



Sanofi Australia **Modern Slavery Statement 2020**

1. Introduction

Sanofi Australia is part of a global biopharmaceutical company focused on human health and dedicated to supporting people through their health challenges. 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.

This statement refers to the financial year ending 31 December 2020 and sets out the steps we have taken to address modern slavery risks in our business and supply chains.

2. Our structure

Sanofi Australia consists of the following Sanofi companies:

- Sanofi-Aventis Australia Pty Ltd
- Sanofi-Aventis Healthcare Pty Ltd

We are a part of the Sanofi Group (Group) and our ultimate parent company is Sanofi S.A. Sanofi S.A. has its head office in Paris, France. With more than 100,000 people in 100 countries, Sanofi is transforming scientific innovation into healthcare solutions around the globe.

3. Our business

Sanofi Australia is organised into four business units: General Medicines including diabetes, cardiovascular and our mature medicines; Vaccines; Speciality Care including rare diseases, oncology, rare blood disorders, and immunology; and Consumer Healthcare.

We ensure the way we contribute to improving health is one which is both sustainable and responsible. We are convinced that each of us has an obligation to leave the world a better place for the next generation. Our contract with society is built within our organisation and our corporate responsibility strategy is embedded as part of our business strategy - locally, regionally and globally.

4. Our supply chains

Sanofi Australia is integrated into a global supply chain involved in the manufacture of active pharmaceutical ingredients, finished goods, devices and packaging through a global network of manufacturing sites and distribution centres. This network includes the procurement of goods and services from a large number of external contractors. In 2020, we spent around €125M with over 500 suppliers.

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

5. Our Policies

Sanofi Australia is required to comply with all Sanofi policies including our [Code of Ethics](#) which outlines our commitment to complying with national laws and regulations, including in the areas of human rights and labour law. Sanofi has also implemented the following policies aimed at assessing and addressing the risk of modern slavery in its operations and supply chains:



- [Fundamental Human Rights At Work](#) – fostering a workplace environment for our employees and partners where personal dignity is respected;
- [Human Rights Due Diligence and Human Rights Statement](#) - commitment to respect internationally recognised human rights and to exercise human rights due diligence in all its activities; and
- [The Suppliers' Code of Conduct](#) – ensuring 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.

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

- [Sanofi Australia Modern Slavery Policy](#) – aimed at ensuring compliance with applicable Australian modern slavery legislation and reporting requirements;
- [Alerts Management Global Policy Appendix](#) and [Global Compliance Helpline](#) – aimed at encouraging internal reporting and whistleblower protection (e.g. through 'non-retaliation' assurance);
- [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;
- [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.

6. Due diligence processes for slavery

We have in place systems to:

- Identify and assess potential risk areas in our supply chains.
- Mitigate the risk of slavery occurring in our supply chains.
- Monitor potential risk areas in our supply chains.
- Protect whistleblowers.

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 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.

6.2 Our Suppliers

Supplier selection

Sanofi Australia conducts due diligence on its suppliers where it considers there may be risk in line with its global Ethics & Business Integrity directives, having regard to the following factors:



- Country / location risks based on modern slavery risks index;
- Dangerous or undesirable work;
- Types of suppliers (e.g. those providing manufacturing goods or services);
- Suppliers of raw materials.

The standard Request for Proposals/Tenders used by Sanofi Australia includes questions directed at assessing the risk of modern slavery in the prospective supplier's operations and the capacity to comply with the requirements of Australian legislation.

Sanofi Australia continually looks for new ways to further improve its vendor selection processes. This is an ongoing area of focus in 2021.

Existing suppliers

Sanofi Australia conducts audits of existing suppliers through the use of a questionnaire to assess and address the risk of modern slavery. The questionnaire includes enquiries pertaining to respect for human rights and compliance with the *Modern Slavery Act 2018 (Cth)*. Depending on the response to the questionnaire, representatives of Sanofi may ask the suppliers for more information or their participation in an interview. Additionally, based on the quality of the responses, Sanofi may choose to conduct a third party supplier audit.

In cases where potential issues as to particular suppliers are identified, Sanofi takes appropriate action dependent on the circumstances presented (and legal considerations), which may include, for example, working with the supplier to develop an improvement plan, or declining to continue the supplier relationship.

Contractual obligations

Sanofi Australia's standard procurement agreements that may be provided to potential suppliers include an obligation 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)*).

Sanofi Australia's standard service agreements also require suppliers to take reasonable steps to assess and address the risk of modern slavery in their operations and supply chains and to comply with Sanofi's Suppliers Code of Conduct (a copy of which may be accessed at <https://suppliers.sanofi.com>) 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.

7. Training and Capacity Building

As part of their employment conditions, all Sanofi Australia employees must agree to uphold Sanofi's Code of Ethics and training is provided throughout employment on topics relating to business ethics. Sanofi staff are also given Core Inclusion training annually 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. Training content will be reviewed by Sanofi Australia on an ongoing basis.



8. Our effectiveness in combating slavery

We review the effectiveness of our modern slavery risk management program by undertaking a review of our modern slavery questionnaire to select suppliers based on the risk factors identified in paragraph 6.2.

Some of the gaps identified in many of the responses from our suppliers include:

- failure to complete the questionnaire; or
- completion of questionnaire but provided deficient responses.

For those suppliers that did not provide satisfactory responses, we sent follow-up emails which explained our commitment to and obligations under the Modern Slavery Act and requested follow up information (and supporting documents e.g. codes of conduct or Modern Slavery policies). We also made these suppliers aware that failure to provide responses may result in the supplier not being used to provide goods and services in the future.

Many suppliers did not have an understanding of the Australian requirements because they were based overseas. Many of the smaller companies that responded (including Australian companies) also had a limited understanding/infrastructure in place to address modern slavery as they are not regulated under the legislation (e.g. they did not meet the revenue threshold). A number of the companies also indicated that whilst they did not have policies and processes fully implemented, that they were in the process of implementation for 2021.

9. Further steps and remediation

Following a review of the effectiveness of the steps we have taken in 2020 to ensure that there is no slavery in our supply chains we intend to take the following further remedial steps:

- Appoint an independent third party to conduct an externally facilitated review to bring insights on ways to we can tackle slavery;
- Make changes to our Modern Slavery Due Diligence Questionnaire to ensure it is as effective as possible;
- Review of the risk in related entity suppliers to be included in the Due Diligence process.

Sanofi Australia will take a continuous improvement approach to reviews of relevant systems, processes and training to ensure ongoing effectiveness.

10. Consultation process

This statement has been prepared in consultation with our key teams that collaborate to deliver our labour rights risk identification, assessment and management processes for our own operations and supply chain. This includes the corporate responsibility; health & safety; human resources; ethics & business integrity; supply chain; procurement, and legal teams. This modern slavery statement is made by Sanofi Australia for the financial year ending 2020.

This Statement was approved by our Board of Directors on 9 June 2021.

A handwritten signature in black ink, appearing to read "Karen Hood".

Karen Hood – Country Lead Sanofi ANZ
June 2021