

Modern Slavery Statement

Sanofi Australia

2024



Sanofi Australia Modern Slavery Statement 2024

This statement refers to the financial year ending 31 December 2024 and sets out the steps we have taken to address modern slavery risks in our business and supply chains.

1. Our Structure

Sanofi Australia consists of the following Sanofi companies:

- Sanofi-Aventis Australia Pty Ltd ABN 31 008 558 807 of Building D, 12-24 Talavera Road, Macquarie Park NSW 2113, Australia
- Sanofi-Aventis Healthcare Pty Ltd (trading as Sanofi Consumer Healthcare) ABN 43 076 651 959 of 87 Yarraman Place, Virginia QLD 4014, Australia

We are a part of the Sanofi Group which consists of nearly 260 companies and operates through office premises and research, production and logistics facilities in approximately 70 countries around the world. Our ultimate parent company is Sanofi S.A. Sanofi S.A. has its head office in Paris, France.

In 2024, Sanofi's workforce comprises 82,878 employees. Close to 700 are based in Australia, mainly located in Sydney (the main office), Melbourne and Brisbane, including in the Translational Science Hub, a partnership with Queensland Government, Griffith University and the University of Queensland.

In May 2025, Sanofi separated from its consumer healthcare business, however for the purposes of this 2024 modern slavery statement, Sanofi-Aventis Healthcare Pty Ltd operations remain within scope.

2. Our Business

Sanofi Australia is organised into four business units: General Medicines including diabetes, cardiovascular and our mature medicines; Vaccines; Specialty Care including rare diseases, oncology, rare blood disorders, and immunology; and Consumer Healthcare. These units are supported by business functions across Supply Chain, Corporate Affairs, Market Access, Medical, Legal, Ethics & Business Integrity, Regulatory, Quality, Patient Safety, People & Culture, and Finance.

3. Our supply chains

Sanofi Australia is part of a global supply chain involved in the manufacture of active pharmaceutical ingredients, finished goods, devices and packaging through a network



of manufacturing sites and distribution centres. This network includes the procurement of goods and services from a large number of suppliers.

Sanofi Australia understands the global challenges related to modern slavery and works to minimise the risk of this in all parts of our business, including all suppliers and the supply chain.

4. Our Policies and Publications

Code of Conduct

Sanofi's <u>Code of Conduct</u> outlines our commitment to complying with national laws and regulations, including in the areas of human rights and labour law. Our Code of Conduct specifically addresses, but is not limited to:

- Respecting and Upholding Human Rights at work Sanofi is committed to respecting human rights in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs), the Organisation for Economic Co-operation and Development (EOCD) Guidelines for Multinational Enterprises and applicable International Labour Organization (ILO) Conventions throughout our activities and those of our business partners. Our commitments comprise prohibiting the employment of young persons under the age of 15 and that of young persons aged 15-18 for hazardous work, as well as strictly prohibiting all forms of forced, bonded, indentured, or compulsory labour, including modern slavery and human trafficking. Sanofi also recognises freedom of association for the promotion and defence of workers' interests, and the right to collective bargaining.
- Engaging Business Partners Sanofi only engages with suppliers who adhere to Sanofi's Code of Conduct and Suppliers' Code of Conduct (see below), and utilises controls to help detect, prevent, and remediate actual or potential non-compliant activities.
- Fighting Bribery and Corruption Sanofi prohibits our employees or business partners from engaging in any act or perceived act of bribery and corruption, and supports an ethics and compliance function that can execute its responsibilities independently and has direct access to leadership.
- The Speak Up Helpline Sanofi provides a secure third-party reporting channel for our employees but also suppliers to report any wrongdoing, including human rights violations. All reports are thoroughly investigated with appropriate remedial actions and a strict no-retaliation policy for those who report. In 2024, 900 alerts were raised through the Speak Up Helpline, and no severe human rights issues were reported.

Additionally, Sanofi has implemented the following local policies and procedures:

- *Domestic Violence Policy* aimed at supporting employees, agents and contractors in the workplace to ensure that everyone has a safe working environment;
- Recruitment Selection Policy sets out Sanofi's sourcing and recruiting framework and principles; and
- Appropriate Workplace Behaviour Policy aimed at ensuring that discrimination,



harassment and bullying do not take place in Sanofi's operations.

The applicable Sanofi policies underpin our culture of zero tolerance attitude toward abuse of human rights within any part of our business or supply chains.

Suppliers' Code of Conduct

Suppliers are required to comply with our <u>Suppliers' Code of Conduct</u> which, among other things, provides that our contractors adhere to the fundamental principles of the International Labour Organisation, in particular those relating to forced labour, violence and harm, child labour, discrimination, working hours, pay, freedom of expression and equality of opportunity. Suppliers are also expected to ensure their own suppliers comply with these requirements.

Additional publications

Sanofi also publicises the following internationally:

- A Universal Registration Document with a <u>Sustainability Statement</u> on a yearly basis (in accordance with the EU Corporate Sustainability Directive regime) that outlines our approach to managing impacts and risks related to our workforce and workers in the value chain, including suppliers' selection processes, onboarding, and monitoring; and
- A *Vigilance Plan* on a yearly basis (in accordance with French Duty of Vigilance law 2017), included in Sanofi's Sustainability Statement, along with webpages that summarise what has been done in relation to *Human Rights* and *Sustainable Procurement*.

5. Risks of modern slavery practices in our operations and supply chains

In relation to our operations, the following risks have been specifically identified as salient with respect to the fundamental rights of employees in manufacturing and distribution activities:

- risk of employment of migrant workers in situations that may amount to forced labour;
- risk of excessive working hours which can result in insufficient rest and leave for workers;
- risk of a wage lower than the minimum legal wage which can lead to workers struggling to meet their essential needs and maintain a basic, decent standard of living for themselves and their families;
- risk of hazardous work and unsafe work environments which can harm workers, causing immediate or future health issues;
- risk of engaging minors, posing significant risks of severe human rights violations; and
- risk of not allowing freedom of association, not promoting voluntary social



dialogue, and not ensuring collective agreements as outcomes of social dialogue and work councils.

These risks are included in the Impacts, Risks and Opportunities (IROs) that Sanofi assesses and identifies annually through our double materiality assessment (DMA) in accordance with the EU Corporate Sustainability Reporting Directive regime. This assessment identifies how Sanofi is impacted by sustainability-related factors, and how we, in turn, impact society and the environment.

These IROs are identified by considering operational and regional specificities (for example, business relationships in lower-income countries are higher risk due to less stringent national regulations in place).

For each IRO, Sanofi prepares a description of how it manifests and whether it occurs in Sanofi's own operations, or its upstream or downstream value chain. Each IRO is also assessed based on its likelihood, severity (including intensity, scope, and potential for remediation), and its potential financial impact.

This robust DMA methodology ensures that Sanofi correctly identifies and prioritises salient vigilance risks.

Additionally, Sanofi Australia complies with all applicable legislative requirements and employment standards relating to the payment of minimum wages. We believe that the risk of modern slavery in our directly employed workforce is low.

Sanofi Australia recognises that the highest risk of modern slavery practices within our supply chain stems from our use of third-party suppliers and services providers associated with the sourcing of raw materials and manufacturing of our products as well as engagement of contract manufacturing organisations (CMOs). We are aware that we may be indirectly exposed to modern slavery risks through our supply chain, as some of our third-party suppliers and service providers operate in countries that have a high prevalence of modern slavery. Risks specifically identified as salient with respect to Sanofi's supply chain for raw materials are predominantly associated with subcontractors manufacturing critical Sanofi raw materials. Sanofi buys raw materials from all over the world, and uses a diversified panel of suppliers reflecting the diversity of our activities. Sanofi's procurement of raw materials is centralised, and our procurement policy is based not only on economic principles but also on ethical, environmental and social principles.

6. Due diligence processes for slavery

As part of our initiative to identify modern slavery and mitigate associated risks in our business and supply chain, we undertake the following:

6.1 Our Employees

All employees who work for Sanofi Australia are background checked, having their



identity, qualifications and previous work history verified as a condition of employment. Regular audits are made of employees who have only a temporary right to remain in Australia. Sanofi Australia ensures that all employees are paid at least minimum wage in accordance with National Minimum Wage legislation.

6.2 Our Suppliers

Supplier selection and monitoring

In 2024, Sanofi Australia continued to engage a third party due-diligence and risk assessment service provider 'ethiXbase' to monitor, assess and address modern slavery risk of each of our new and existing suppliers in our supply chain in Australia.

In addition, all new suppliers bidding for Sanofi tenders must undergo a compulsory sustainability assessment (${}^{\prime}ESGiT'$), which includes human rights questions. The assessment represents up to 20% of a supplier's scorecard in the tender process. If a supplier does not have explicit measures against forced labor, child labor and discrimination, they are evaluated carefully. Suppliers evaluated as risky by the ESGiT tool are asked to commit to undergoing a third-party assessment if not already in place.

In 2024, Sanofi also deployed the use of another due-diligence and risk assessment tool called 'Coupa Risk Module' which triggers assessments based on supplier categorisation and risk profiles. This enables Sanofi to conduct evaluations of modern slavery risks by collecting suppliers' information, especially in relation to anti-bribery and corruption.

Using these tools, Sanofi conducts due diligence on its suppliers where it considers there may be risk in line with its global Ethics & Business Integrity and other Risk Management directives. In determining which categories of suppliers we should assess for modern slavery, we take into account the following factors:

- 1. The country or region where the supplier operates;
- 2. The industry or sector in which the supplier operates; and
- 3. The product or service that the supplier provides.

Using this risk-based approach, Sanofi assessed 865 suppliers on sustainability (which includes, amongst other metrics, human rights risks) in 2024. Of these, 830 were reassessed, 39% of which improved their rating after executing an action plan.

	2024 ^(a)	2023	2022
Number of suppliers assessed on their sustainability performance	865	225	273
Number of assessed suppliers that met our sustainability requirements	773	211	237
Percentage of assessed suppliers that met our sustainability requirements	89.0%	94.0%	87.0%

⁽a) In 2024, the rules revised resulted in assessments being triggered at local company level rather than at parent company level. This has led to a significant increase in assessment numbers.



Contractual obligations

Sanofi Australia's standard service agreements and Purchase Order Terms and Conditions include an obligation that the supplier/provider will take reasonable steps to assess and address the risk of modern slavery in their operations and supply chains, and that it will carry out any services in full compliance with:

- All applicable laws (including laws prohibiting all forms of modern slavery (with a specific requirement to comply with the Modern Slavery Act 2018 (Cth)); and
- Sanofi's Suppliers Code of Conduct which includes obligations in relation to respecting human rights (including prohibitions regarding forced labour, violence and harm, child labour, discrimination, working hours, pay, freedom of expression and equality of opportunity).

In each case, Sanofi Australia reserves the right to audit to ensure compliance to our high standards on quality and ethical behaviour.

Addressing deviations

In cases where potential issues from particular suppliers have been identified, Sanofi takes appropriate action dependent on the circumstances presented.

The table below illustrates the number of supplier audits conducted over recent years, in particular for potential high-risk active pharmaceutical ingredient providers and contract manufacturing organisations (CMOs).

	2024	2023	2022
Number of audits of Sanofi CMOs ^(a)	37	44	45
Number of audits of suppliers of active and intermediate pharmaceutical ingredients ^(a)	71	104	103
Number of suppliers audited during the year with critical findings	38	25	48

⁽a) Includes PSCI (Pharmaceutical Supply Chain Initiative) shared audits

Based on the number of major and critical findings assessed by such audits, the suppliers' HSE level is ranked. This ranking influences the continuation of our collaboration and the audit frequency.

If an audit reveals critical non-compliance, Sanofi can also terminate the relationship. For example, out of the 103 suppliers ranked critical in 2020, 39% have improved their performance, 39% have been subject to business termination and 22% are still under re-audits, and corrective and preventive action.

Sanofi continually looks for new ways to further improve its vendor selection processes. This is an ongoing area of focus.

7. Training and Capacity Building



As part of their employment conditions, all Sanofi Australia employees must agree to uphold Sanofi's Code of Conduct and training is provided throughout employment on topics relating to business ethics. Sanofi staff are also given Core Inclusion and Cultural Awareness training and this includes the importance of respecting human rights in Sanofi's operations.

To ensure a high level of understanding of the risks of modern slavery in our supply chains and our business, we provide modern slavery training to the relevant staff members. In 2024, the following training modules were launched in relation to human rights:

- Sanofi Global iLearn module entitled **"Embedding the Code of Conduct in your daily practices"** which focuses on the responsibilities outlined in Sanofi's Code of Conduct in relation to respecting human rights; and
- Sanofi Australia's iLearn module entitled "Modern Slavery ANZ" to increase the awareness of the prevalence of modern slavery practices and understand the obligations as a reporting entity.

8. Further Steps and Remediation

The effectiveness of the steps taken in 2024 were reviewed to ensure that reasonable steps continue in the effort to minimise the risk of modern slavery in our supply chains.

In line with this, Sanofi Australia intends to leverage the Coupa Risk Module to increase our capabilities in gaining a deeper understanding of the risk profile of each supplier.

Sanofi will also continue to hold monthly and quarterly meetings with internal stakeholders to address risks associated with high-risk suppliers, regulatory compliance issues, and potential for human rights violations at supplier locations. Sanofi will in particular continue to apply the DMA methodology as a strategic tool to ensure the continuous refinement of our efforts to address modern slavery risks by tracking our actions and partnering subject-matter experts.

As a consequence, we expect that there will be improved measures and tools to be introduced in tackling modern slavery risks around the globe which may include adoption of new due diligence and monitoring and assessment tools. We will take a continuous improvement approach to reviews of relevant systems, processes and training to ensure ongoing effectiveness.

9. Consultation Process

This statement has been prepared in consultation with our teams that collaborate to deliver our labour rights risk identification, and assess and manage processes for our own operations and supply chain. This includes the Corporate Affairs; Health & Safety; People & Culture; Ethics & Business Integrity; Supply Chain; Procurement, and Legal teams.



This Modern Slavery Statement is made by Sanofi Australia for the financial year ending 31 December 2024.

This Statement was approved by our Board of Directors of Sanofi-Aventis Australia Pty Ltd and Sanofi-Aventis Healthcare Pty Ltd on 27 June 2025.

This Statement is signed by Liz Selby in her role as the Head of Pharma & Country Lead of Sanofi Australia on 30 June 2025.

Liz Selby

Head of Pharma & Country Lead Sanofi Australia & New Zealand

June 2025