant facts. If such conduct is substantiated, Sanofi expects that its suppliers will take appropriate corrective and/or disciplinary action to remediate, as well as preventative action, as needed, to prevent recurrence.*

Sanofi's suppliers should conduct all investigations/fact finding ensuring that the principles of confidentiality, impartiality, objectivity, proportionality, integrity, and fairness are consistently applied. Subject to any conflicts with local labour, employment, whistle-blower protection, privacy or data protection, or other laws or regulations, then local laws and regulations will govern. However, in cases of substantiated misconduct Sanofi expects suppliers to uphold the same or similar high principles that will always be the higher standard held.

### How to Report

The Sanofi Helpline is a confidential phone and web-based service that is available to all contractors, business partners, suppliers, or value chain workers:

### [Sanofi Speak Up Helpline](#)

Everyone is encouraged to report any allegation or breaches of our Sanofi's Code of Conduct or its Supplier Code of Conduct, standards, policies and procedures, or the law, or any potential misconduct which gives rise to significant reputational risk for Sanofi, involving Sanofi employees or any other party acting for or on behalf of Sanofi.

Concerns reported to the Speak Up Helpline, (a safe channel operated by a third-party vendor) are overseen and managed by the Sanofi Ethics and Business Integrity department. All external third parties, business partners, suppliers, contractors, value chain workers should be aware of the Speak Up Helpline through suppliers' acceptance of both Sanofi's and the Suppliers Code of Conduct during the selection process and through training given by suppliers.

Sanofi's reporting and non-retaliation process prohibits intimidation or retaliation when Sanofi employees, contractors, business partners, suppliers or value chain workers report a concern in good faith, and it expects the same from its Suppliers. Individuals who retaliate against others because of their reporting potential compliance violations and/or participating in an investigation/fact finding should be subject to disciplinary action, up to and including termination.

Employees, contractors, business partners, suppliers or value chain workers are encouraged to report violations even if they have participated in the violations they are reporting. While such "self-reporting" will not insulate the reporting employee from appropriate disciplinary action for the violation, the fact that the employee brought the matter to Sanofi's or one of its suppliers attention may be considered, in appropriate situations, and as potential mitigation relating to disciplinary action.

The Speak-Up Helpline which operates 24 hours a day, every day of the year, access links are also available in the Sanofi and Supplier Codes of Conduct and at <https://www.sanofi.com/>. Sanofi permits anonymous reporting, but anonymity is subject to local law reporting provisions. The service will provide an interpreter if the Reporter wishes to speak in their local language.



## **United Nations Global Compact**

<https://www.unglobalcompact.org/>

## **International Labour Organization**

<https://www.ilo.org/global/lang--fr/index.htm>

## **International Organization for Standardization**

<https://www.iso.org/home.html>

## **Sanofi – Our Corporate Social Responsibility**

<https://www.sanofi.com/en/investors/company-overview/socially-responsible-investment>

## **Sanofi – Our Suppliers Site**

<https://fournisseurs.sanofi.com/>

## **Sanofi Supplier Relationships Charter**

<https://fournisseurs.sSanofi-Suppliers-anofi.com/-/media/Project/One-Sanofi-Web/Websites/Global/COM/fr/Supplier-Relationships-Charter-EN.pdf?la=en&hash=7533F915C1C59D483278908499ABDDC6link>

## **Sanofi – Code of Ethics**

<http://www.codeofethics.sanofi/>

The Sanofi logo consists of the word "sanofi" in a bold, lowercase, sans-serif font. The letter 'a' is white with a blue dot above it, and the letter 'i' is white with a blue dot above it. The remaining letters 'n', 'o', 'f', 'i' are solid blue.

**46 av. de la Grande  
Armée, 75017 Paris,  
France**

**Tel. +33 1 53 77 40 00**

**Fax : +33 1 53 77 41 33**

**[www.sanofi.com](http://www.sanofi.com)**