

NOTICE OF MEETING
GENERAL MEETING
2016

Wednesday May 4, 2016
at 2:30 p.m. (CET)

at the Palais des Congrès
2, place de la Porte Maillot
75017 Paris – France



SANOFI

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SANOFI

Société anonyme with share capital of €2,611,393,518
Registered office: 54, rue La Boétie – 75008 Paris
395 030 844 R.C.S. Paris

The Chairman of the Board of Directors

Paris, April 11, 2016

Dear Shareholder,

Our Annual General Meeting provides an ideal opportunity for us to inform you, share with you and give you an account of the operations and results of Sanofi.

I sincerely hope that you will be able to attend. The time and place of the meeting are as follows:

COMBINED GENERAL MEETING

WEDNESDAY MAY 4, 2016, AT 2:30 P.M. (CET)
AT THE PALAIS DES CONGRÈS
2, PLACE DE LA PORTE MAILLOT – 75017 PARIS

All the information and guidance needed for you to participate at the meeting are enclosed with this notice. If you are unable to attend in person, you will nonetheless be able to vote in one of three ways:

- by post or via the internet; or
- by appointing a proxy to represent you; or
- by authorizing the Chairman to vote on your behalf.

On behalf of the Board of Directors, I thank you for your trust and for the attention you will surely pay to draft resolutions to be submitted to your approval.

Serge Weinberg
Chairman of the Board of Directors

This notice and an access plan of the meeting venue are available on our website (www.sanofi.com/AGM2016)

HOW TO PARTICIPATE AT THE MEETING

MORE INFORMATION ON THE GENERAL MEETING TO BE HELD ON MAY 4, 2016 ON
www.sanofi.com/AGM2016

2016 GENERAL MEETING

The shareholders of Sanofi are hereby given notice of the General Meeting to be held on **Wednesday May 4, 2016 at 2:30 p.m. (CET) at the Palais des Congrès – 2, place**

de la Porte Maillot – 75017 Paris (France). This meeting is being called to deliberate on the agenda and resolutions set forth in the present notice of meeting.

PRIOR CONDITIONS FOR PARTICIPATING AT THE MEETING

In accordance with Article R. 225-85 of the French Commercial Code, all shareholders, regardless of the number of shares they own, will be admitted to the meeting, provided they can prove that they hold shares via the accounting registration of securities held in their name or in the name of their intermediary registered to act on their behalf, by the second business day prior to the meeting at midnight (CET) i.e. **Monday May 2, 2016 at 0.00 a.m. (CET)**:

- **Registered shares:**

By the accounting registration of securities in registered securities accounts held for the Company by its agent BNP Paribas Securities Services.

- **Bearer shares:**

By the accounting registration of securities in securities accounts held by their accredited financial or banking intermediary.

The accounting registration of bearer security accounts held by your accredited financial or banking intermediary must be justified by a shareholding certificate (*attestation de participation*) issued by said intermediary and appended:

- to the voting form;
- to the proxy vote; or
- to the application for an entry card in the name of the shareholder or on behalf of a shareholder represented by the accredited intermediary.

You may be represented at the general meeting by any physical person or legal entity of your choice (Article L. 225-106 of the French Commercial Code).

HOW TO PARTICIPATE AT THE GENERAL MEETING

Sanofi grants you the option to request an entry card, to vote or to give your proxy to the Chairman or any other person (physical person or legal entity) of your choice by Internet before the general meeting.

Sanofi also enables you to vote through the secured voting platform VOTACCESS, which is dedicated to voting prior to the general meeting.

Access to the platform is available via Planetshares, Planetshares – My Proxy or via your accredited intermediary's website. The platform will be open from **April 11, 2016 until May 3, 2016 at 3:00 p.m. (CET)**. However, in order to prevent any bottlenecks from occurring on the VOTACCESS website, we recommend that you do not wait until the last minute to vote.

If you decide to use the Internet, you must neither fill in nor send back the voting form.

I. To personally attend the general meeting:

1. Using the paper voting form:

- you hold **registered shares** or **units in the dedicated employee share ownership fund (i.e. the FCPE)**: request an entry card by sending the voting form (attached to your notice of meeting) to BNP Paribas

Securities Services – CTS Assemblées – Les Grands Moulins de Pantin – 9, rue du Débarcadère – 93761 Pantin Cedex – France;

- you hold **bearer shares**: ask the accredited intermediary managing your securities account for an entry card to be delivered to you.

2. Through the Internet:

- You hold **registered shares** : request an entry card by logging on VOTACCESS via the Planetshares website at the following address : <https://planetshares.bnpparibas.com>
 - for **fully registered shares**: with your usual login;
 - for **administered registered shares**: with the login that appears on the top right-hand corner of the voting form attached to your notice of meeting.

Once logged on, follow on-screen instructions in order to access VOTACCESS and ask for your entry card.

- You hold **units in a FCPE**: request an entry card by logging on VOTACCESS via Planetshares – My Proxy at the following address: <https://lgisproxy.bnpparibas.com/sanofi.pg> by using
 - the login that appears on the top right-hand corner of your voting form; and
 - the identification information corresponding to your Natixis Interépargne employee account number which appears on the bottom right-hand corner of your Natixis annual account statement.

Once logged on, follow on-screen instructions in order to access VOTACCESS and ask for your entry card.

**If you have forgotten or lost your login and/or password,
contact the dedicated hotline at 00 33 1 40 14 80 40.**

- If you hold **bearer shares**: ask your accredited intermediary whether it is connected to VOTACCESS and, if so, whether access is subject to specific conditions of use.

If your authorized intermediary is connected to VOTACCESS, log on to your intermediary's website with your usual login. Then click on the icon appearing on the line corresponding to your Sanofi shares and follow the on-screen instructions to access to VOTACCESS and apply for an entry card.

II. To cast a vote by mail, give a proxy to the Chairman or be represented at the general meeting:

1. Using the paper voting form:

- You hold **registered shares** or **units in a FCPE**: send back the voting form (attached to your notice of meeting) to BNP Paribas Securities Services – CTS Assemblées – Les Grands Moulins de Pantin – 9, rue du Débarcadère – 93761 Pantin Cedex – France.
- You hold **bearer shares**: request your voting form from the accredited intermediary managing your securities account from the date of the convening of the general meeting. Then, send back your voting form duly completed to your intermediary, which will forward it, together with a shareholding certificate to be issued by said intermediary, to BNP Paribas Securities Services – CTS Assemblées – Les Grands Moulins de Pantin – 9, rue du Débarcadère – 93761 Pantin Cedex – France.

In order to be taken into account, your voting form duly completed and signed or your proxy appointment or revocation shall be received by BNP Paribas Securities

Services three calendar days before the general meeting at the latest, **i.e. on April 29, 2016**.

Entry card requests shall in no event be directly sent back to Sanofi.

2. Through the Internet:

- You hold **registered shares**: access to VOTACCESS via the Planetshares website: <https://planetshares.bnpparibas.com>
 - for **fully registered shares**: with your usual login;
 - for **administered registered shares**: with the login that appears on the top right-hand corner of the paper voting form attached to your notice of meeting.

Once logged on, access to VOTACCESS by clicking on "Participate in the General Meeting" on the home page.

- You hold both **registered shares** and **units in a FCPE**: log on to the Planetshares website with your usual login. It will enable you to vote for both your shares and your FCPE units; the number of shares and FCPE units you hold is mentioned on the top right-hand corner of your voting form. Once logged on, in order to access to VOTACCESS:
 - for your registered shares: click on "Participate in the General Meeting";
 - for your FCPE units: click on "Participate in the General Meeting for your mutual fund (FCPE) units on MyProxy".

You shall then be redirected to VOTACCESS, where you may cast your vote, give or revoke your proxy by following the on-screen instructions.

**If you have forgotten or lost your login and/or password,
contact the dedicated hotline at 00 33 1 40 14 80 40.**

- If you hold **bearer shares**: ask your accredited intermediary whether it is connected to VOTACCESS and, if so, whether access is subject to specific conditions of use:

- If your intermediary is connected to VOTACCESS, log on to your intermediary's website with your usual login. Then click on the icon appearing on the line corresponding to your Sanofi shares and follow the on-screen instructions to access to VOTACCESS and vote, appoint or revoke a proxy online;

- If your intermediary is not connected to VOTACCESS, the notification of appointment or revocation of a proxy may nonetheless be made by electronic means by sending an e-mail to the address paris.bp2s.france.cts.mandats.sanofi@bnpparibas.com

It is imperative that this e-mail includes the following information: the name of the company which issued the securities, the date of the general meeting, your

last name, first name, address and bank references and the first name, last name and, if possible, address of the proxy you wish to appoint. It is imperative that you ask the financial intermediary managing your securities account to send a written confirmation of your request to: BNP Paribas Securities Services – CTS Assemblées – Les Grands Moulins de Pantin – 9, rue du Débarcadère – 93761 Pantin Cedex – France.

The above-mentioned e-mail address shall be used only for notification of appointment or revocation of a proxy purposes. Any other request or notification received at this address will neither be taken into account nor processed.

In order for online proxy appointments or revocations to be validly taken into account, confirmations have to be received by BNP Paribas Securities Services on the eve of the meeting at the latest, i.e. on **May 3rd, 2016 at 3:00 p.m. (CET)**.

If you have already voted, sent in a proxy or requested an entry card, then you may not use another method to participate at the meeting.

If you hold Sanofi shares in more than one form (registered, bearer or via the dedicated employee share ownership fund i.e. the FCPE), you will have to vote as many times as there are forms if you wish to cast all the voting rights attached to your Sanofi shares.

HOW TO FILL IN YOUR VOTING FORM?

HOW TO FILL IN YOUR VOTING FORM

A B

IMPORTANT : avant d'exercer votre choix, veuillez prendre connaissance des instructions situées au verso / Before selecting, please refer to instructions on reverse side.
QUELLE QUE SOIT L'OPTION CHOISIE, NOIRCIER COMME CECI ■ LA OU LES CASES CORRESPONDANTES, DATER ET SIGNER AU BAS DU FORMULAIRE / WHICHEVER OPTION IS USED, SHADE BOX(ES) LIKE THIS ■, DATE AND SIGN AT THE BOTTOM OF THE FORM

A. Je désire assister à cette assemblée et demande une carte d'admission : dater et signer au bas du formulaire / I wish to attend the shareholders' meeting and request an admission card : date and sign at the bottom of the form.
 B. J'utilise le formulaire de vote par correspondance ou par procuration ci-dessous, selon l'une des 3 possibilités offertes / I prefer to use the postal voting form or the proxy form as specified below.

SANOFI
 S.A. au capital de 2 611 393 518 €
 Siège social : 54 rue La Boétie
 75008 PARIS
 395 030 844 R.C.S. PARIS

ASSEMBLÉE GÉNÉRALE MIXTE
 convoquée pour le 4 Mai 2016 à 14h30,
 au Palais des Congrès, 2 place de la Porte Maillot - 75017 PARIS

COMBINED GENERAL MEETING
 to be held on May 4th, 2016 at 2:30 p.m.,
 at Palais des Congrès, 2 place de la Porte Maillot - 75017 PARIS

CADRE RÉSERVÉ À LA SOCIÉTÉ / For Company's use only
 Identifiant / Account
 Nombre d'actions / Number of shares
 Nominatif / Parts FCP Registered
 Porteur / Bearer
 Vote simple / Single vote
 Vote double / Double vote
 Nombre de voix / Number of voting rights

D

JE VOTE PAR CORRESPONDANCE / I VOTE BY POST
 Cf. au verso renvoi (2) - See reverse (2)

Je vote OUI à tous les projets de résolutions présentés ou agréés par le Conseil d'Administration, à l'EXCEPTION de ceux que je signale en noirissant comme ceci ■ la case correspondante et pour lesquels je vote NON ou je m'abstiens.
 I vote YES to all the draft resolutions approved by the Board of Directors EXCEPT those indicated by a shaded box - like this ■, for which I vote NO or I abstain.

Sur les projets de résolutions non agréés par le Conseil d'Administration, je vote en noirissant comme ceci ■ la case correspondant à mon choix.
 On the draft resolutions not approved by the Board of Directors, I cast my vote by shading the box of my choice - like this ■.

		Oui / Yes		Non/No	
		Abst/Abs		Abst/Abs	
1	2	3	4	5	6
10	11	12	13	14	15
19	20	21	22	23	24
28	29	30	31	32	33
37	38	39	40	41	42
43	44	45			

A Oui Yes
 B Non/No Abst/Abs
 C Oui Yes
 D Non/No Abst/Abs
 E Oui Yes
 F Non/No Abst/Abs
 G Oui Yes
 H Non/No Abst/Abs
 I Oui Yes
 J Non/No Abst/Abs
 K Oui Yes

JE DONNE POUVOIR AU PRÉSIDENT DE L'ASSEMBLÉE GÉNÉRALE
 cf. au verso renvoi (3)
 I HEREBY GIVE MY PROXY TO THE CHAIRMAN OF THE GENERAL MEETING
 See reverse (3)

JE DONNE POUVOIR A : cf. au verso renvoi (4)
 I HEREBY APPOINT see reverse (4)
 M., Mme ou Mlle, Raison Sociale / Mr, Mrs or Miss, Corporate Name
 Adresse / Address

ATTENTION : S'il s'agit de titres au porteur, les présentes instructions ne seront valides que si elles sont directement retournées à votre banque.
CAUTION: If shares are held in bearer form, the present instructions will be valid only if they are directly returned to your bank.

Nom, Prénom, Adresse de l'actionnaire (si ces informations figurent déjà, les vérifier et les rectifier éventuellement)
 - Surname, first name, address of the shareholder (if this information is already supplied, please verify and correct if necessary)
 Cf. au verso renvoi (1) - See reverse (1)

D'

D''

Z

Regardless of your choice, PLEASE DATE AND SIGN HERE.

Date & Signature

à / to BNP PARIBAS SECURITIES SERVICES, CTS Assemblies, Grands Moulins de Pantin - 93761 PANTIN Cedex

Please return the form using the enclosed prepaid envelope at least three days before the date on which the meeting is to be held, i.e. by **Friday April 29, 2016, at 3 p.m. (CET)**.

For further information about the Company and your participation to the meeting, contact us:

- by telephone: BNP Paribas Securities Services: 00 33 1 40 14 80 40
- by post: Sanofi, Shareholder Relations Department 54, rue La Boétie – 75008 Paris (France)
- by email: relations-actionnaires@sanofi.com

A You wish to attend the meeting in person:

- Tick box **A**;
- Date and sign box **Z**.

B You cannot attend and you wish to vote by post or by proxy:

- Tick box **B**;
- Choose among the three options (one choice only);
- Date and sign box **Z**.

C You give your proxy to the Chairman of the meeting:

- Tick box **B**;
- Tick box **C** « I hereby give my proxy to the Chairman of the general meeting »;
- Date and sign box **Z**.

D You vote by post:

- Tick box **B**;
- Tick box **D** « I vote by post »:
 - Each numbered box represents one resolution proposed or agreed to by the Board of Directors;
 - Each empty box represents a **YES** vote;
 - Each shaded box represents a **NO** vote or an abstention (to abstain is equivalent to a vote NO);
- Date and sign box **Z**.

D' This box is to be used to vote for resolutions proposed by the shareholders and not agreed to by the Board of Directors:

If you wish to cast your vote, shade the corresponding box.

D'' This box corresponds to amendments or new resolutions proposed during the meeting:

If you wish to cast your vote, shade the corresponding box.

E You give your proxy to any physical or legal person of your choice:

- Tick box **B**;
- Tick box **E** « I hereby appoint »;
- Indicate in box **E** information on the person who will represent you (last name, first name, and address);
- Date and sign box **Z**.

F Indicate your last name, first name, and address:

- If these data appear on the form, check their accuracy;
- If the person signing the form is not the shareholder, he/she must indicate his/her last name, first name and address and his/her quality (legal agent, guardian ...).

Z All shareholders must date and sign this box.

AGENDA

This text is a free translation from the French language and is supplied solely for information purposes. Only the original version in the French language has legal force.

ORDINARY BUSINESS

- Approval of the individual company financial statements for the year ended December 31, 2015 (1st resolution)
- Approval of the consolidated financial statements for the year ended December 31, 2015 (2nd resolution)
- Appropriation of profits, declaration of dividend (3rd resolution)
- Reappointment of Laurent Attal as Director (4th resolution)
- Reappointment of Claudie Haigneré as Director (5th resolution)
- Reappointment of Carole Piwnica as Director (6th resolution)
- Appointment of Thomas Südhof as Director (7th resolution)
- Appointment of Diane Souza as Director (8th resolution)
- Consultative vote on the components of the compensation due or awarded to Serge Weinberg, Chairman of the Board of Directors, in respect of the year ended December 31, 2015 (9th resolution)
- Consultative vote on the components of the compensation due or awarded to Olivier Brandicourt, Chief Executive Officer, in respect of the year ended December 31, 2015 (10th resolution)
- Authorization to the Board of Directors to carry out transactions in the Company's shares (11th resolution)

EXTRAORDINARY BUSINESS

- Delegation to the Board of Directors of authority to grant, without preemptive right, options to subscribe for or purchase shares (12th resolution)
- Authorization for the Board of Directors to carry out consideration-free allotments of existing or new shares to some or all of the salaried employees and corporate officers of the Group (13th resolution)
- Powers for formalities (14th resolution)

REPORT OF THE BOARD ON RESOLUTIONS SUBMITTED TO THE COMBINED GENERAL MEETING

This text is a free translation from the French language and is supplied solely for information purposes. Only the original version in the French language has legal force.

This report describes the proposed resolutions that are being submitted to the meeting by the Board of Directors. It consists of an introduction, a summary table of financial authorizations, and a glossary. The objective of this report is to draw your attention to the important points in the resolutions, in accordance with the relevant laws and regulations and with best practice in corporate governance as recommended for companies listed in Paris. It is essential that you read the proposed resolutions carefully and in full before exercising your vote.

I – ORDINARY BUSINESS

The first 3 resolutions concern the approval of the annual financial results of your Company, the appropriation of distributable profits and the setting of the dividend.

APPROVAL OF THE FINANCIAL STATEMENTS

(1st and 2nd resolutions)

Acting on the recommendation of the Audit Committee, the Board of Directors submits for your approval the individual Company financial statements, showing a profit of 9,323,285,124.85 euros, and the consolidated financial statements, for the year ended December 31, 2015.

A detailed account of Sanofi's results of operations in the year ended December 31, 2015 is found in the 2015 annual report published by the Company.

APPROPRIATION OF PROFITS, DECLARATION OF DIVIDEND

(3rd resolution)

Acting on the recommendation of the Audit Committee, the Board of Directors submits for your approval the payment of a dividend of 2.93 euros per share, representing a payout ratio of 52.0 % of distributable results¹.

For the three preceding years, the dividend per share amounted to:

2012	2013	2014
2.77 euros	2.80 euros	2.85 euros

If the General Meeting approves our proposal, the ex-dividend date will be May 10, 2016 and the dividend will be paid in cash on or after May 12, 2016.

The proposed dividend distribution subjects Sanofi to the 3% additional corporate tax.

REAPPOINTMENT OF DIRECTORS AND RATIFICATION OF THE CO-OPTING OF DIRECTORS

(4th to 8th resolutions)

As of January 31, 2016, the Board of Directors had 14 members, 11 of whom are deemed independent.

Each year, the Board of Directors conducts a review to ensure that there is an appropriate balance in its composition and the composition of its Committees. In particular, the Board seeks to ensure a balanced representation of men and women and diversity of background and country of origin, since the business of the Group is both diversified and global. The Board

investigates and evaluates potential candidates as well as the opportunity for a mandate renewal. Above all, the Board seeks talented directors, who show independence of mind and who are competent, dedicated and committed.

When the Board looks for a new nominee, the Board takes into account both its current and target composition to identify the qualities of a candidate that would best contribute to the maintenance and reinforcing of a balanced Board. The Chairman of the Appointments and Governance Committee conducts this search based on the profile thus defined with the assistance of a specialized

¹ For a definition see "Item 5 – Business Net Income" of our annual report on form 20-F.

recruiter. The Appointments and Governance Committee develops a short list of candidates based on this search, and the short-listed candidates meet with several members of the Appointments and Governance Committee before the Committee formulates its recommendation to the Board as to which candidates appear to best correspond to the Board's identified needs and wishes.

Directorships at your Company are typically for four-year terms, which your Board believes is an appropriate length of commitment to request of a person aspiring to join its members. We emphasize that under French law Directors are revocable at will by the shareholders, so that neither the length of the terms nor the staggered renewal dates can serve as anti-takeover devices. In line with the recommendations of the AFEP-MEDEF Code, since 2008 the terms of the directorships have been established such that only a fraction of the directorships are renewed in a given year, so as to ensure stability and continuity. Your Board reserves the right to occasionally propose shorter terms for one or more directors to ensure that not too many renewals fall the same year.

The mandates of Laurent Attal, Uwe Bicker, Jean-René Fourtou, Claudie Haigneré, Carole Piwnica and Klaus Pohle are due to expire at the close of the General Meeting to be held on May 4, 2016.

Upon the recommendation of the Appointments and Governance Committee, your Board of Directors proposes the renewal of the mandates of Laurent Attal, Claudie Haigneré and Carole Piwnica for a four year term. Uwe Bicker, Jean-René Fourtou and Klaus Pohle did not express any wish to be reappointed.

Before submitting to your approval the reappointment of Laurent Attal, Claudie Haigneré and Carole Piwnica, your Board of Directors has made sure of their availability. None holds an excessive number of mandates. Their individual attendance rate to Sanofi Board meetings and as the case may be committees of which they are members, is respectively 94%, 95% and 94%.

The Board also assessed their individual contributions to the Board activity as well as, whenever applicable, to the activity of its various Committees both in terms of competencies and in terms of personal commitment and considered that it was in the interest of your Company to keep each of them as Directors and that it was consistent with the target composition of the Board as identified in the process afore-described.

The Board reiterated the objective expressed in its roadmap on the future composition of the Board of bringing more scientific and pharmaceutical expertise, and more non-French and female directors, onto the Board. Two candidates whose profile fits these priorities are submitted for approval by the shareholders at the Annual General Meeting to be held on May 4, 2016.

Upon the recommendation of the Appointments and Governance Committee, your Board of Directors submits to your approval the appointment of Diane Souza and

Thomas Südhof as members of the Board for a four-year term expiring at the close of the General Meeting called to approve the financial statements for the year ended December 31, 2019.

These appointments allow pursuing the smooth and progressive implementation of the roadmap set by the Board of Directors to refresh its membership. These appointments bring more scientific and pharmaceutical expertise, and more non-French and female Directors, onto Board.

Diane Souza is the former CEO of UnitedHealthcare Specialty Benefits. With over 25 years of managed care and health benefits experience, she led healthcare operations and business and large-scale systems transformation at UnitedHealthcare and Aetna, as well as delivery of the integrated market strategy for the Affordable Care Act. A certified public accountant, she was also CFO of Aetna's Guaranteed Products business, where she was regularly involved in complex financial transactions. Diane Souza has also held senior leadership positions at Deloitte and PWC.

Thomas Südhof, MD, is the Avram Goldstein Professor in the School of Medicine of Stanford University, as well as a Professor of Molecular & Cellular Physiology, Psychiatry, and Neurology. Prior to this position, he spent 25 years at the University of Texas, Southwestern, where he acted as Chairman of the Department of Neuroscience. Most of his research at that time focused on the mechanisms of synaptic information transmission which have pharmacological consequences for the treatment of neuro-degenerative and neuro-psychiatric diseases. Thomas Südhof, MD, won the Nobel Prize in Physiology or Medicine, (shared with James Rothman and Randy Schekman) in 2013, the Albert Lasker Medical Basic Research Award together with Richard Scheller, as well as the Bernhard Katz Award of the Biophysical Society (shared with Reinhard Jahn).

Full biographies of each individual to be appointed or reappointed can be found in the present notice of meeting.

At the close of the General Meeting to be held on May 4, 2016, assuming the adoption of the 4th to 8th resolutions, the composition of your Board of Directors will therefore be as follows (*expiry of term of office in parentheses*):

- Serge Weinberg, Chairman of the Board (2019), independent Director;
- Olivier Brandicourt, Chief Executive Officer (2018);
- Laurent Attal (2020);
- Bonnie Bassler (2019), independent director;
- Robert Castaigne (2018), independent director;
- Claudie Haigneré (2020), independent director;
- Patrick Kron (2018), independent director;
- Fabienne Lecorvaisier (2017), independent director;
- Suet-Fern Lee (2019), independent director;

- Christian Mulliez (2018);
- Carole Piwnica (2020), independent director;
- Diane Souza (2020), independent director;
- Thomas Südhof (2020), independent director.

In accordance with the recommendations of the AFEP-MEDEF Code and, consistent with the recommendation of the Appointments and Governance Committee, the Board of Directors' Meeting which was held on October 28, 2015,

performed once again a review of the criteria for the independence of Board members. Based on this review and assuming adoption of resolutions 4 to 8, following the Shareholders' Meeting, a majority of the Board members would be regarded as independent directors, in compliance with our governance standards. Independent directors will make up more than 84% of the Board's membership. Women will make up 46% of the Board's membership in accordance with the recommendations of the AFEP-MEDEF Code.

ADVISORY VOTE ON THE ELEMENTS OF COMPENSATION DUE OR GRANTED FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2015 TO THE CHAIRMAN OF THE BOARD AND THE CHIEF EXECUTIVE OFFICER

(9th and 10th resolutions)

In accordance with the recommendation of the AFEP-MEDEF Code, revised in November 2015 (Article 24.3), to which Sanofi refers to pursuant to Article L. 225-37 of the French Commercial Code, the following elements of compensation due or granted to each executive director of the Company for the year ended 2015, are submitted to the shareholders' advisory vote:

- The fixed portion;
- The annual variable portion and, as the case may be, any multi-year variable portion with the objectives contributing to the determination of this variable portion;
- Exceptional bonuses;
- Options to subscribe for shares, performance shares and any long-term incentive;
- Welcome bonus or compensation on termination of service;
- The pension scheme;
- Any other benefits.

The 9th and 10th resolutions thus offer you to cast an advisory vote on the elements of compensation due or granted to the Chairman of the Board and the Chief Executive Officer for the financial year ended December 31, 2015.

Separation of the Offices of Chairman and Chief Executive Officer

Since January 1, 2007, Sanofi has separated the offices of Chairman and Chief Executive Officer. The annual evaluations conducted since that date have indicated that this governance structure is appropriate to the Group's current configuration. This arrangement was maintained with the appointment of Serge Weinberg to the office of Chairman on May 17, 2010, on May 6, 2011 and again on May 4, 2015. The Board of Directors continues to consider that this governance structure is appropriate in the Group's current context.

As an exception, resulting from the removal of Christopher Viehbacher from office as Chief Executive Officer on

October 29, 2014, the Board of Directors asked Serge Weinberg to temporarily occupy the functions of both Chairman and Chief Executive Officer. Upon the appointment of Olivier Brandicourt as Chief Executive Officer on April 2, 2015, the Group's governance returned to the separation of the offices of Chairman and Chief Executive Officer.

Due to the exceptional and temporary nature of the combination of the two offices, the Board of Directors, on recommendation of the Appointments and Governance Committee, did not consider it necessary or appropriate to appoint a lead independent director. However, the Board of Directors, at its meeting held on November 18, 2014, decided to assign the chairmanship of the Appointments and Governance Committee to an independent director to replace the Chairman of the Board of Directors. With the return to the separation of the two offices, Serge Weinberg resumed the chairmanship of the Appointments and Governance Committee on October 28, 2015.

The **Chairman** organizes and directs the work of the Board, and is responsible for ensuring the proper functioning of the corporate decision-making bodies in compliance with good governance practices. The Chairman coordinates the work of the Board of Directors with its Committees. The Chairman is accountable to the Shareholders' General Meeting, which he chairs.

In accordance with our Board Charter and in close collaboration with the Senior Management, the Chairman represents the Company in high-level dealings with governmental bodies and with the Group's key partners, both nationally and internationally, and participates in defining the major strategic choices of the Group especially as regards mergers, acquisitions and alliances. The Chairman and the Chief Executive Officer, when the two offices are separated, keep each other fully informed of one another's actions.

The **Chief Executive Officer** is responsible for the management of the Company, and represents the Company in dealings with third parties within the limit of the corporate purpose. The Chief Executive Officer has the broadest powers to act in all circumstances in the name of the Company, subject to the powers that are

attributed by law to the Board of Directors and to the Shareholders' General Meeting and within the limits set by the Board of Directors.

A Compensation Committee predominantly composed of independent Directors

The compensation policy for corporate officers is established by the Board of Directors upon the recommendation of the Compensation Committee.

At December 31, 2015, this Committee was composed of:

- Jean-René Fourtou Chairman since May 4, 2015;
- Claudie Haigneré;
- Patrick Kron, since May 4, 2015; and
- Christian Mulliez.

This Committee is composed of a majority of independent directors: of the four members of the Compensation Committee, three are deemed to be independent.

The Compensation Committee met six times in 2015. The members of the Compensation Committee have a very good attendance record for meetings, with an overall attendance rate among members of 100%.

When the Committee discusses the compensation policy for members of senior management who are not corporate officers, i.e. the members of the Executive Committee, the Committee invites the members of senior management who are corporate officers to attend.

In 2015, the main activities of the Compensation Committee related to:

- a compensation structure for the new Chief Executive Officer;
- fixed compensation of the Chairman of the Board;
- the terms of the previous Chief Executive Officer's removal from office, determination of his 2014 variable compensation, determination of fulfillment of the performance conditions of his previous share-based plans;
- update on the 2014 and 2015 fixed and variable compensation of the members of the Executive Committee;
- establishment of the amount of Directors' attendance fees for 2014, review of the expenses of Directors and corporate officers for 2014, principles of allocation of Directors attendance fees for 2015;
- review of the "governance" chapter of the 2014 *Document de Référence*, which contains disclosures about compensation;
- determination of fulfillment of the performance conditions of previous share-based plans;

- implementation of the equity-based compensation policy, including both stock options and performance shares, which was discussed at several meetings largely because of the need to review clauses relating to departure from the Group;
- review of draft compensation-related resolutions to be presented to the shareholders in 2015, in particular Say on Pay, renewal of the delegation of authority to the Board to allocate performance shares and the delegation related to share issues reserved for employees; and
- an update on the August 6, 2015 Act on economic growth, business and equal opportunity (the "Macron Act").

The Committee did not have recourse to external consultants in 2015.

Compensation Policy for Corporate Officers

The compensation policy for corporate officers is established by the Board of Directors upon the recommendation of the Compensation Committee. The Board of Directors follows the AFEP-MEDEF Code when setting the compensation of our corporate officers.

The AFEP-MEDEF Code and the recommendations of the *Autorité des marchés financiers* (the French market regulator, hereafter referred to as "AMF"), require specific disclosures about the implementation of the recommendations and, if applicable, explanations of the reasons why any of them may not have been implemented.

As an exception to our usual practice (applied since 2009) of awarding stock options and performance shares in March, in 2015 those awards were made in June. For more information see "Item 6 – C. Board Practices –" in the annual report on Form 20-F.

a) Serge Weinberg (9th resolution)

Serge Weinberg has held the office of Chairman of the Board of Directors since May 17, 2010. From October 29, 2014 until April 2, 2015, he was also Chief Executive Officer. He was an outside appointment and has never had an employment contract with Sanofi distinct from his current office.

The Chairman of the Board also chairs the Appointments and Governance Committee and the Strategy Committee.

The compensation of the Chairman of the Board of Directors consists solely of fixed compensation and benefits in kind and excludes any variable compensation, any awards of stock options and performance shares and any directors' attendance fees.

The corporate officers do not receive directors' attendance fees in their capacity as directors. Consequently, Serge

Weinberg does not receive directors' attendance fees in his capacity as Chairman of the Board, Chairman of the Appointments and Governance Committee or Chairman of the Strategy Committee.

On March 3, 2015, upon the recommendation of the Compensation Committee, the Board of Directors set the terms of Serge Weinberg's compensation.

For 2015, his fixed compensation was maintained at an annual amount of €700,000, with no adjustment in consideration of his acting as Chief Executive Officer on a temporary basis. When the Board of Directors asked him

to assume the office of Chief Executive Officer, it was decided at his request not to modify his compensation.

He did not receive any variable compensation, stock options, or performance shares during 2015, and nor did he receive director's attendance fees as a member of the Board of Directors.

The amount reported for benefits in kind relates mainly to a company car with a chauffeur.

Serge Weinberg does not benefit from the Sanofi top-up pension plan.

Elements of Compensation due or granted for the financial year ended December 31, 2015 to Serge Weinberg, Chairman of the Board, submitted to an advisory vote

	Amounts due to granted or valuation (in euros)	Comments
Fixed Compensation	700,000	Fixed compensation (gross amount) for 2015 set by the Board of Directors on March 3, 2015 upon proposal of the Compensation Committee. Serge Weinberg's fixed compensation has remained the same since his appointment as Chairman of the Board on May 17, 2010.
Annual variable Compensation	NA	
Benefits in kind	8,218	The benefits in kind relates principally to a company car with a chauffeur.
Grants of Options to subscribe for Shares and/or Performance Shares	NA	
Compensation payable on Termination of Office	NA	
Exceptional Compensation	NA	
Non-compete Clause	NA	
Pension Plan	NA	
Collective Healthcare and Welfare Schemes	NA	
Multi-year variable compensation	NA	
Directors' Fees	NA	
Total	708,218	

b) Olivier Brandicourt (10th resolution)

The Board of Directors' meeting held on February 19, 2015 appointed Olivier Brandicourt as Chief Executive Officer and co-opted him as a Director of Sanofi with effect from April 2, 2015.

He was an outside appointment and has never had an employment contract with Sanofi distinct from his appointment as Chief Executive Officer.

The compensation of the Chief Executive Officer is set by the Board of Directors upon the recommendation of the Compensation Committee with reference to compensation

paid to the chief executive officers of major global pharmaceutical companies and of major companies in the CAC 40 stock market index.

The Sanofi compensation policy seeks to be consistent with market and industry practice in order to provide competitive levels of compensation, to create a strong link between Company and individual performance, and to maintain a balance between short-term performance and mid-long-term performance. Consistency with market practice is fundamental in order to attract and retain the talents necessary to the Group's success.

In 2015 Olivier Brandicourt's compensation was made up of the following elements:

- fixed compensation;
- benefits in kind;
- annual variable compensation subject to annual individual objectives;
- equity compensation consisting of stock options and performance shares, contingent on both internal and external performance conditions measured over three years and subject to stringent lock-up obligations.

In addition, Olivier Brandicourt benefits from:

- a top-up defined benefit pension plan;
- a termination benefit contingent upon performance conditions, only payable if departure is non-voluntary and linked to a change in control or strategy; and
- a non-compete indemnity.

Acting on the recommendation of the Compensation Committee, the Board authorized the financial terms of Olivier Brandicourt's appointment, as summarized below:

- his annual compensation is made up of the following elements:

- fixed annual compensation of €1,200,000 (gross);
- variable annual compensation with a target of 150% of his fixed annual compensation, subject to quantitative and qualitative performance conditions and capped at 250% of his fixed annual compensation.
- As compensation for benefits forfeited upon his departure from his previous employer, Oliver Brandicourt received or will receive:
 - a lump-sum payment of €2 million (gross), paid upon his taking up office;
 - a lump-sum payment of €2 million (gross), payable in January 2016 and subject to a condition of continued employment;
 - a grant of 66,000 performance shares, subject to 3-year performance conditions. The vesting of these shares is contingent upon the average of the ratios of business net income to net sales for each financial year being at least 18% over the 3 years of the plan.

Olivier Brandicourt was also awarded a deemed ten years of service.

Elements of Compensation due or granted for the financial year ended December 31, 2015 to Olivier Brandicourt, Chief Executive Officer, submitted to an advisory vote

	Amounts due to granted or valuation (in euros)	Comments
Fixed Compensation	895,455	<p>Upon the proposal of the Compensation Committee, Olivier Brandicourt's fixed compensation (gross amount) for 2015 was set by the Board of Directors on February 19, 2015.</p> <p>His annual fixed compensation amounts to €1,200,000.</p> <p>The amount of his fixed compensation was determined on a pro rata basis for the time he held office in 2015, i.e. starting on April 2, 2015.</p>
Annual variable Compensation		<p>For 2015, the variable compensation of Olivier Brandicourt was in a potential range between 0% and 250% of his fixed compensation, with a target of 150%.</p> <p>His variable compensation for 2015 was established on the basis of quantitative and qualitative criteria. These criteria were as follows:</p> <ul style="list-style-type: none"> • attainment of financial targets (40%) This objective included sales growth (one-third) and growth in Business Net Income (two-thirds); • improvement of the Diabetes franchise and the successful launch of Toujeo® in the United States (10%); • new product registrations and submissions compared to our budget (15%); • review of our strategic plan (15%); • success in assuming his duties (20%). This objective covered inter alia: <ul style="list-style-type: none"> – establishing an efficient Executive Committee;

Amounts due to granted or valuation (in euros)	Comments
1,491,300	<ul style="list-style-type: none"> – simplifying the organizational structure and clarifying accountabilities; – transparent communication with the Chairman of the Board and the Board of Directors; – positive feedback on internal and external corporate communication; – inception of succession planning. <p>The objectives based on financial targets, the Diabetes franchise and product registrations and submissions are all quantitative criteria, and accounted for 65% of the variable compensation criteria. The strategic plan review and success in assuming office are qualitative criteria, and accounted for 35% of the variable compensation criteria.</p> <p>Upon the recommendation of the Compensation Committee and in the light of experience, the Board of Directors decided that the percentage of variable compensation linked to quantitative criteria could be reduced regardless of actual performance, in order to give greater weight to the criterion relating to Olivier Brandicourt's success in assuming his duties. If used, this flexibility would operate solely to reduce the amount of variable compensation, rather than to compensate for underperformance on the quantitative criteria.</p> <p>In general, the performance criteria apply not only to variable compensation but also to the vesting of stock options and performance shares in compliance with our targets, which are ambitious.</p> <p>For reasons of confidentiality, the specific targets set for the quantitative and qualitative criteria, even though they have been properly and precisely established, cannot be disclosed. In evaluating these criteria, the performance of major global pharmaceutical companies was taken into account.</p> <p>Acting on the recommendation of the Compensation Committee, the Board of Directors meeting of March 3, 2016 reviewed the attainment of each criterion and sub-criterion, and determined that:</p> <ul style="list-style-type: none"> ● the financial objectives had been 142% fulfilled relative to the potential range of 0% to 250% and the target of 150%; ● the individual objectives had been 181.5% fulfilled, relative to the potential range of 0% to 250% and the target of 150%. <p>The Board expressed its full satisfaction with the way in which Olivier Brandicourt had assumed office and come up to speed during the first nine months of 2015, and also with the major corporate actions initiated and the operational actions already taken.</p> <p>Acting on the recommendation of the Compensation Committee, the Board of Directors meeting of March 3, 2016 set Olivier Brandicourt's variable compensation for 2015 at €1,988,400, equivalent to 165.7% of his fixed compensation and representing an amount of €1,491,300 on a pro rata time basis for the amount of time spent in office during the year.</p> <p>Olivier Brandicourt's 2015 variable compensation is to be paid in 2016.</p>

	Amounts due to granted or valuation (in euros)	Comments
Benefits in kind	133	Olivier Brandicourt received a benefit in kind in 2015 representing social contribution payments made by Sanofi on his behalf. Sanofi policy is to make these payments (which arise on employer's pension contributions and are normally payable by the employee) on behalf of all of its employees in France, including him.
Grants of Options to subscribe for Shares of Performance Shares		<p>Pursuant to authorizations granted by the Combined General Meetings held on May 3, 2013 (13th resolution) and on May 4, 2015 (22th resolution), the Board of Directors held on June 24, 2015 granted Olivier Brandicourt 220,000 options to subscribe for shares and 111,000 performance shares (66,000 of which as an exceptional compensation, see below).</p> <p>The award of 220,000 options and 45,000 performance shares is contingent upon fulfilment of a performance condition which consists in the attainment of 3 cumulative performance conditions (Business Net Income (50%), Return on Assets (30%) and Total Shareholder Return (20%)) over a 3-year period, 2015 – 2017. Options to subscribe for shares may not be exercised the first 4 years and performance shares have a 4-year vesting period.</p> <p>Each option to subscribe for shares granted on June 24, 2015 was valued at €16.12, valuing the total benefit at €3,546,400. Options are valued at the date of grant using the Black & Scholes method which is used for consolidated accounts. Options to subscribe for shares granted to Olivier Brandicourt in 2015 represented 2.41% of total limit approved by the Shareholders' General Meeting held on May 3, 2013.</p> <p>Each performance share granted on June 24, 2015 was valued at €79.52, valuing the total benefit at €3,578,400. Performance shares are valued at the date of grant and valuation corresponds to the difference between the quoted market price of the shares on the date of grant and the expected dividends over the next three years. All the performance shares granted to Olivier Brandicourt in 2015 represented 0.71% of the total limit approved by the Shareholders' General Meeting held on May 4, 2015.</p>
	3,546,400	
	3,578,400	
Compensation payable on Termination of Office	No Payment	<p>Any activation of this termination benefit can only be carried out if the departure of the Chief Executive Officer is forced, i.e. in the event of removal from office or resignation linked to a change in strategy or control of the Company.</p> <p>The amount of this termination benefit is limited to 24 months of total compensation on the basis of the fixed compensation effective on the date he ceases to hold office and the last variable compensation received prior to that date, subject to the performance criteria described below.</p> <p>In accordance with article L. 225-42-1 of the French Commercial Code and with the AFEP-MEDEF Code, payment of the termination benefit is contingent upon fulfillment of two performance criteria listed below, assessed over the three financial years preceding his ceasing to hold office. The two criteria are:</p> <ul style="list-style-type: none"> ● the average of the ratios of business net income to net sales for each financial year must be at least 15%; ● the average of the ratios of operating cash flow before changes in working capital to net sales for each financial year must be at least 18%.

	Amounts due to granted or valuation (in euros)	Comments
		<p>The amount of this benefit will be reduced by any benefit received as consideration for the non-compete undertaking, so that the cumulative amount of these two benefits may never exceed two years of total fixed and variable compensation.</p> <p>The Shareholders' General Meeting of May 4, 2015 approved the section on the termination benefit contained in the auditors' special report on related party transactions (4th resolution).</p>
Exceptional compensation	2,000,000	An amount of €2,000 000 paid upon his taking up of office, and 66,000 performance shares granted as partial compensation for benefits forfeited by Olivier Brandicourt when leaving his previous employer.
	5,248,320	The award of 66,000 performance shares is contingent upon a performance condition measured over three years which is the average of the ratios of business income to net sales for each financial year. These performance shares were granted by the Board of Directors held on June 24, 2015 at the same time as the annual award for 2015 (see above).
Non-Compete Clause	No payment	<p>In the event of his departure from the Company, Olivier Brandicourt undertakes not to join a competitor of the Company as an employee or executive officer, or to provide services to or cooperate with such a competitor, during a 12-month period following his departure.</p> <p>In return for his undertaking, he will receive an indemnity corresponding to one year's total compensation on the basis of his fixed compensation effective on the day he ceases to hold office and the last individual variable compensation received prior to that date. This indemnity will be payable in 12 monthly installments.</p> <p>However, the Board of Directors reserves the unilateral right to release him from this undertaking for some or all of that 12-month period. In such a case, the non-compete indemnity would not be due for the period of time waived by the Company.</p> <p>The Shareholders' General Meeting of May 4, 2015 approved the section on the non-compete undertaking contained in the auditors' special report on related party transactions (4th resolution).</p>
Pension plan	No Payment	<p>Olivier Brandicourt is covered by a top-up defined-benefit pension plan falling within the scope of Article L. 137-11 of the French Social Security Code, (which has been called the "Sanofi plan" since the Company changed its name). The plan is offered to all employees of Sanofi and its French subsidiaries who meet the eligibility criteria specified in the plan rules. This plan, which remains open, was set up on October 1, 2008 as the final stage in the process of harmonizing the status of personnel across the French subsidiaries.</p> <p>The main characteristics of this plan are as follows:</p> <p>This top-up defined-benefit pension plan is offered to executives (as defined by AGIRC, a confederation of executive pension funds) of Sanofi and its French subsidiaries who meet the eligibility criteria specified in the plan rules; the benefit is contingent upon the plan member ending his or her career within the Group. The plan is reserved for executives with at least ten years of service whose annual base compensation has for ten years (not necessarily consecutive) exceeded four times the French social security ceiling, and is wholly funded by the Company and outsourced to an insurance company.</p>

Amounts due to granted or valuation (in euros)	Comments
	<p>The top-up pension, which may not exceed 37.50% (1.5% per year of service capped at 25 years) of the reference compensation, is in the form of a life annuity, and is transferable as a survivor's pension. The annuity is based on the arithmetical average of the three highest years' annual gross compensation (fixed plus variable) paid during any three of the five years preceding final cessation of employment. This reference compensation is capped at 60 times the French social security ceiling ("PASS") applicable in the year in which the rights vest.</p> <p>That annuity would supplement the schemes for which he may be eligible in France or abroad, subject to a cap on the total pension from all sources set at 52% of the reference compensation. If the total amount of the annuities paid under all such schemes were to exceed the 52% cap, the amount of the Sanofi top-up defined-benefit pension would be reduced accordingly in order to respect this cap.</p> <p>Because Olivier Brandicourt has pursued his career in different countries and in different groups, he has not continuously paid his contribution to the French compulsory industry schemes. Taking into account the award of a deemed ten years of service on taking up office, he had accumulated 10.75 years of service as of December 31, 2015. The reference compensation being limited to 60 PASS (i.e. €2,282,400 in 2015) the amount of the annuity is 16.125% of this amount, i.e. €368,037.</p> <p>In order to benefit from the Sanofi retirement plan when leaving the Group, Olivier Brandicourt has to be entitled to benefit fully from compulsory industry schemes, which requires that he reach the legal retirement age (taking into account his age, not before 2018) and to have the mandatory number of three-month periods of qualifying employment. Sanofi does not have sufficient information to determine whether retirement in 2018 is a realistic scenario in terms of qualifying employment, since most of his career has been spent outside France.</p> <p>If Olivier Brandicourt were to retire in 2018, he would have accumulated 13 years of service, entitling him to an annuity equal to 19.5% of his reference compensation. That annuity would supplement the schemes for which he may be eligible in France or abroad, subject to a cap on the total pension from all sources set at 52% of the reference compensation.</p> <p>If the total amount of the annuities paid under all such schemes were to exceed the 52% cap, the amount of the Sanofi top-up defined-benefit pension would be reduced accordingly in order to respect this cap.</p> <p>The award of a deemed ten years of service to Olivier Brandicourt on his taking up office was intended solely to compensate him for benefits forfeited elsewhere. Given the lack of any internal candidates following the dismissal of the previous Chief Executive Officer, Sanofi had to make an outside appointment; consequently, whichever outside candidate was appointed would have had to be compensated for benefits forfeited elsewhere.</p> <p>This benefit has been taken into account by the Board of Directors when fixing his global compensation.</p> <p>The eligibility of Olivier Brandicourt for this plan was approved by the Shareholders' General Meeting of May 4, 2015 (4th resolution).</p>

	Amounts due to granted or valuation (in euros)	Comments
Collective Healthcare and Welfare Schemes	NA	Olivier Brandicourt is subject to, benefits from and contributes to the same health coverage and death & disability plans as are applicable to other employees of the Group based in France.
Multi-year variable compensation	NA	
Directors' Fees	NA	
Total	16,760,008	

SHARE REPURCHASE PROGRAM

(11th resolution)

The Board of Directors requests that you renew the authorization for the purchase and sale of Company shares which it had last been granted to the Board of Directors at the Shareholders' Meeting held on May 4, 2015, in accordance with Articles L. 225-209 *et seq.* of the French Commercial Code.

Purchases under the prior authorization through February 29, 2016 (the last available date prior to finalization of this report) amounted to 25,291,601 shares at an average price of €77.10 per share. A liquidity plan based on a prior authorization has been in place since 2010 with a current funding of €10 million.

In 2015, the Company did not resort to derivatives to repurchase its own shares.

The new resolution submitted to your approval provides that the Company could repurchase its own shares up to

the statutory limit of 10% of the number of shares constituting the share capital at the date of such purchases (i.e., at December 31, 2015, 126 million shares), and that the maximum number of treasury shares held after such purchases could not exceed 10% of the amount of the Company's share capital at any time.

The maximum price for such a purchase will be set at €120 per share. It is specified that this authorization will not be valid in the event of a public tender offer for Sanofi's shares, and that its validity is limited to a period of 18 months.

The objectives for the repurchase plan which could be implemented pursuant to this authorization are limited by law. A description of these objectives is set forth in the resolution. Sanofi may conduct repurchases itself or through an agent. Repurchases are disclosed regularly on the web site of our Company (www.sanofi.com).

II — Extraordinary business

FINANCIAL AFFAIRS OF YOUR COMPANY

(12th and 13th resolutions)

Granting of options to subscribe for or purchase shares and performance shares to employees and corporate officers of the Company and the Group (12th and 13th resolutions)

Acting on the recommendation of the Compensation Committee, the Board of Directors requests your authorization to continue to grant stock subscription options and performance shares to employees and corporate officers of the Company and the Group on the restrictive conditions contained in the 12th and 13th resolutions. These new authorizations cancel the unused balance of the current authorizations without retroactive effect.

Key Characteristics of the Requested Authorization

The characteristics of this new authorization have been reviewed in depth by the Board of Directors in light of the recommendations of the Compensation Committee:

- the total ceilings of 0.5% of the share capital for stock subscription options and 1.5% of the share capital for performance shares are set for a period of thirty-eight (38) months;

- an explicit limit of 15% for stock subscription options and 5% for performance shares within the resolution defining the maximal portion of the authorization which can be used for the benefit of the Chief Executive Officer;
- all grants are required to be subject to at least two multi-year performance conditions and the additional condition of the beneficiaries' continued employment in the Sanofi Group. The Board of Directors must set these conditions at the time of grant, and will choose internal and external criteria consistent with Sanofi's equity compensation policy.

Equity Compensation Generally

Sanofi's overall remuneration policy is designed to motivate and reward performance by ensuring that a significant part of executive and employee remuneration is conditioned on the achievement of financial, operational and social criteria aligned with the corporate interest and generation of shareholder value. Equity compensation and variable cash compensation are the two principal levers for action.

Equity compensation is a critical tool for the worldwide attraction of Sanofi as an employer, which aims at aligning employee and shareholder interests and reinforcing employees' ties to the Group. As described below, the Board of Directors is responsible for equity compensation under French law, and acts after taking advice from the Compensation Committee. The performance conditions attached to equity compensation are decided by the Board for all beneficiaries at Sanofi and its subsidiaries worldwide. Because of the Group-wide nature of the performance conditions attached to equity compensation, this instrument is particularly well adapted to incentivizing goals based on the Sanofi Group's consolidated results and balance sheet. In effect, these are areas where all options or performance shares beneficiaries have the potential to contribute to the collective result. For goals where identifiable sub-populations of employees have the real impact and ability to contribute – such as operating division performance, corporate social responsibility projects, national or regional goals – tailored incentives are instead provided through variable cash compensation, which is awarded in a more decentralized manner thereby permitting individualized incentive structures (for more information on variable cash compensation and Sanofi's compensation policies generally, see the corporate governance pages of the Company's website www.sanofi.com). Equity compensation, like cash compensation, must be granted at levels that allow Sanofi to remain competitive with its international peer group when seeking to recruit executive, scientific and technical talent. Because of its long-term nature, and the termination of awards upon the termination of employment, equity compensation is also an effective tool for retaining the highly qualified individuals already employed by the Group.

Equity compensation typically takes the form of stock subscription option and performance. One resolution authorizing the Board of Directors to grant performance options and one resolution authorizing Performance Shares granting are being proposed to shareholders at the Combined General Meeting to be held on May 4, 2016.

As of December 31, 2015, all outstanding undelivered options and restricted stock combined with the unused portions of unexpired shareholder authorizations amount to a potential dilution of 3.78%. Over the past 3 years, potential dilution from option and restricted stock grants amounted to an average of 0.36% annually (this notion sometimes being referred to as a burn rate). A description of existing equity compensation plans granted by Sanofi in the past is found in Sanofi's 2015 annual report on U.S. Form 20-F starting at page 158 for the Chief Executive Officer and page 166 for employees, including members of the Executive Committee. Additionally, since 2011, Sanofi uses the corporate governance page of www.sanofi.com to make available to its shareholders the same equity plan documentation as is delivered to employee beneficiaries.

French law is very protective of shareholders' interest in Sanofi's equity. Equity compensation must always be authorized by the shareholders in an extraordinary resolution, which temporarily delegates powers to the Board of Directors to issue no more than pre-determined amounts of shares or options (as the case may be) under strictly defined conditions. The Board may not rely on this authorization for more than thirty-eight (38) months before a new shareholder authorization is required. French law does not permit to grant equity compensation to Board Members (except the board member who is also Chief Executive Officer), so shareholders can be assured that the Board's decision to grant equity compensation is taken solely in the long-term interest of the Company and its shareholders, with no possible motive of personal gain. The Board decides the size, timing, participants and conditions of the plan within the limits of the shareholder authorization, and may not delegate these decisions to Company employees or officers. The Board's decisions in these matters are guided by the recommendations of a Compensation Committee which complies with the independence requirements of the AFEP-MEDEF Code.

A Presentation of Sanofi's Equity Compensation Policy:

Sanofi's equity compensation policy will apply both to the authorization sought by the 12th and 13th resolutions.

In 2011, on the basis of the work of the Compensation Committee, the Board of Directors substantially reworked Sanofi's share compensation policy to reinforce the link with performance for all beneficiaries and to reduce potential dilution. As a result of very positive shareholder feedback collected through corporate governance roadshows, contacts with shareholders and proxy advisers and the results of the previous AGMs, the Board has decided to maintain this policy and reinforce it in 2013. The current policy can generally be characterized by (i) reduced dilution, (ii) diversified, multi-year performance conditions, (iii) increased transparency, (iv) specific additional requirements for the Chief Executive.

Reduced Dilution

The current compensation policy requires that grants be primarily based on performance shares with only a limited number of high-level executives continuing to receive stock options. As a result, most employees who benefit from equity compensation plans (approximately 7,400 in 2015) receive performance shares only, while members of the Executive Committee who are not French tax residents (who include the Chief Executive Officer) receive a combination of stock subscription options and performance shares. The Group's increased reliance on performance share plans (accompanied by a corresponding decrease in the awarding of stock options) has led the Board to request an authorization of 0.5% of the share capital for the stock subscription options and 1.5% of the share capital for performance shares.

What is more, a greater reliance on performance shares allows the Board of Directors to maintain a comparable level of employee incentivization while reducing the dilutive effect for existing shareholders. A conversion ratio has been applied such that one performance share equates to five stock subscription options. By way of example, a manager who previously would have been allocated 1,000 subscription options will be allocated 200 performance shares under the new policy, reducing potential dilution by 80%. The Board of Directors believes that the Company's equity compensation policy will lead to a significantly reduced volume of potential dilution over time, with future plans based on significantly less dilutive performance shares.

Meanwhile the Board of Directors continues to consider that options because of their exercise price and their multiplier effect remain a compensation element that is fitted to senior managers and thus intends to continue to set up subscription options plans subject to performance conditions for this population.

Diversified, multi-Year and demanding Performance Conditions

The equity compensation policy requires that all management and employee grants of options and performance shares be subject in their entirety to the achievement of multi-year performance criteria, putting the entire grant at risk if performance does not meet defined objectives. Whether to executives or Group employees,

the equity grant is designed to be part of an overall policy which drives shareholder value and no portion of an equity grant is guaranteed. The Board of Directors considers that multi-year conditions must be measured over a performance period of at least three (3) years. In order to ensure that Sanofi equity compensation incentivizes strong overall performance and does not encourage excessive risk taking, the Board will subject any given plan to at least two distinct performance conditions. Failure to achieve these conditions over the entire performance period is sanctioned by a substantial reduction or loss of the grant. Grants also are conditioned the beneficiaries' continued employment in the Sanofi group over the entire pre-vesting period (four (4) years for options, three (3) or four (4) years for performance shares). Moreover, all stock option plans are subject to an implicit additional performance condition in the form of the exercise price, and as a policy the exercise price of stock subscription and stock purchase options set by the Board never incorporates a discount, and must be at least equal to the average of the quoted market prices on the twenty trading sessions preceding the date of grant by the Board. French law does not allow the Board to reset prior grants with easier performance conditions or a lower strike price.

As a demonstration of how this policy is implemented, the plans put in place by the Board on June 24, 2015, are conditioned on two internal criteria based on Business Net Income and Return on Assets, with a third, external criteria measuring Sanofi's relative performance (Total Shareholder Return compared to a panel of pharmaceutical companies) applicable only to attributions to the Chief Executive Officer.

The Board considers that these performance conditions are good indicators of the development of shareholder value in terms of the quality of investment decisions in a period where external growth plays a greater role than in the past (ROA condition), of the commitment to delivering challenging bottom-line results in a tough business environment (Business Net Income condition) and of the matching or exceeding our peer group as in terms of shareholder returns (TSR condition). The Board intends to continue, in the future, to apply the same performance criteria unless they cease to be relevant. In such case, the Board would determine and impose criteria with a similar level of requirement so as to continue using compensation incentives coherent over the long-term.

The measurement of the level of fulfillment of the performance conditions for the grants in the context of the 2015 annual plans is conducted over a three (3) year continued time period. The TSR condition is not even deemed partially fulfilled if it does not reach the median. More generally, the target Business Net Income decided upon may not be lower than the lower range of the guidance published by the Company at the beginning of each year. A detailed description of these grants and of the performance conditions of the 2015 plans can be found in Sanofi's annual report (Form 20-F page 166 *and seq.*).

The Board imposes demanding performance conditions for which the fulfillment is not guaranteed. On February 8 2016, the Board of Directors determined the level of fulfillment of the performance conditions for certain plans granted in 2013. The plan for the Chief Executive Officer was reduced by 26.7% due to the non-fulfillment of all the criteria set by the Board upon granting. The employees' plan was reduced by 8.4%. For the 2012 and 2013 plans, a total of 183,640 options and 684,672 performance shares were canceled due to the partial non-fulfillment of the performance conditions.

Transparency

Since 2011, the approach of Sanofi is fully transparent. All criteria used are quantifiable and ascertainable. First, the Board of Directors publishes the plan rules on the corporate governance page of the Company's web site so that shareholders have the same disclosure as to the mechanics of the plan as the plan participants. All aspects of the TSR condition (including the composition of the comparative panel) are also published on the corporate web site, so that the level of achievement of this criterion can be assessed by anyone in real time. Moreover, the Business Net Income performance criteria chosen will never be lower than the bottom of the range of annual guidance publicly announced by the Company at the beginning of each year. Lastly and pursuant to the undertaking of the Board of Directors, the level of attainment of each performance condition is published *ex post* in Sanofi's annual report.

Specific Restrictions for CEO

Before making any award to the Chief Executive Officer, the Board takes into account any prior awards and his overall compensation. Additionally, each shareholder

authorization to the Board specifies the maximum amount of the grants that can be allocated to the Chief Executive Officer.

For stock subscription options, the Board proposes to cap the amount that can be awarded to the Chief Executive Officer at 15% of the total under the 12th resolution.

For performance shares, the Board proposes to cap the amount that can be awarded to the Chief Executive Officer at 5% of the total under the 13th resolution.

In accordance with the AFEP-MEDEF Code which seeks to reinforce long-term shareholding by top management, the Board determines the share of equity awards that must be retained by the Chief Executive Officer until the end of his term of office as well as any additional amounts that the Chief Executive Officer must invest in Sanofi shares from own funds. These obligations are published in the Company's annual report, together with a report on the Chief Executive Officer's holdings of Sanofi shares and stock options. Hedging of these positions is not permitted.

No Grant made to Chairman

No equity compensation is awarded to the Chairman of the Board of Directors, whose sole remuneration is a fixed stipend. The Chairman will therefore not benefit from any stock subscription options or any performance shares grants by the Board of Directors under the 12th and 13th resolutions. As a reminder, as both Chairman of the Board and Chief Executive Officer from October 29, 2014 until April 2, 2015, Serge Weinberg did not receive any performance shares.

Shareholding by the Chairman from own resources is nevertheless encouraged, and a report on the Chairman's holding of Sanofi shares is published in the Company's annual report.

Other Principles prescribed by the AFEP-MEDEF Code

Grants by the Board of Directors abide by a number of additional rules.

In accordance with the AFEP-MEDEF Code, equity compensation is awarded on an annual basis, after publication of full-year accounts.

Since 2009, our Board of Directors has awarded stock options and performance shares in its early March meetings and hence after publication of annual results for the previous year.

Exceptionally, the awards for 2015 were made in June, for two main reasons. Firstly, the new Chief Executive Officer had not yet joined the Group in March, and it was considered preferable to make the awards to all beneficiaries on the same date. Secondly, the August 6, 2015 Act on economic growth, business and equal opportunity (the “Macron Act”) had not yet been enacted. In light of the date on which this Act passed into law, a new authorization is submitted for shareholder approval at the Annual General Meeting to be held on May 4, 2016 in order to implement the provisions of the new Act. Consequently, the awards for 2016 will also be made after the Annual General Meeting.

Subsequently, the Board intends to resume the practice of making the awards annually in March.

Repricing of existing grants is not permitted (and the Board will not modify the conditions set out in the initial grant). This policy has led to a significant number of option plans to expire unexercised in recent years, demonstrating the rigorously conditional nature of these grants.

All existing plans granted by Sanofi require the beneficiary to remain a Group employee between the grant date and the moment the plan rights are exercised or acquired, with narrow exceptions compliant with French law. Sanofi does not grant new options as part of departure or retirement packages. The Board of Directors will not grant stock option plans capable of being exercised in less than four (4) years or expiring more than ten (10) years after the initial grant date or performance shares plans with a vesting period lasting less than three (3) years. Plans granted by Sanofi do not accelerate upon a change of control of the Company. Sanofi’s Compensation Committee meets the independence requirements of the AFEP-MEDEF Code and no company officers serve thereon.

Additional Considerations

If you vote to renew the delegation to the Board of Directors of authority to grant stock subscription options and performance shares to employees and corporate officers of the Company and the Group on the proposed terms and conditions, the cumulative effect of prior

delegations of authority and equity compensation plans still in effect and of newly authorized delegations and plans would be a potential dilution of approximately 5.78%, well below the threshold of 10% of the capital.

If you approve the resolutions delegating authority to the Board to issue stock subscription options and performance options, this by law entails express waiver by the shareholders of their preemptive rights in favor of the beneficiaries or grantees in question. This authorization is granted for a period limited to thirty-eight months (38), and hence would be resubmitted for your approval in 2019. The Board of Directors would only be able to increase the share capital up to strictly defined ceilings, above which the Board of Directors could not increase the capital again without calling a new Extraordinary Shareholders’ General Meeting. In addition to the respective limits of 0.5% and 1.5% proposed in these resolutions, any granting of stock subscription options and performance shares hereunder would count against the ceilings for share issuances with and without preemptive rights adopted by Sanofi’s shareholders at the present general meeting (12th or 13th resolutions) or any future ceiling that would replace it.

A commitment to dialog

Since 2009, Sanofi has intensified its dialog with stakeholders and notably with shareholders, proxy advisers and shareholders associations in order to better apprehend market expectations and assess its policies against best practices among companies listed in Paris.

In 2011, on the basis of the work of the Compensation Committee, the Board of Directors substantially reworked Sanofi’s share compensation policy to reinforce the link with performance for all beneficiaries and to reduce potential dilution.

As a result of very positive shareholder feedback collected through corporate governance roadshows, contacts with shareholders and proxy advisers and the results of the AGM since 2011, the Board has decided to maintain this policy. The current policy can generally be characterized by (i) reduced dilution, (ii) diversified, multi-year performance conditions, (iii) increased transparency, (iv) specific additional requirements for the Chief Executive Officer.

POWERS

(14th resolution)

Finally, the 14th resolution is a usual one which allows accomplishing legal publications and formalities.

The Board of Directors proposes that you grant powers for the accomplishment of formalities required further to the Shareholders' General Meeting.

If you agree with the Board's proposals, please approve the resolutions as submitted for your vote.

The Board of Directors

Use of Existing Shareholder Authorizations in 2015

Share repurchases: in 2015, a total of 20,275,940 shares were repurchased at an average price of €87.67 per share. Between January 1 and February 29, 2016 (the last available date prior to finalization of this report), a total of 18,764,233 shares were repurchased at an average price of €74.61 per share.

Share Cancellation: 25,741,986 shares cancelled at Board sessions on April 29 and October 28, 2015.

Equity Compensation: a total of 435,000 options and 3,829,040 performance shares were granted in 2015.

Other Equity Issuances: no use was made in 2015.

Furthermore, the Board of Directors reserves the right to continue to use the shareholder authorizations previously granted by the Annual General Meeting of May 4, 2015 in its 13th to 21st resolutions.

We encourage you as shareholders to help us to reduce the AGM's carbon footprint by signing up to receive electronic shareholder communications and by voting through VOTACCESS platform. More information can be found at www.sanofi.com/AGM2016.

Summary table of financial resolutions adopted by shareholders at the Combined General Meeting held on May 4, 2015 remaining in force after May 4, 2016

A glossary is provided after this table and the following. Terms included in the glossary are identified by an asterisk* in the table.

EXTRAORDINARY BUSINESS						
N°	Purpose	Period of validity	Possible reasons for use of the delegation of authority	Specific ceiling	Price or method for determining price	Other information and comments
13	Issuance, with preemptive rights* maintained , of shares and/or securities giving access to the capital* of the Company, of any Subsidiary* and/or of any company	26 months	Potentially used by the Board of Directors to provide the Company with the financial resources needed to develop the Company and the Group	<ul style="list-style-type: none"> – 650 million shares, i.e. 49% of the capital at December 31, 2015, plus any additional amount issued to preserve the rights of holders of securities giving access to the capital* – included in the Overall Ceiling* of the same amount – €7 billion maximum par value amount for securities representing a debtor claim, included in the Maximum Par Value Amount* of the same amount 	Price set by the Board	<ul style="list-style-type: none"> – refer to the glossary for information about securities giving access to the capital* – possible introduction of a prorated subscription right* – possible authorization to issue securities giving access to the share capital of Subsidiaries* or of other companies* – this delegation of authority cannot be used during a public offering on the Company's share capital
14	Issuance by public offering with preemptive rights* cancelled , of shares and/or securities giving access to the capital* of the Company, of any Subsidiary* and/or of any company	26 months	<ul style="list-style-type: none"> – potentially used by the Board of Directors to provide the Company with the financial resources needed to develop the Company and the Group and to carry out issues, without preemptive rights for existing shareholders, both on the French and on the international market – potentially used to issue shares or securities giving access to the capital* as consideration for securities of another company meeting the conditions set by article L. 225-148 of the French Commercial Code in a public exchange offer initiated by the Company in France or in another country under local rules 	<ul style="list-style-type: none"> – 130 million shares, i.e. 9.96% of the capital at December 31, 2015, plus any additional amount issued to preserve the rights of holders of securities giving access to the capital* – included in the Overall Ceiling* – €7 billion maximum par value amount for securities representing a debtor claim, included in the Maximum Par Value Amount* of the same amount 	Price set by the Board, at least equal to the Statutory Minimum Price*	<ul style="list-style-type: none"> – possible authorization to issue securities giving access to the share capital of Subsidiaries* or of other companies* – possible authorization to issue shares or securities giving access to the capital* further to the issuance of securities giving access to the Company's share capital by Subsidiaries* – possible 5-day Priority subscription period* – this delegation of authority cannot be used during a public offering on the Company's share capital

N°	Purpose	Period of validity	Possible reasons for use of the delegation of authority	Specific ceiling	Price or method for determining price	Other information and comments
15	Issuance with preemptive rights* cancelled , of shares and/or securities giving access to the capital* of the Company, of any Subsidiary* and/or of any company via a private placement	26 months	<ul style="list-style-type: none"> – potentially used by the Board of Directors to provide the Company with a swifter and simpler means of funding than an issuance by public offering with preemptive rights* maintained – intended mainly for professional investors 	<ul style="list-style-type: none"> – 130 million shares, i.e. 9.96% of the share capital as of December 31, 2015, plus any additional amount issued to preserve the rights of holders of securities giving access to the capital* – included in the same ceiling specified in the 14th resolution and in the Overall Ceiling* – €7 billion maximum par value amount for securities representing a debtor claim, included in the Maximum Par Value Amount* of the same amount 	Price set by the Board, at least equal to the Statutory Minimum Price*	<ul style="list-style-type: none"> – possible authorization to issue securities giving access to the share capital of Subsidiaries* or of other companies* – possible authorization to issue shares or securities giving access to the capital* further to the issuance of securities giving access to the Company's share capital by Subsidiaries* – this delegation of authority cannot be used during a public offering on the Company's share capital
16	Issuance of securities representing a debtor claim and giving access to the share capital* of Subsidiaries and/or of any other company	26 months	Potentially used by the Board of Directors to provide the Company with the financial resources needed to develop the Company and the Group	€7 billion maximum par value amount for securities representing a debtor claim, included in the Maximum Par Value Amount* of the same amount	Price set by the Board	This delegation of authority cannot be used during a public offering on the Company's share capital
17	Increasing the number of securities to be issued in the event of a capital increase with or without preemptive rights*	26 months	Potentially used to reopen a capital increase at the same price as the original issue in the event of oversubscription (also known as a greenshoe clause)	<ul style="list-style-type: none"> – for each issue, the ceiling is the regulatory limit applicable on the issue date (currently 15% of the initial issue) – included in the 130 million shares ceiling set by the 14th resolution (for issues without preemptive rights*) and in the Overall Ceiling* (for any issue) – €7 billion maximum par value amount for securities representing a debtor claim, included in the Maximum Par Value Amount* of the same amount 	Same price as the initial issue	This delegation of authority cannot be used during a public offering on the Company's share capital

N°	Purpose	Period of validity	Possible reasons for use of the delegation of authority	Specific ceiling	Price or method for determining price	Other information and comments
18	Issuance of shares or securities giving access to the capital* as consideration for contributions in kind	26 months	Potentially used in connection with acquisitions	<ul style="list-style-type: none"> – 10% of the capital adjusted to reflect transactions affecting the share capital subsequent to the 2015 General Meeting – included in the 130 million shares ceiling specified in the 14th resolution for capital increases without preemptive rights* and the Overall Ceiling* – €7 billion maximum par value amount for securities representing a debtor claim, included in the Maximum Par Value Amount* of the same amount 	The Board will rule on the report of the Independent Reporting Accountants, which includes an assessment of the value of the assets transferred	<ul style="list-style-type: none"> – as stipulated by law, this delegation of authority cannot be used for consideration provided in connection with a public exchange offer initiated by the Company within the scope of article L. 225-148 of the French Commercial Code – this delegation of authority cannot be used during a public offering on the Company's share capital
20	Cancellation of treasury shares	26 months	Potentially used to reduce the Company's share capital	No more than 10% of the capital may be cancelled during any 24-month period	/	<ul style="list-style-type: none"> – this delegation of authority cannot be used during a public offering on the Company's share capital – 25.7 million shares cancelled at Board sessions on April 29 and October 28, 2015
21	Issuance of shares or securities giving access to the capital* reserved for members of employee savings plan	26 months	Potentially used to increase employee share ownership, in France and abroad, by setting up employee savings plans	<ul style="list-style-type: none"> – 1% of the share capital on the date the Board decides to use this delegated authority – Included in the Overall Ceiling* 	Price set by the Board subject to a minimum issue price for the shares or securities giving access to the capital of: <ul style="list-style-type: none"> – 80% of the Reference Price* – 70% of the Reference Price* where the lockup period stipulated by the plan is 10 years or more (for retirement savings plans) 	This delegation of authority may be used during a public offering on the Company's share capital

GLOSSARY

Maximum Par Value Amount

Overall maximum par value amount of **€7 billion** for securities representing a debtor claim issued pursuant to the 13th to 18th resolutions.

Overall Ceiling

General ceiling of **€1.3 billion (i.e. 650 million shares)** on the basis of the share capital as of December 31, 2015) imposed on share capital increases carried out pursuant to the 13th, 14th, 15th, 16th, 17th, 18th, 21st and 22nd resolutions.

Preemptive rights

Tradable right enabling existing shareholders to purchase additional shares or securities giving access to the share capital* in an offering before the general public has the opportunity, or to obtain, by selling such right, an amount equivalent to the decrease in its stake further to the issuance of new shares.

Priority subscription Rights/ Priority subscription period

In return for the cancellation of preemptive rights*, the Board may introduce priority subscription rights, which may be pro-rated*. Whenever introduced, priority subscription rights, like preemptive rights*, enable existing shareholders to subscribe to the proposed issue in proportion to the number of shares they currently hold. However, contrary to preemptive rights*, such priority subscription rights are (i) exercisable within a priority subscription period (currently, at least 5 trading sessions) shorter than the period allowed for preemptive rights* and (ii) not tradable.

Pro-rated (subscription rights)

In some cases, the Board of Directors may institute pro-rated subscription rights in favor of existing shareholders. This means that if irreducible subscriptions (i.e. subscriptions by shareholders exercising preemptive rights) fail to entirely absorb the capital increase, the unsubscribed shares would

be allocated to the shareholders who made an application for additional shares on a prorated basis (over and above the entitlement given by their preemptive rights) in proportion to their subscription rights, though the number of shares allocated to each shareholder may not exceed the number of shares applied for by that shareholder.

Reference Price

Average of the first quoted market prices of the Company's shares on the regulated market of NYSE Euronext Paris during the twenty trading sessions preceding the day of the Board's decision:

- in the case of the 21st resolution, setting the opening of the opening the subscription period for members of the employee savings plan;
- in the case of the 12th resolution submitted to the Annual General Meeting to be held on May 4, 2016, granting the stock options.

Securities giving access to the share capital

Characteristics of securities giving access to the share capital:

The 13th, 14th, 15th, 16th, 17th, 18th, 21st and 22nd resolutions approved by the Annual General Meeting held on May 4, 2015 allow the Board to decide upon the issuance of securities giving access to the share capital of the Company or of its Subsidiaries, either by the issuance of new shares (examples include bonds convertible into or redeemable for shares, or bonds with share warrants attached) or by the delivery of existing shares (examples include "OCEANE" bonds, which are convertible into new shares or exchangeable for existing shares). These securities may take the shape either of debt instruments (as in the abovementioned examples) or of equity instruments (for instance, shares with share warrants attached). However, issuing equity instruments convertible into debt instruments or that may be transformed into debt instruments is prohibited by law.

Methods of allotting the securities to which securities giving access to share capital give entitlement and dates when this right may be exercised :

Securities giving access to share capital that take the shape of debt instruments (such as bonds convertible into or redeemable for shares, or bonds with share warrants attached) may give entitlement, either at any time, during specified periods of time, or on said days to the allotment of shares. Such allotment may be effected by conversion (e.g. convertible bonds), redemption (e.g. bonds redeemable for shares), exchange (e.g. bonds exchangeable for shares) or presentation of a warrant (e.g. bonds with share warrants attached) or by any other mean, during the term of the debt instruments, whether or not shareholders' preemptive rights are maintained in respect of the securities thereby issued.

In accordance with the law, delegations of authority granted by the General Meeting to issue securities giving access to the share capital entail waiver by existing shareholders of their preemptive rights over the equity instruments to which such securities give entitlement.

Securities giving entitlement to the allotment of debt instruments

Characteristics of securities giving entitlement to the allotment of debt instruments, methods of allotting the instruments to which these securities give entitlement, and dates when this right may be exercised:

The 13th, 14th, 15th, 16th, 17th and 18th resolutions approved by the Annual General Meeting held on May 4, 2015 allow the Board to decide upon the issuance of securities giving entitlement to the allotment of debt instruments (such as shares with bond warrants attached). These securities could take the form of complex debt instruments in the sense understood by the stock market authorities, for example due to their redemption or remuneration terms or other rights such as indexation or option rights.

If securities giving entitlement to the allotment of debt instruments are issued, your Board may decide whether they

are to be subordinated or not (and if applicable, their ranking of subordination, consistent with the provisions of article L. 228-97 of the French Commercial Code), determine the interest (which may be fixed and/or floating rate, and may be compound interest), their term (whether fixed or perpetual), and the other terms and conditions of their issuance (including the possibility of securing or collateralizing them). These securities may be redeemed before maturity, including by delivery of Company assets, with or without a premium, or may be amortized, or may be repurchased on the market including through a tender or exchange offer by the Company.

Stakes

Companies of which Sanofi directly or indirectly owns less than 50% of the voting share capital.

Statutory Minimum Price

Currently, the statutory minimum issue price is :

- *For shares*: the weighted average of the quoted market price during the last three trading sessions on the regulated market of NYSE Euronext Paris preceding the setting of the subscription price for the capital increase minus 5%, after making any adjustment to this average in the event of a difference in the dates of ranking for dividend;
- *For securities giving access to the share capital**: a price such that for any share issued due to securities giving access to the share capital*, the total amount received by the Company in exchange for those securities giving access to the share capital* be at least equal to the statutory minimum price per share defined in the previous paragraph (as of the date of issuance of the securities giving access to the share capital*).

Subsidiaries

Companies of which Sanofi directly or indirectly owns more than 50% of the voting share capital.

PROPOSED RESOLUTIONS

This text is a free translation from the French language and is supplied solely for information purposes. Only the original version in the French language has legal force.

ORDINARY BUSINESS

FIRST RESOLUTION

Approval of the individual company financial statements for the year ended December 31, 2015

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Chairman's Report, the Board of Directors' Management Report and the Statutory Auditors' Reports, approves as presented the individual company financial statements for the year ended December 31, 2015 comprising the balance sheet, the income statement and the notes thereto, as well as the transactions reflected in those financial statements and summarized in those reports, showing a profit of 9,323,285,124.85 euros.

Pursuant to Article 223 *quater* of the French General Tax Code, the General Meeting approves those expenses and charges that are non-deductible for tax purposes under Article 39.4 of said Code and that amount to 125,659.92 euros for the year ended December 31, 2015, as well as the tax incurred on the basis of those expenses and charges which amounts to 47,750.77 euros.

SECOND RESOLUTION

Approval of the consolidated financial statements for the year ended December 31, 2015

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Chairman's Report, the Board of Directors' Management Report and the Statutory Auditors' Reports, approves as presented the consolidated financial statements for the

year ended December 31, 2015 comprising the balance sheet, the income statement and the notes thereto, as well as the transactions reflected in those financial statements and summarized in those reports.

THIRD RESOLUTION

Appropriation of profits, declaration of dividend

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, notes that:

• the profit for the year of	€9,323,285,124.85
• plus retained earnings of	€15,168,311,554.52
gives distributable profits of	€24,491,596,679.37
and resolves to appropriate the distributable profits as follows:	
• to the payment of dividends	€3,825,691,503.87 ⁽¹⁾
• to be carried forward as retained earnings	€20,665,905,175.50

⁽¹⁾ The total amount of the dividend distribution shown above is calculated on the basis of the number of shares entitled to dividend as of December 31, 2015, i.e. 1,305,696,759, and may change if the number of shares entitled to dividend changes between January 1, 2016 and the dividend ex-date, in particular as a result of changes in the number of treasury shares, the vesting of consideration-free shares and the exercise of stock options (if the beneficiary is entitled to dividend under the rules of the relevant plan).

Consequently, the dividend is set at 2.93 euros per share.

In accordance with Article 243 *bis* of the French General Tax Code, this dividend is eligible, when paid to individual shareholders who are resident in France for tax purposes, to the 40% tax relief specified in Article 158.3.2° of that Code.

For each of the last three years, the amount of dividend distributed per share and the amount of income per share eligible for the tax relief specified in Article 158.3.2° of the French General Tax Code were as follows:

Year	Dividend distributed	Income distributed	
		Eligible for the 40% tax relief specified in Article 158.3.2° of the French General Tax Code	Not eligible for the 40% tax relief specified in Article 158.3.2° of the French General Tax Code
2012	€2.77	€2.77	€0
2013	€2.80	€2.80	€0
2014	€2.85	€2.85	€0

The ex-date for this dividend on Euronext Paris will be May 10, 2016 and the payment date will be May 12, 2016. If the Company holds any of its own shares as of the

payment date, the proportion of distributable profits not distributed as a result will be appropriated to retained earnings.

FOURTH RESOLUTION

Reappointment of Laurent Attal as Director

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Board of Directors' Report, reappoints Laurent Attal to serve as a Director for a term of four years expiring at the

close of the General Meeting called to approve the financial statements for the year ended December 31, 2019.

FIFTH RESOLUTION

Reappointment of Claudie Haigneré as Director

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Board of Directors' Report, reappoints Claudie Haigneré to serve as a Director for a term of four years expiring at the

close of the General Meeting called to approve the financial statements for the year ended December 31, 2019.

SIXTH RESOLUTION

Reappointment of Carole Piwnica as Director

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Board of Directors' Report, reappoints Carole Piwnica to serve as a Director for a term of four years expiring at the

close of the General Meeting called to approve the financial statements for the year ended December 31, 2019.

SEVENTH RESOLUTION

Appointment of Thomas Südhof as Director

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Board of Directors' Report, appoints Thomas Südhof to serve as a Director for a term of four years expiring at the

close of the General Meeting called to approve the financial statements for the year ended December 31, 2019.

EIGHTH RESOLUTION

Appointment of Diane Souza as Director

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Board of Directors' Report, appoints Diane Souza to serve

as a Director for a term of four years expiring at the close of the General Meeting called to approve the financial statements for the year ended December 31, 2019.

NINTH RESOLUTION

Consultative vote on the components of the compensation due or awarded to Serge Weinberg, Chairman of the Board of Directors, in respect of the year ended December 31, 2015

The General Meeting, consulted pursuant to the recommendation contained in paragraph 24.3 of the November 2015 AFEP-MEDEF corporate governance Code, which is the reference code designated by the Company pursuant to Article L. 225-37 of the French Commercial Code, and having approved the financial statements and the Management Report presented by the

Board of Directors, voting on the quorum and majority conditions for Ordinary Meetings, expresses a favorable opinion on the information presented in the Board of Directors' report to the General Meeting about the components of the compensation due or awarded to Serge Weinberg in respect of the year ended December 31, 2015 in his capacity as Chairman of the Board of Directors.

TENTH RESOLUTION

Consultative vote on the components of the compensation due or awarded to Olivier Brandicourt, Chief Executive Officer, in respect of the year ended December 31, 2015

The General Meeting, consulted pursuant to the recommendation contained in paragraph 24.3 of the November 2015 AFEP-MEDEF corporate governance Code, which is the reference code designated by the Company pursuant to Article L. 225-37 of the French Commercial Code, and having approved the financial statements and the Management Report presented by the Board of Directors, voting on the quorum and majority

conditions for Ordinary Meetings, expresses a favorable opinion on the information presented in the Board of Directors' report to the General Meeting about the components of the compensation due or awarded to Olivier Brandicourt in respect of the year ended December 31, 2015 in his capacity as Chief Executive Officer.

ELEVENTH RESOLUTION

Authorization to the Board of Directors to carry out transactions in the Company's shares

The General Meeting, voting on the quorum and majority conditions for Ordinary Meetings, having reviewed the Board of Directors' Report, authorizes the Board of Directors, with powers to subdelegate within the law, in accordance with Articles L. 225-209 *et seq* of the French

Commercial Code, to purchase or arrange for the purchase of shares in the Company, with a view to:

- the implementation of any Company stock option plan under the terms of Articles L. 225-177 *et seq* of the French Commercial Code or any similar plan; or

- the allotment or sale of shares to employees under the French statutory profit-sharing scheme or the implementation of any entity or group (or similar) savings plan on the conditions stipulated by law, in particular Articles L. 3332-1 *et seq* of the French Labor Code, including via a consideration-free allotment of shares by way of top-up employer's contribution and/or in substitution for discount, in accordance with the relevant laws and regulations; or
- the consideration-free allotment of shares under the terms of Articles L. 225-197-1 *et seq* of the French Commercial Code; or
- generally, the honoring of obligations relating to stock option programs or other share allotments to employees or corporate officers of the issuer or of an associated entity; or
- the delivery of shares on the exercise of rights attached to securities giving access to the share capital by redemption, conversion, exchange, presentation of a warrant or any other means; or
- the cancellation of some or all of the shares purchased; or
- the delivery of shares (in exchange, as payment, or otherwise) in connection with acquisitions, mergers, demergers or asset-for-share exchanges; or
- market-making in the secondary market or maintenance of the liquidity of Sanofi shares by an investment services provider under a liquidity contract that complies with the ethical code recognized by the *Autorité des marchés financiers*.

This program is also intended to allow for the implementation of any market practice that may be permitted by the *Autorité des marchés financiers* subsequent to the present General Meeting and more generally for the carrying out of any transaction that complies with the applicable regulations. In such cases, the Company will inform its shareholders by means of a press release.

Purchases of the Company's own shares may be made such that:

- the number of shares acquired by the Company during the repurchase program may not exceed 10% of the shares which constitute the share capital of the Company at that time, such percentage being applied to a share capital figure adjusted to reflect transactions affecting the share capital subsequent to the present General Meeting (as an indication, 130,569,675 shares as at December 31, 2015), it being stipulated that (i) the number of shares acquired with a view to their retention

or future delivery in connection with a merger, demerger or asset-for-share exchange may not exceed 5% of the Company's share capital; and (ii) where the shares are repurchased to improve the liquidity of Sanofi shares on the conditions set out in the general regulations of the *Autorité des marchés financiers*, the number of shares taken into account in calculating the 10% limit mentioned above will be the number of shares purchased minus the number of shares resold during the period of the authorization;

- the number of own shares held by the Company at any time may not exceed 10% of the shares which constitute the share capital of the Company at that time.

Acquisitions, sales, exchanges and transfers of shares may be made at any time other than during the period of a public tender offer for the Company's shares, subject to the limits authorized by the laws and regulations in force, on one or more occasions and by any means, on regulated markets or via a multilateral trading facility or a systematic internalizer or over the counter, including by block purchases or sales (with no limit on the portion of the share repurchase program that can be carried out by this means), by public cash offer or public exchange offer or by the use of options or other derivative forward financial instruments or by the implementation of option-based strategies or by delivery of shares arising from the issuance of securities giving access to the Company's share capital by conversion, exchange, redemption, presentation of a warrant or any other means, either directly or through an investment services provider.

The maximum purchase price of shares under the present resolution will be 120 euros per share (or the equivalent value of this amount as at the same date in any other currency or currency unit established by reference to more than one currency).

The General Meeting delegates to the Board of Directors powers to adjust the aforementioned maximum purchase price in the event of a change in the par value of the share, increase in share capital by incorporation of reserves, consideration-free allotment of shares, stock split or reverse stock split, distribution of reserves or of any other assets, redemption of share capital, or any other transaction affecting shareholders' equity, so as to take account of the impact of such transactions on the value of the shares.

The total amount allocated to the share repurchase program authorized above may not exceed 15,668,361,000 euros (or the equivalent value of this amount as at the same date in any other currency or currency unit established by reference to more than one currency).

PROPOSED RESOLUTIONS

ORDINARY BUSINESS

The General Meeting confers full powers on the Board of Directors, with powers to subdelegate within the law, to decide on and implement the present authorization and if necessary to specify the conditions and determine the terms thereof, to implement the share repurchase program, and in particular to place stock market orders, enter into agreements, allocate or reallocate acquired shares to desired objectives subject to the applicable legal and regulatory conditions, set any terms and conditions that may be necessary to preserve the rights of holders of

securities or options in accordance with legal, regulatory or contractual stipulations, make declarations to the *Autorité des marchés financiers* or any other competent authority, accomplish all other formalities and generally do all that is necessary.

This authorization deprives of effect from this day any unused portion of any previous delegation to the Board of Directors of authority to carry out transactions in the Company's shares. It is granted for a period of eighteen (18) months from this day.

EXTRAORDINARY BUSINESS

TWELFTH RESOLUTION

Delegation to the Board of Directors of authority to grant, without preemptive right, options to subscribe for or purchase shares

The General Meeting, voting on the quorum and majority conditions for Extraordinary Meetings, having reviewed the Board of Directors' Report and the Statutory Auditors' Special Report:

1. authorizes the Board of Directors, under articles L. 225-177 to L. 225-186-1 of the French Commercial Code, with powers to subdelegate within the law, to grant, on one or more occasions, in favor of persons to be chosen by the Board of Directors from among the employees and corporate officers of the Company or of companies or groupings related to the Company on the terms specified in article L. 225-180 of said Code, options giving entitlement to subscribe for new shares in the Company to be issued in the form of an increase in its capital, and options giving entitlement to purchase shares in the Company obtained by the Company repurchasing its own shares on the terms laid down by the law;
2. resolves that options to subscribe for or purchase shares granted by virtue of the present authorization may not give entitlement to a total number of shares exceeding 0.5% of the share capital as of the day the decision is made by the Board of Directors, and that the aggregate par value of capital increases resulting from the exercise of options to subscribe for shares granted under the present delegation will count towards the overall ceiling specified in paragraph 3 of the thirteenth resolution of the Combined General Meeting held on May 4, 2015, or as the case may be, towards any overall ceiling stipulated by any similar resolution which succeeds said resolution during the period of validity of the present delegation;
3. resolves that the options to subscribe for or purchase shares granted to the Company's corporate officers pursuant to the present delegation may not represent more than 15% of the number of shares set forth in paragraph 2 of this resolution;
4. resolves that the price payable on the exercise of the options to subscribe for or purchase shares will be set on the day the options are granted and that (i) in the case of a grant of options to subscribe for shares, such price may not be lower than the average of the first quoted market prices of the Company's shares on the regulated market of Euronext Paris during the twenty trading sessions preceding the day on which the options to subscribe for shares are granted, and (ii) in the case of a grant of options to purchase shares, such price may not be lower than either (a) the price indicated in (i) above or (b) the average purchase price of shares held by the Company under articles L. 225-208 and L. 225-209 of the French Commercial Code. If the Company carries out any of the transactions mentioned in articles L. 225-181 or R. 225-138 of the French Commercial Code, the Company will, on the terms stipulated by the regulations then in force, take the necessary measures to protect the interests of the grantees, including, as the case may be, by adjusting the number of shares that may be obtained by grantees on exercise of their options so as to take account of the impact of the transaction in question;
5. resolves that the exercise of the options to subscribe for or purchase shares will be contingent upon the achievement of performance conditions which will be set by the Board of Directors over a period of at least three fiscal years;
6. formally notes that the present delegation entails the express waiver by the shareholders, in favor of the grantees of options to subscribe for shares, of their preemptive rights relating to the shares that are to be issued as and when said options are exercised. The increase in the share capital resulting from the exercise of the options to subscribe for shares will be definitively completed by mere declaration that the option is exercised accompanied by the subscription form and full payment, which may be made in cash or by offset of debts of the Company;
7. consequently, confers full powers on the Board of Directors to implement the present authorization, and in particular to:
 - determine whether the options granted give entitlement to new shares or existing shares and, if need be, to change its choice before the definitive vesting of shares;
 - determine the identity of grantees or of a class or classes of grantees of options and the number of options granted to each;
 - set the terms and conditions of the options, and in particular:
 - the term of validity of the options, it being understood that the options must be exercised within a maximum period of ten years;
 - the exercise date(s) or period(s) of the options, it being understood that the Board of Directors may (a) bring forward the exercise date(s) or period(s) of the options, (b) maintain the benefit of the options, or (c) amend the dates or periods during which shares obtained by exercise of options may not be transferred or converted into bearer shares;

- any clauses prohibiting immediate resale of some or all of the shares provided that the period for which the shares must be retained may not exceed three years from exercise of the option, it being understood that in the case of options granted to corporate officers, the Board of Directors must either (a) decide that the options may not be exercised by grantees before they cease to hold office, or (b) stipulate the quantity of shares that they are required to retain in registered form until they cease to hold office;
 - where appropriate, limit, suspend, restrict or prohibit the exercise of options or the transfer or conversion into bearer shares of shares obtained by the exercise of options during certain periods or with effect from certain events; such decision may relate to some or all of the options or shares or to some or all of the grantees;
 - decide on the date, which may be retrospective, from which the new shares resulting from the exercise of options to subscribe for shares will rank for dividend;
8. resolves that the Board of Directors, with powers to subdelegate within the law, will have full powers to duly record the completion of capital increases to reflect the amount of shares actually subscribed by the exercise of options to subscribe for shares, amend the Articles of Association accordingly, and, at its sole discretion and as it sees fit, charge the costs of the capital increases against the share premium arising thereon and deduct from this premium the sums necessary to increase the legal reserve to one-tenth of the new share capital after each capital increase, and accomplish all formalities necessary for the listing of the securities thereby issued, make all declarations with the relevant bodies and generally do all that is necessary;
 9. resolves that this authorization deprives of effect from this day any unused portion of any previous delegation to the Board of Directors of authority to grant options to subscribe for or purchase shares. It is granted for a period of thirty-eight (38) months from this day.

THIRTEENTH RESOLUTION

Authorization for the Board of Directors to carry out consideration-free allotments of existing or new shares to some or all of the salaried employees and corporate officers of the Group

The General Meeting, voting on the quorum and majority conditions for Extraordinary Meetings, having reviewed the Board of Directors' Report and the Statutory Auditors' Special Report, and in accordance with Articles L. 225-197-1 *et seq* of the French Commercial Code:

1. authorizes the Board of Directors, under Articles L. 225-197-1 *et seq* of the French Commercial Code to carry out, on one or more occasions, consideration-free allotments of existing or new ordinary shares to allottees or categories of allottees chosen by the Board from among the salaried employees of the Company or of companies or groupings related to the Company on the conditions stipulated in Article L. 225-197-2 of said Code, and from among corporate officers of the Company or of companies or groupings related to the Company that meet the conditions specified in Article L. 225-197-1 II of said Code, on the terms stipulated below;
2. resolves that existing or new shares allotted under this authorization may not represent more than 1.5% of the share capital as of the date of the decision by the Board of Directors, it being stipulated that the aggregate par value of immediate and/or deferred share capital increases that may be carried out under the present delegation will count towards the overall ceiling specified in paragraph 3 of the thirteenth resolution of the Combined General Meeting held on May 4, 2015, or, as the case may be, towards any overall ceiling stipulated by any resolution of the same kind that may supersede said resolution during the period of validity of the present delegation;
3. resolves that shares allotted to corporate officers of the Company under the present authorization may not represent more than 5% of the number of shares specified in paragraph 2 of the present resolution;
4. resolves that allotment of said shares to the allottees will become irrevocable at the end of a minimum vesting period of three years, the allottees being required, as the case may be, to retain said shares for a minimum period of time from the irrevocable allotment thereof, it being further stipulated that allotment of said shares to the allottees will become irrevocable before the expiry of the aforementioned vesting period in the event that the allottee is classified as disabled in the second or third category of disability as defined in Article L. 341-4 of the French Social Security Code or in equivalent cases abroad and that said shares will be freely transferable in the event that the allottee is classified in either of the aforementioned French Social Security Code categories or in equivalent cases abroad;
5. resolves that irrevocable allotment of the shares will be contingent upon performance conditions which will be set by the Board of Directors and will cover a period of at least three years;

6. grants full powers to the Board of Directors, with powers to subdelegate within the limits defined by law, to implement the present authorization, and in particular to:
- determine whether the shares allotted free of consideration will be new shares or existing shares and, as the case may be, to change its choice before the shares are irrevocably allotted;
 - select the allottees or categories of allottees from among the employees and corporate officers of the Company or of the aforementioned companies or groupings, and decide on the number of shares to be allotted to each;
 - set the terms of and any criteria for the allotment of the shares, in particular the vesting period and, as the case may be, the minimum retention period for each allottee on the aforementioned terms, it being stipulated that in the case of shares allotted free of consideration to corporate officers the Board of Directors must either (a) decide that the consideration-free shares may not be divested by the allottees while they remain in office or (b) specify the number of consideration-free shares that they are required to retain in registered form until they cease to hold office;
 - determine the performance conditions to which irrevocable allotment of the shares is subject;
 - allow for the temporary suspension of allotment rights in the event of share capital transactions;
 - duly record the dates of irrevocable allotment of the shares and the dates from which the shares will be freely transferable, given any legal restrictions;
 - in the event of an issue of new shares, charge any sums required to fully pay up such shares against reserves, profits or share premium, duly record completion of the share capital increases carried out under the present authorization, amend the Articles of Association accordingly, and generally carry out all necessary acts and formalities;
7. resolves that the Company may make, during the vesting period, any adjustments to the number of consideration-free shares allotted that may be necessary to preserve the rights of allottees in light of transactions affecting the Company's share capital in the circumstances specified in Article L. 225-181 of the French Commercial Code, it being stipulated that shares allotted as a result of such adjustments will be deemed to have been allotted on the same day as the shares originally allotted;
8. duly records that in the event of a consideration-free allotment of new shares the present authorization will entail, as and when such shares are irrevocably allotted, a share capital increase by incorporation of reserves, profits, or share premium in favor of the allottees of such shares and the correlative waiver by the shareholders of their preemptive rights in respect of said shares in favor of the allottees;
9. formally notes the fact that if the Board of Directors makes use of the present authorization, it will inform the Ordinary General Meeting annually of the transactions carried out pursuant to Articles L. 225-197-1 to L. 225-197-3 of the French Commercial Code, on the terms stipulated in Article L. 225-197-4 of said Code;
10. formally notes that the present authorization deprives of effect from this day any unused portion of any prior authorization given to the Board of Directors to carry out consideration-free allotments of existing or new shares to some or all of the salaried employees and corporate officers of the Group;
11. resolves that the present authorization is granted for a period of thirty-eight (38) months from this day.

FOURTEENTH RESOLUTION

Powers for formalities

The General Meeting, voting on the quorum and majority conditions for Extraordinary Meetings, confers full powers on the bearer of an original, copy or extract of the minutes

of its deliberations to carry out any filings (including filings with the competent registry) and formalities required by law.

CURRENT COMPOSITION OF THE BOARD OF DIRECTORS



Serge Weinberg
Chairman of the Board



Olivier Brandicourt
Chief Executive Officer
Director



Laurent Attal
Director



Bonnie Bassler
Independent
director



Uwe Bicker
Independent
director



Robert Castaigne
Independent
director



Jean-René Fourtou
Independent
director



Claudie Haigneré
Independent
director



Patrick Kron
Independent
director



Fabienne Lecorvaisier
Independent
director



Suet-Fern Lee
Independent
director



Christian Mulliez
Director



Carole Piwnica
Independent
director



Klaus Pohle
Independent
director

INFORMATION ABOUT THE DIRECTORS

WHOSE REAPPOINTMENT IS SUBMITTED TO THE GENERAL MEETING⁽¹⁾

Laurent Attal

1,000 shares



Date of birth: February 11, 1958
 Nationality: French
 First elected: May 2012
 Term expires: 2016

Directorships and appointments of Laurent Attal

	Within the Sanofi Group	Outside the Sanofi Group
Current directorships and appointments	<p>In French companies</p> <ul style="list-style-type: none"> • Director of Sanofi* <ul style="list-style-type: none"> – Member of the Strategy Committee of Sanofi <p>In foreign companies</p> <p>None</p>	<ul style="list-style-type: none"> – Director of <i>Fondation d'Entreprise L'Oréal</i> <p>None</p>
Past directorships since 2011	<p>In French companies</p> <p>None</p> <p>In foreign companies</p> <p>None</p>	<p>None</p> <p>None</p>

Education and business experience

- Doctor in medicine, dermatologist
- MBA from INSEAD (*Institut Européen d'Administration des Affaires*)

Since 1986 Various positions within the L'Oréal* Group notably within the active cosmetics division, and as President and Chief Executive Officer of L'Oréal USA (United States)

Since 2002 Member of L'Oréal* Executive Committee

Since 2010 **Vice President General Manager Research and Innovation at L'Oréal***

⁽¹⁾ Positions held in listed companies are flagged by an asterisk. Each person's principal position is indicated in bold.

Claudie Haigneré

1,000 shares



Date of birth:	May 13, 1957
Nationality:	French
First elected:	May 2008
Last reappointment:	May 2012
Term expires:	2016

Directorships and appointments of Claudie Haigneré

	Within the Sanofi Group	Outside the Sanofi Group
Current directorships and appointments	<p>In French companies</p> <ul style="list-style-type: none"> Independent director of Sanofi* <ul style="list-style-type: none"> Member of the Appointments and Governance Committee of Sanofi Member of the Compensation Committee of Sanofi <p>None</p>	<p>In French companies</p> <ul style="list-style-type: none"> Orange* (previously France Telecom): <ul style="list-style-type: none"> Director Member of the Innovation and Technologies Committee Director of <i>Fondation de l'Université de Lyon</i>, <i>Fondation C-Génial</i>, <i>Fondation d'Entreprise L'Oréal</i>, and <i>Fondation Lacoste</i> Member of <i>Académie des Technologies</i>, of <i>Académie des Sports</i>, of <i>Académie Nationale de l'Air et de l'Espace</i>, of <i>Académie des Sciences de l'Outre-Mer</i> <p>In foreign companies</p> <p>None</p>

Past directorships since 2011	None	<p>In French companies</p> <ul style="list-style-type: none"> Chairman of <i>Universcience (Cité des Sciences et de l'Industrie and Palais de la Découverte)</i> (until 2015) Director of the <i>Aéro Club de France</i> (until 2011), <i>Fondation de France</i> (until 2015), of <i>Ecole Normale Supérieure (ENS)</i> (until 2015), <i>Campus Condorcet</i> (until 2015), and <i>PRES HESAM (Pôle de Recherche et d'Enseignement Supérieur Hautes Etudes Sorbonne Arts et Métiers)</i> (until 2015) Chairman of the Board of Directors of <i>La Géode</i> (until 2015) Vice President of the <i>IAA (International Academy of Astronautics)</i> (until 2011) <p>In foreign companies</p> <p>None</p>
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Education and business experience

	<ul style="list-style-type: none"> Rheumatologist, doctorate in sciences majoring in neurosciences Selected in 1985 by the CNES (French National Space Center) as an astronaut candidate
1984-1992	Rheumatologist, Cochin Hospital (Paris)
1996	Scientific space mission to the MIR space station (Cassiopée, Franco-Russian mission)
2001	Scientific and technical space mission to the International Space Station (Andromède mission)
2002-2004	Deputy Minister for Research and New Technologies in the French government
2004-2005	Deputy Minister for European Affairs in the French government
2005-2009	Counselor at the European Space Agency (ESA)
2010-2015	President CEO of Universcience
2015	Senior advisor to the European Space Agency CEO

Carole Piwnica

1,000 shares



Date of birth:	February 12, 1958
Nationality:	Belgian
First elected:	December 2010
Last reappointment:	May 2012
Term expires:	2016

Directorships and appointments of Carole Piwnica

	Within the Sanofi Group	Outside the Sanofi Group
Current directorships and appointments	<ul style="list-style-type: none"> Independent director of Sanofi* <ul style="list-style-type: none"> Member of the Audit Committee of Sanofi <p>None</p>	<p>In French companies</p> <ul style="list-style-type: none"> Eutelsat Communications*: <ul style="list-style-type: none"> Independent Director Chairman of the Committee of Governance, Compensation and Appointment Rothschild & Co* (previously Paris Orléans): <ul style="list-style-type: none"> Independent member of the Supervisory Board Member of the Audit Committee and the Strategy Committee <p>In foreign companies</p> <ul style="list-style-type: none"> Director of Naxos UK Ltd (United Kingdom) <ul style="list-style-type: none"> Director of Big Red (United States), Elevance (United States) and i2O (United States) Director of Amyris Inc.* (United States)
Past directorships since 2011	<p>None</p> <p>None</p>	<p>In French companies</p> <p>None</p> <p>In foreign companies</p> <ul style="list-style-type: none"> Aviva Plc.* (United Kingdom, until 2011): <ul style="list-style-type: none"> Director Chairman of the Corporate Responsibility Committee Member of the Compensation Committee Director of Louis Delhaize* (Belgium, until 2013) and of RecyCoal Ltd. (United Kingdom, until 2015)

Education and business experience

- Degree in law, *Université Libre de Bruxelles*
- Masters in law, New York University
- Admitted to Paris and New York Bars

Since 2006	Founder Director of Naxos UK Ltd (United Kingdom)
1985-1991	Attorney at Proskauer, Rose (New York) and Shearman & Sterling (Paris) with practice in mergers and acquisitions
1991-1994	General Counsel of Gardini & Associés
1994-2000	Chief Executive Officer of Amylum France, then Chairman of Amylum Group
1998-2004	Director of Spadel (Belgium)
1996-2006	Director of Tate & Lyle Plc. (United Kingdom)
2000-2006	Director and Vice-Chairman of Tate & Lyle Plc. for Governmental Affairs (United Kingdom)
1996-2006	Chairman of the Liaison Committee and director of the <i>Confédération Européenne des Industries Agro-Alimentaires</i> (CIAA)
2000-2006	Chairman of the Export Commission and director of the <i>Association Nationale des Industries Alimentaires</i> (ANIA)
2006-2009	Member of the Ethical Committee of Monsanto* (United States)
1996-2010	Director of Toepfer GmbH (Germany)
2007-2010	Director of Dairy Crest Plc.* (United Kingdom)

WHOSE APPOINTMENT IS SUBMITTED TO THE GENERAL MEETING

Diane Souza

Date of birth:	July 3, 1952
Nationality:	American
First elected:	May 2016
Term expires:	May 2020

Directorships and appointments of Diane Souza

	Within the Sanofi Group	Outside the Sanofi Group
Current directorships and appointments	None	In French companies None In foreign companies <ul style="list-style-type: none"> Member of the Board of Farm Credit East (United States)
Past directorships since 2011	None	In French companies None In foreign companies <ul style="list-style-type: none"> UnitedHealth Group: <ul style="list-style-type: none"> Member of the Board of Directors of Unimerica Insurance Company, Unimerica Life Insurance Company of New York, National Pacific Dental, Inc., Nevada Pacific Dental, DBP Services of New York, IPA, Dental Benefits Providers of California, Inc., Dental Benefit Providers of Illinois, Inc.; Dental Benefit Providers, Inc., Spectera, Inc. and Spectera of New York, IPA, Inc. (United States)

Education and business experience

- Bachelor of Science in Accounting from University of Massachusetts
- Honorary Doctorate of Business from University of Massachusetts Dartmouth
- Certified Public Accountant
- Dental Hygiene Degree, Northeastern University, Forsyth School for Dental Hygienists

1979	Audit Staff Accountant at Price Waterhouse (United States)
1980-1988	Various positions at Deloitte Haskins & Sells from Audit Staff Accountant to Senior Tax Manager-in-Charge (United States)
1988-1994	Various positions at Price Waterhouse from Audit Staff Accountant to Director in charge of the Northeast Insurance Tax Region (United States)
1994-2006	Various positions at Aetna Inc., including Assistant Vice President, Federal and State Taxes, Vice President and CFO, Large Case Pensions, Vice President and Director, Global Internal Audit Services, Vice President, National Customer Operations and finally Vice President, Strategic Systems & Processes (United States)
2007-2008	Principal Consultant at Strategic Business Solutions, LLC (United States)
2008-2014	Chief Operating Officer of OptumHealth Specialty Benefits (2008) and then Chief Executive Officer of UnitedHealthcare Specialty Benefits (2008-2014, United States)

Thomas Südhof

Date of birth:	December 22, 1955
Nationality:	German and American
First elected:	May 2016
Term expires:	May 2020

Directorships and appointments of Thomas Südhof

	Within the Sanofi Group	Outside the Sanofi Group
Current directorships and appointments	None	In French companies None
	None	In foreign companies None
Past directorships since 2011	None	In French companies None
	None	In foreign companies None

Education and business experience

- Medical Degree, University of Göttingen Medical School (Germany)
- Medical Degree, University of Aachen (Germany)

Since 2008	Avram Goldstein Professor at the Department of Molecular & Cellular Physiology, Stanford University School of Medicine (United States)
Since 1991	Investigator at Howard Hughes Medical Institute (United States)
Since 2002	Co-Founder and member of the Scientific Advisory Board of REATA Pharmaceuticals (United States)
Since 2011	Co-Founder and member of the Scientific Advisory Board of Circuit Therapeutics Inc. (United States)
Since 2012	Member of the Scientific Advisory Board of Picower Center at MIT (United States)
Since 2013	Member of Genentech Neuroscience Review Board (United States)
Since 2013	Member of the Scientific Advisory Board of Shemyakin-Ovchinnikov Institute for Bioorganic Chemistry (Russia)
Since 2014	Co-Founder and member of the Scientific Advisory Board of Bluenobel Inc. (China)
Since 2014	Member of the Scientific Advisory Board of Elysium Inc. (United States)
Since 2014	Member of the Scientific Advisory Board of Singapore National Research Foundation (Singapore)
Since 2014	Member of the Scientific Advisory Board of Chinese Academy Institute of Biophysics (China)
Since 2014	Member of the ICMB Scientific Advisory Board, A*Star (China)
Since 2015	Member of the Scientific Advisory Board of Fulcrum Therapeutics (United States)
1978-1981	Assistant scientist at Max-Planck-Institut für biophysikalische Chemie (Germany)
1979	Visiting student at Harvard Medical School (United States)
1981-1982	Intern at the University Hospital of Göttingen (Germany)
1983-2008	Adjunct Professor and lastly Chairman of the Department of Neuroscience at UT Southwestern (United States)
2008	Bernard Katz Award of the Biophysical Society shared with Reinhard Jahn
2013	Nobel Prize in Physiology or Medicine shared with James Rothman and Randy Shekman
2013	Albert Lasker Medical Basic Research shared with Richard Sheller

STATUTORY AUDITORS' REPORT ON THE NON-CONSOLIDATED FINANCIAL STATEMENTS

This is a free translation into English of the Statutory Auditors' report on the non-consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information presented below is the audit opinion on the non-consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the non-consolidated financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures. This report also includes information relating to the specific verification of information given in the Group's management report. This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting, we hereby report to you, for the year ended December 31, 2015, on:

- the audit of the accompanying financial statements of Sanofi;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I - Opinion on the financial statements

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at December 31, 2015 and of the results of its operations for the year then ended in accordance with French accounting principles.

II - Justification of our assessments

In accordance with the requirements of Article L. 823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

- investments in affiliates presented as assets in Sanofi's balance sheet are valued in accordance with the methods described in note 2.d to the financial statements. We have examined the elements used to estimate the book values of investments in group

affiliates, as well as the valuation assumptions used and, when applicable, we have reviewed the calculation of impairment losses. We have verified that notes 6.a and 6.b to the financial statements provide appropriate disclosures;

- Sanofi faces risks and is involved in disputes relating to tax matters or intellectual property and contingencies arising from business divestments, as described in note 11 to the financial statements. We have considered the different elements, communicated to us by Sanofi, on which the estimates supporting the provisions recorded were based, including correspondence with lawyers.

As indicated in note 2.m to the financial statements, the estimates mentioned in the preceding paragraphs are based on forecasts or assumptions where actual outcome, due to uncertainties inherent to any estimation process, may differ from those anticipated in determining these estimates.

We assessed the reasonableness of these estimates.

These assessments were made as part of our audit of the financial statements, taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - Specific verifications and information

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors, and in the documents addressed to the shareholders with respect to the financial position and the financial statements.

Concerning the information given in accordance with the requirements of Article L. 225-102-1 of the French Commercial Code relating to remuneration and benefits received by corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlling it or controlled by it. Based on this work, we attest to the accuracy and fair presentation of this information.

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of

shareholders and holders of the voting rights has been properly disclosed in the management report.

Neuilly-sur-Seine and Paris La Défense, March 3, 2016

The Statutory Auditors
(French original signed by)

PricewaterhouseCoopers Audit

ERNST & YOUNG et Autres

Philippe Vogt

François Guillon

Nicolas Pfeuty

STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a free translation into English of the Statutory Auditors' report on the consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information presented below is the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures. This report also includes information relating to the specific verification of information given in the Group's management report. This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meetings, we hereby report to you, for the year ended December 31, 2015, on:

- the audit of the accompanying consolidated financial statements of Sanofi;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the group as at December 31, 2015 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II. Justification of our assessments

In accordance with the requirements of article L. 823-9 of the French commercial code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

- your group has accounted for business combinations and acquisitions of other intangible assets in

accordance with the methods and the terms described in notes B.3., B.4.1 and B.4.3. to the financial statements. The purchase price allocation is performed, if necessary, with the assistance of an independent appraiser. We have reviewed the procedures implemented to identify assets and liabilities acquired, the methodologies used to determine fair values and the underlying data and assumptions used. We have verified that notes D.1. and D.4. to the financial statements provide appropriate information;

- your group tests annually for impairment of goodwill and other intangible assets not yet available for use (such as capitalized in-process research and development), and assesses whether or not events or changes in circumstances indicate that other intangible and tangible assets may be impaired, in accordance with the method described in notes B.3.2., B.6.1. and D.5. to the financial statements. We have reviewed the procedures of identification and centralization of such events or changes in circumstances, the methodology used to determine recoverable values, and the data and assumptions used when performing impairment tests. We have verified that note D.5. to the financial statements provides appropriate information;
- your group records provisions for pension and other long-term benefits obligations, in accordance with the methods described in notes B.23. and D.19.1. to the financial statements. These obligations have been evaluated with the assistance of external actuaries. Our work consisted of an examination of underlying data, an assessment of assumptions used and verification that note D.19.1. to the financial statements provides appropriate information;
- your group is exposed to several risks and litigations relating to tax and environmental matters or relating to products and intellectual property and to contingencies arising from certain business divestitures. As described in notes B.12., B.22., D.14., D.19.3. and D.22. to the financial statements, your group has performed an evaluation of the risks and litigations identified and related reserves. We have examined supporting evidence for these estimates which has been communicated to us including correspondence with lawyers;
- your group establishes provisions for restructuring according to the methodologies and the procedures

described in notes B.12. and D.19.2. to the financial statements. Our work consisted of examining underlying data, assessing assumptions used, and in verifying that notes D.19.2. and D.27. to the financial statements provide appropriate information;

- Your group has assessed whether the criteria of IFRS 5 “Non-current assets Held for Sale and Discontinued Operations” have been met, resulting in the classification of non-current assets or disposal groups as “assets held for sale or exchange” and the presentation as discontinued operations as described in the notes B.7., D.2.1 and D.3.6. to the financial statements. We have examined the criteria considered for the classification as assets held for sale or exchange and the valuation used in this assessment. We have verified that the notes D.2.1. and D.36. to the financial statements provide appropriate information.

As indicated in note A.3. to the financial statements, the estimates mentioned in previous paragraphs are based on

forecasts or assumptions; actual realization could differ from those forecast when determining these estimates because of the inherent uncertainty in any estimation process.

In the framework of our assessments, we have assessed the reasonableness of these estimates.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to our opinion which is expressed in the first part of this report.

III. Specific verification

As required by law, we have also verified, in accordance with professional standards applicable in France, the information given in the group’s management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, March 3, 2016

The statutory auditors
(*French original signed by*)

PricewaterhouseCoopers Audit

Philippe Vogt

François Guillon

ERNST & YOUNG et Autres

Nicolas Pfeuty

STATUTORY AUDITORS' SPECIAL REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS

This is a free translation into English of a report issued in the French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as statutory auditors of your company, we hereby report on certain related party agreements and commitments.

We are required to inform you, on the basis of the information provided to us, of the terms, conditions and the reasons for interest in the company of those agreements and commitments indicated to us, or that we may have identified in the performance of our engagement. We are not required to comment as to whether they are beneficial or appropriate or to ascertain the existence of any such agreements and commitments. It is your responsibility, in accordance with article R. 225-31 of the French commercial code (*Code de commerce*), to evaluate the benefits resulting from these agreements and commitments prior to their approval.

In addition, we are required, where applicable, to inform you in accordance with article R. 225-31 of the French commercial code (*Code de commerce*) concerning the implementation, during the year, of the agreements and commitments already approved by the general meeting of shareholders.

We performed those procedures which we considered necessary to comply with professional guidance issued by the national auditing body (*Compagnie nationale des commissaires aux comptes*) relating to this type of engagement. These procedures consisted in verifying that the information provided to us is consistent with the documentation from which it has been extracted.

Agreements and commitments submitted for approval by the general meeting of shareholders

We hereby inform you that we have not been advised of any agreements or commitments concluded in the course of the year to be submitted to the general meeting of shareholders for approval in accordance with article L. 225-38 of the French commercial code (*Code de commerce*).

Agreements and commitments previously approved by the general meeting

Agreements and commitments approved in previous year

We hereby inform you that we have not been advised of any agreements or commitments already approved by the

general meeting of shareholders whose implementation continued during the year.

Agreements and commitments approved during the year

In addition, we have been advised that the following agreements and commitments already approved by the general meeting of shareholders of May 4, 2015 on Statutory auditors' report on related party agreements and commitments dated March 10, 2015 were not implemented during the year.

With Olivier Brandicourt, Chief Executive Officer

As a termination benefit

Nature and purpose

The Board of Directors of your company meeting held on February 19, 2015 authorized the termination benefit granted for Mr. Olivier Brandicourt.

Conditions

In the event of removal or resignation from office as Chief Executive Officer linked to a change in control or strategy, Olivier Brandicourt would receive a termination benefit equivalent to 24 months of total compensation on the basis of his fixed compensation effective on the date he ceases to hold office and the last variable compensation received prior to that date. This compensation is not due if the Board of Directors of your company would see gross misconduct prior to the departure of Olivier Brandicourt or in the context of it.

Payment of the termination benefit will be contingent upon fulfillment of the following two performance criteria, assessed over the three financial years preceding his ceasing to hold office:

- the average of the ratios of adjusted net income excluding selected items (a non-GAAP financial measure) to net sales for each financial year must be at least 15%;
- the average of the ratios of operating cash flow before changes in working capital to net sales for each financial year must be at least 18%.

The amount of this indemnity will be reduced by any amount received under the non-compete indemnity, such that the cumulative amount of these two indemnities may in no case exceed the equivalent of two years of total compensation.

As non-compete indemnity

Nature and purpose

The Board of Directors of your company meeting held on February 19, 2015 authorized the non-compete indemnity granted for Olivier Brandicourt.

Conditions

In the event of his departure from your company, Olivier Brandicourt undertakes for the 12-month period after his departure not to join a competitor of your company as an employee or executive officer, or to provide services to or cooperate with such a competitor.

In return for his undertaking, he would receive an indemnity corresponding in total to one year's total compensation on the basis of his fixed compensation effective on the date he ceases to hold office and the last variable compensation received prior to that date. The indemnity will be payable in 12 instalments.

In the event of his departure from your company, the Board of Directors of your company could reserve the unilateral right to cancel this 12-month non-compete agreement, either totally or partially. In such a case, this non-compete indemnity would not be due for the period of time waived by your company.

As a top-up pension plan

Nature and purpose

The Board of Directors of your company also authorized the admission of Olivier Brandicourt to the Sanofi top-up defined benefit pension plan offered to executives of your company and its French subsidiaries, who meet the eligibility criteria specified in the plan rules.

Conditions

The main characteristics of the pension are as follows:

The top-up pension, which may not exceed 37.50% (1.5% per year of service capped at 25 years) of the reference

compensation, is in the form of a life annuity, and is transferable as a survivor's pension. The annuity is based on the arithmetical average of the three highest years' average annual gross compensation (fixed plus variable) paid during the five years (not necessarily consecutive) preceding final cessation of employment. This reference compensation is capped at 60 times the French social security ceiling ("PASS") applicable in the year in which the rights vest.

The top-up defined benefit pension plan of your company granted to Olivier Brandicourt comes along with a gratitude of ten years of deemed service.

At its meeting of 8 February 2016, the Board of Directors of your Company performed the annual review of these agreements and commitments and recalled the reasons as follows:

- the Board of Directors has sought to recruit someone who has the skills and experience needed to run a pharmaceutical company of the caliber of Sanofi. The number of people with this profile is very limited;
- profiles are rare and difficult to draw. Therefore, an external recruitment requires, first, to make a competitive offer and, secondly, to compensate the candidate what he loses by resigning from his current position;
- thus, the indemnities and the award of performance shares related to its arrival are intended to compensate Olivier Brandicourt material benefits he would lose by leaving the Bayer group. It is the same for pension plan and recognition of 10 years of which is a condition of eligibility to the scheme;
- each item, whether to afford compensation or remuneration was included in the overall determination of remuneration based on Sanofi's compensation policy.

Neuilly-sur-Seine and Paris-La Défense, March 3, 2016

The statutory auditors
(*French original signed by*)

PricewaterhouseCoopers Audit

ERNST & YOUNG et Autres

Philippe Vogt

François Guillon

Nicolas Pfeuty

STATUTORY AUDITORS' SPECIAL REPORT ON THE AUTHORIZATION TO GRANT OPTIONS TO SUBSCRIBE FOR OR PURCHASE SHARES

This is a free translation into English of a report issued in the French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as statutory auditors of your company and in compliance with articles L. 225-177 and R. 225-144 of the French commercial code (*Code de commerce*), we hereby report on the authorization for allocation of stock options or share purchase plans reserved for certain employees and corporate officers of the company or affiliated group companies in accordance with articles L.225-180 of the French commercial code (*Code de commerce*), an operation upon which you are called to vote.

Options granted might not give entitlement to a total number of shares exceeding 0.5% of the share capital as of the day the decision is made by the Board of Directors, and that the aggregate par value of capital increases resulting from the exercise of these options or share purchase plans will count towards the overall ceiling specified in Resolution 13 of the General meeting of Shareholders of May 4, 2015.

Options or share purchase plans granted to corporate officers of the company by virtue of the present authorization may not represent more than 15% of the number of shares defined above.

Your Board of Directors proposes that, on the basis of its report, it be authorized for a period of thirteen-eight months to allocate stock options or share purchase plans.

It is the responsibility of the Board of Directors to prepare a report on the reasons for the proposed stock options or share purchase plans and on the proposed methods used to determine the subscription or purchase price. Our role is to report on the proposed methods to determine the subscription or purchase price of the shares.

We have performed those procedures which we considered necessary to comply with professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying that the methods proposed to determine the subscription or purchase price are included in the Board of Directors' report, and are in accordance with French laws and regulations.

We have no matters to report as to the proposed methods for the determination of the subscription or purchase price.

Neuilly-sur-Seine and Paris-La Défense, March 3, 2016

The statutory auditors
(*French original signed by*)

PricewaterhouseCoopers Audit

Philippe Vogt

François Guillon

ERNST & YOUNG et Autres

Nicolas Pfeuty

STATUTORY AUDITORS' SPECIAL REPORT ON THE AUTHORIZATION TO GRANT EXISTING OR NEW RESTRICTED SHARES

This is a free translation into English of a report issued in the French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as statutory auditors of your Company and in compliance with article L. 225-197-1 of the French commercial code (*Code de commerce*), we hereby report on the proposed free allocation of existing shares or shares to be issued, reserved for beneficiaries or category of beneficiaries among the employees and corporate officers of the company or affiliated group companies in accordance with articles L.225-197-2 of the French commercial code (*code de commerce*), an operation upon which you are called to vote.

Existing shares or shares to be issued by virtue of the present authorization may not represent more than 1.5% of the share capital as of the day of the decision by the Board of Directors. The aggregate par value of capital increases resulting from the exercise of the present authorization immediately/or at end will count towards the overall ceiling of € 1.3 billion specified in Resolution 13 of the General meeting of Shareholders of May 4, 2015.

The shares granted to officers of the Company under this authorization may not exceed 5% of the shares.

Your Board of Directors proposes that, on the basis of its report, it be authorized for a period of thirty-eight months, to allocate, for free, existing shares or shares to be issued.

It is the responsibility of the Board of Directors to prepare a report on the proposed operation. Our role is to report on any matters relating to the information regarding the proposed operation.

We have performed those procedures which we considered necessary to comply with professional guidance issued by the French national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted mainly in verifying that the proposed methods described in the Board of Directors' report comply with the legal provisions governing such operations.

We have no matters to report as to the information provided in the Board of Directors' report relating to the proposed free allocation of shares.

Neuilly-sur-Seine and Paris-La Défense, March 3, 2016

The statutory auditors
(*French original signed by*)

PricewaterhouseCoopers Audit

Philippe Vogt

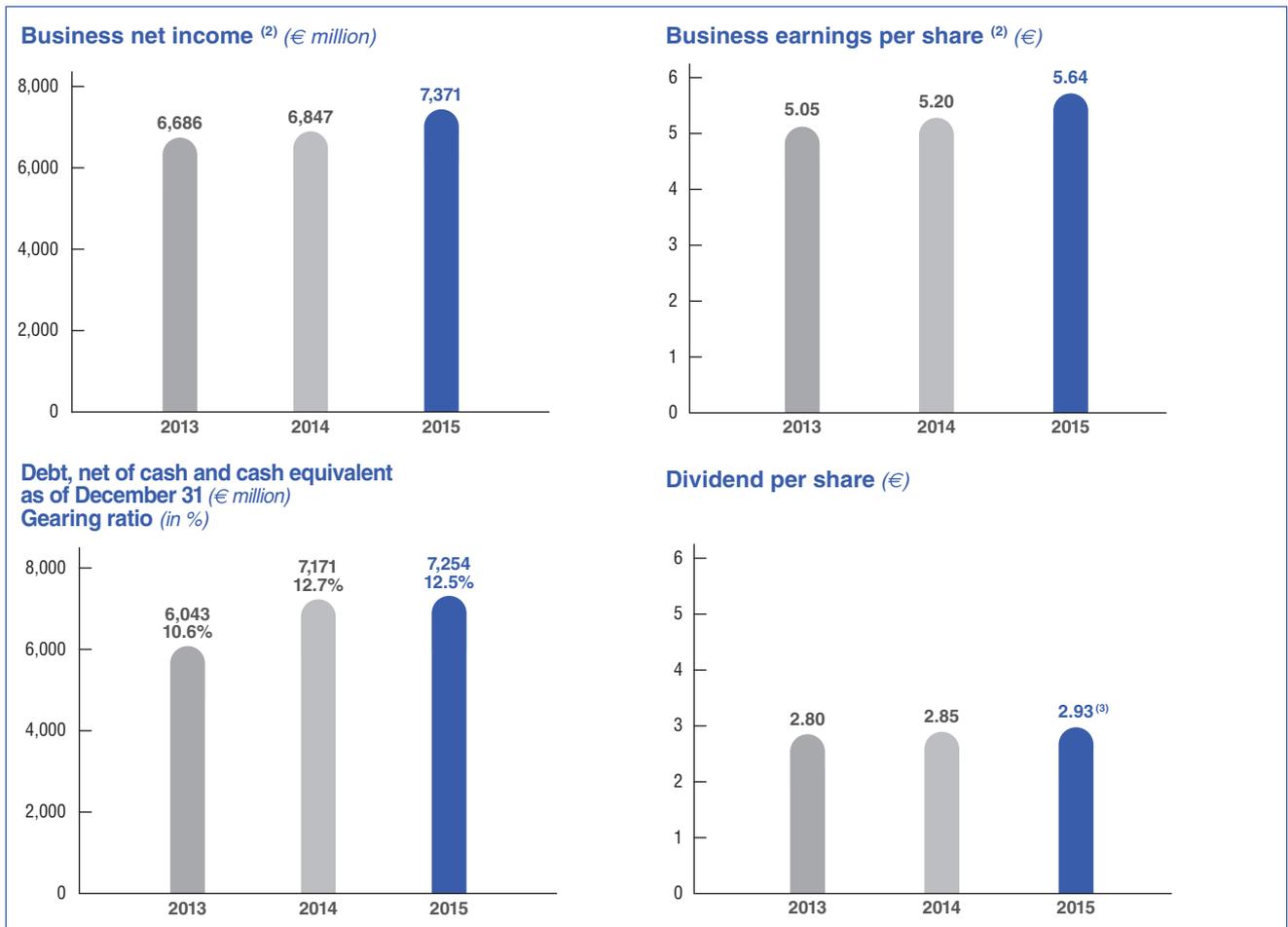
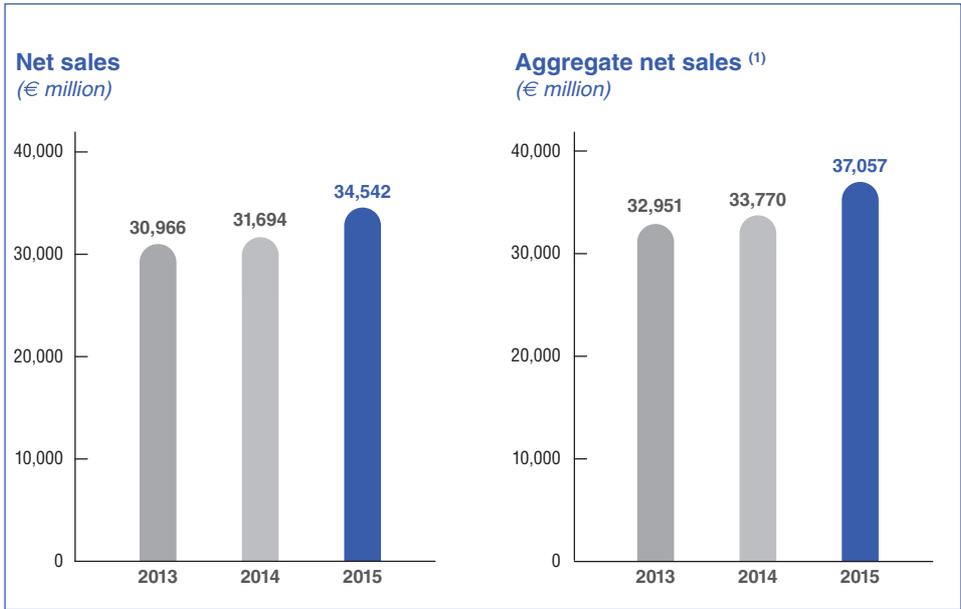
François Guillon

ERNST & YOUNG et Autres

Nicolas Pfeuty

OVERVIEW OF SANOFI IN 2015

AN
AGGREGATE
NET SALES OF
€37,057
MILLION
IN 2015



(1) Non-GAAP financial measure which includes the Animal Health Business (see "Definitions" thereafter).

(2) See "Definitions" thereafter.

(3) Dividend submitted to the meeting to be held on May 4, 2016.

SIGNIFICANT EVENTS

- On April 2, 2015, Olivier Brandicourt took office as Chief Executive Officer of Sanofi, further to a unanimous decision by the Board of Directors on February 19, 2015.
- During 2015, we accelerated our policy of research and development alliances and targeted acquisitions. In diabetes, we entered into collaboration agreements with Evotec, Verily (formerly Google Life Sciences), Hanmi Pharmaceuticals Co., Ltd and Lexicon Pharmaceuticals, Inc. In immuno-oncology, we entered into a new global collaboration with Regeneron to discover, develop and commercialize new antibody cancer treatments. In rare diseases, we acquired Caprelsa® (vandetanib) from AstraZeneca.
- In July 2015, we announced our intention to change our business structure by creating five global business units (GBUs): General Medicines and Emerging Markets, Sanofi Genzyme (Specialty Care), Diabetes & Cardiovascular, Sanofi Pasteur (Vaccines), and Merial (Animal Health). This new structure began to be rolled out in January 2016.
- On November 6, 2015, we unveiled our new long-term strategy, which rests on four pillars: reshape the portfolio, deliver outstanding launches, sustain innovation in R&D and simplify the organization. We are targeting average annual sales growth in the 3%-4% range for the period from 2015 through 2020, at constant exchange rates. Given the investment in new launches, the challenges facing our diabetes business and the gradual implementation of cost savings, we do not expect any significant growth in our business earnings per share in 2016 or 2017. From 2018 onwards, we anticipate that our business earnings per share will grow faster than our net sales, reflecting a more favorable sales mix and the full effect of our cost savings.
- On December 15, 2015, we announced that we had opened exclusive negotiations with Boehringer Ingelheim with a view to an asset swap. The proposed deal, which could complete in the fourth quarter of 2016 subject to execution of definitive agreements and thereafter to regulatory clearances, would see us exchange our Animal Health business for Boehringer Ingelheim's Consumer Health Care business.
- Aggregate net sales⁽¹⁾ (including the Animal Health business) for the year ended December 31, 2015 were €37,057 million, up 9.7% on 2014, driven mainly by the performance of our Genzyme, Vaccines and Animal Health businesses, and by growth in Emerging Markets⁽²⁾. Successes for our research efforts during 2015 included the launches of Praluent® (hypercholesterolemia) in the United States and Toujeo® (diabetes) in the United States and Europe; and the approval of Dengvaxia®, the world's first ever dengue fever vaccine, in Mexico, the Philippines and Brazil.

BUSINESS OVERVIEW**Pharmaceuticals****FILINGS FOR MARKETING APPROVAL OF NEW PRODUCTS**

The main developments in filings for marketing approval of new products during 2015 are described below:

- On January 19, 2015, the European Commission granted marketing authorization for **Cerdelga**® (eliglustat) capsules, a first-line oral therapy for certain adults living with Gaucher disease type 1.
- **Toujeo**® (insulin glargine 300 U/ml), our new-generation basal insulin, was granted marketing approval by three key regulatory agencies: the U.S. Food and Drug Administration (FDA) on February 25, 2015; the European Commission on April 28, 2015; and the MHLW in Japan, where the product was approved under the brand name Lantus® XR, on June 30, 2015.
- In May 2015, the FDA granted Breakthrough Therapy designation to **olipudase alfa**, an investigational enzyme replacement therapy developed by Genzyme for the treatment of Niemann-Pick disease type B, on the basis of data from a Phase Ib clinical trial. Breakthrough Therapy designation is intended to expedite the development and review of investigational new drugs that target serious or life-threatening conditions.

(1) See the "Definitions" section.

(2) World excluding the U.S., Canada, Western Europe, Japan, South Korea, Australia, and New Zealand.

- On July 24, 2015, the FDA approved **Praluent**[®] (alirocumab) Injection, a PCSK9 inhibitor indicated as an adjunct to diet and maximally tolerated statin therapy for the treatment of certain adults with heterozygous familial hypercholesterolemia or clinical atherosclerotic cardiovascular disease (ASCVD) who require additional lowering of low-density lipoprotein (LDL), otherwise known as “bad cholesterol”. On September 23, 2015, the European Commission granted marketing approval to Praluent[®] for the treatment of hypercholesterolemia characterized by a high level of LDL in certain categories of adult patients.
- In October 2015, we filed a Biologics License Application (BLA) with the FDA for **sarilumab**, an investigational human monoclonal antibody against the IL-6 receptor for the treatment of moderate to severe rheumatoid arthritis. The FDA accepted this BLA for review on January 8, 2016.
- In December 2015, we filed a New Drug Application (NDA) with the FDA for LixiLan (an investigational once-daily injectable fixed-ratio combination of insulin glargine 100 Units/mL and lixisenatide) for adults with type 2 diabetes. For this filing, we used a priority review voucher (PRV) so that our application could be processed within an accelerated six-month period (if accepted by the FDA), rather than the regulatory review period of ten months.

RESEARCH AND DEVELOPMENT

The principal developments in our research and development portfolio are presented in “Item 4.B. – Business Overview –B.5. Global Research and Development”, in our 2015 Annual Report on Form 20-F.

During 2015, we reported the results of numerous clinical trials, including trials of a fixed-ratio combination of insulin glargine and lixisenatide (for the treatment of adults with type 2 diabetes); Praluent[®] (for the treatment of hypercholesterolemia); dupilumab (for the treatment of moderate to severe asthma in adults who are uncontrolled despite treatment with inhaled corticosteroids and long-acting bronchodilators); Aubagio[®] and Lemtrada[®] (for multiple sclerosis); and sarilumab (for rheumatoid arthritis).

Development was discontinued on some projects, including HDM2/p53, SAR405838 (as monotherapy and in combination with Merck KGaA’s pimasertib) in Crohn’s disease; GZ402663 in age-related macular degeneration; GZ402665, an enzyme therapy for the treatment of

Niemann-Pick disease type B; fresolimumab in focal segmental glomerulosclerosis; Synvisc-One[®] for arthritis of the hip joint; and vatelizumab in multiple sclerosis. In addition, we decided to waive our rights to the anti-GDF8 monoclonal antibody SAR391786 (myostatin, in collaboration with Regeneron), which was being evaluated for the treatment of sarcopenia in the elderly; to return the rights to the anti-CD19 monoclonal antibody to ImmunoGen; and to out-license SAR125844, a C-MET kinase inhibitor.

ACQUISITIONS AND ALLIANCES

We made a number of acquisitions and alliances during 2015.

In February 2015, Sanofi announced a research collaboration and licensing agreement with the Dutch biotechnology company Lead Pharma for the discovery, development and commercialization of small-molecule therapies directed against “ROR gamma t” nuclear hormone receptors to treat a broad range of auto-immune disorders including rheumatoid arthritis, psoriasis and inflammatory bowel disease, which are among the most common.

Also in February 2015, Genzyme and Voyager Therapeutics (a gene therapy company) entered into a strategic collaboration agreement for the discovery, development and commercialization of new adeno-associated virus (AAV) gene therapies to treat serious disorders of the central nervous system. The collaboration covers programs targeting serious and debilitating conditions such as Parkinson’s disease, Friedreich’s ataxia and Huntington’s disease.

In early July 2015, we acquired a Rare Pediatric Disease Priority Review Voucher (PRV) from Retrophin, Inc. for \$245 million. A PRV enables the review period for a New Drug Application (NDA) submitted to the U.S. FDA to be reduced from ten to six months. We used this PRV in December 2015 when we filed an NDA with the FDA for LixiLan, a combination of insulin glargine and lixisenatide.

On July 24, 2015, Genzyme signed an agreement with AstraZeneca to acquire Caprelsa[®] (vandetanib), a rare disease therapy indicated for the treatment of symptomatic medullary thyroid carcinoma in patients with unresectable locally advanced or metastatic disease; this product is currently available in 28 countries. As of December 31, 2015 this product is also in Phase III development for the treatment of differentiated thyroid carcinoma.

On July 28, 2015, Sanofi and Regeneron announced a new global collaboration to discover, develop and commercialize new antibody cancer treatments in the emerging field of immuno-oncology. As part of the agreement, the two companies will jointly develop a programmed cell death protein 1 (PD-1) inhibitor antibody currently in Phase I testing, and plan to initiate clinical trials in 2016 with new therapeutic candidates based on ongoing, innovative preclinical programs. Sanofi has made an upfront payment of \$640 million to Regeneron. The companies will invest approximately \$1 billion from discovery through proof of concept (POC) development (usually a Phase IIa study) of monotherapy and novel combinations of immuno-oncology antibody candidates to be funded 25% by Regeneron (\$250 million) and 75% by Sanofi (\$750 million). Under the terms of the discovery program, Sanofi is entitled to an additional profit-share (capped at 10% of Regeneron's share of quarterly profits) until the progressive payments from Regeneron reach 50% of clinical development costs initially funded by Sanofi.

Sanofi and Regeneron have also committed to equally fund no more than \$650 million (or \$325 million per company) for development of REGN2810, a PD-1 inhibitor antibody. In addition, Sanofi will make a one-time milestone payment of \$375 million to Regeneron in the event that sales of a PD-1 product and any other collaboration antibody sold for use in combination with a PD-1 product were to exceed, in the aggregate, \$2 billion in any consecutive 12-month period. Finally, the two companies agreed to reallocate \$75 million (spread over three years) to immuno-oncology antibody research and development from Sanofi's \$160 million annual contribution to their existing antibody collaboration, which otherwise continues as announced in November 2009. Beyond the committed funding, additional funding will be allocated as programs enter post-POC development.

On August 7, 2015, we announced a new strategic research collaboration with Evotec to develop innovative stem-cell based diabetes treatments.

On August 10, 2015, we announced a collaboration and license agreement with Evotec and Apeiron Biologics (Apeiron) to discover and develop first-in-class immuno-oncology therapies based on novel small molecules for the treatment of solid and hematological cancers by enhancing the anti-tumor activity of the human immune system. Under the terms of the agreement, Sanofi will assume sole responsibility for all development, regulatory,

commercialization and manufacturing activities associated with products derived from the collaboration. Sanofi will fund the research program on behalf of Evotec and Apeiron for two years, including potential milestone payments based on projected outcomes.

On August 31, 2015, Sanofi and Verily (formerly Google Life Sciences) announced that they had started collaborating to improve care and outcomes for people with type 1 and type 2 diabetes. Sanofi and Verily will combine their respective expertise in science and technology to work on better ways to collect, analyze and understand multiple sources of information impacting diabetes. The terms of the agreement have not been disclosed.

On November 3, 2015, Sanofi and BioNTech announced an exclusive collaboration and multi-year license agreement to discover and develop up to five cancer immunotherapies, each consisting of a mixture of synthetic messenger RNAs (mRNAs).

On November 5, 2015, Sanofi and Hanmi Pharmaceutical, Co., Ltd. announced a worldwide license agreement to develop a portfolio of experimental, long-acting diabetes treatments. Under the agreement, Sanofi obtained an exclusive worldwide license to development and commercialize epeglenatide (a late-stage long-acting GLP1-RA receptor agonist), a weekly-administered insulin, and a weekly fixed-dose combination of those two treatments.

On November 6, 2015, Sanofi and Lexicon Pharmaceuticals, Inc. announced a collaboration and license agreement to develop and commercialize sotagliflozine, an investigational orally-administered dual inhibitor of sodium-glucose cotransporters 1 and 2 (SGLT-1 and SGLT-2) that could be a potential treatment option for people with diabetes. Sotagliflozine (LX-4211) is currently being studied in two pivotal Phase III trials in type 1 diabetes. Phase III trials in type 2 diabetes are expected to begin in 2016.

In November 2015, Sanofi and AstraZeneca signed an agreement for a direct exchange of 210,000 compounds from their respective proprietary compound libraries, which each company can investigate without restrictions on targeted disease areas. There are no payments associated with the exchange, either upfront or in terms of downstream payments in the event that a compound forms the basis of a clinical candidate.

Human Vaccines (Vaccines)

FILINGS FOR MARKETING APPROVAL OF NEW VACCINES

In March 2015, the FDA licensed **Quadracel**[®] (vaccine against diphtheria, tetanus, pertussis and polio) for children aged from 4 to 6 years. In May 2015, Sanofi Pasteur launched **Menactra**[®], a quadrivalent conjugate vaccine against meningococcal meningitis, in Japan.

In October 2015, a license application for **VaxiGrip**[®] **QIV** (quadrivalent inactivated influenza vaccine) for children aged 3 and over was filed with the European authorities.

In November 2015, Sanofi Pasteur announced the first shipment of **ShanIPV**[™], a new injectable inactivated polio vaccine (IPV) produced in India by its subsidiary Shantha Biotechnics.

In December 2015, **Dengvaxia**[®], the world's first-ever vaccine against dengue fever, received marketing approval successively in Mexico, the Philippines and Brazil. **Dengvaxia**[®] is a tetravalent dengue fever vaccine approved for the prevention of disease caused by all four dengue virus serotypes in preadolescents, adolescents and adults from 9 to 45 years of age living in endemic areas.

RESEARCH AND DEVELOPMENT

Fluzone[®] **QIV HD** (quadrivalent high-dose influenza vaccine) entered Phase II in the third quarter of 2015. In November 2015, Sanofi Pasteur made a presentation to the World Vaccines Congress about its research into a "universal" influenza vaccine, outlining data on the development of broadly cross-reactive antigens against seasonal and pandemic influenza viruses.

Animal Health

In February 2015, Merial completed the acquisition of two equine health products from Bayer HealthCare: **Legend**[®]/**Hyonate**[®] (hyaluronate sodium), an injectable solution that treats non-infectious joint dysfunction in horses, and **Marquis**[®] (ponazuril), an antiprotozoal oral paste approved by the FDA for the treatment of equine protozoal myeloencephalitis.

On December 15, 2015, Sanofi announced that it had opened exclusive negotiations with Boehringer Ingelheim with a view to an asset swap. The proposed transaction would see Sanofi exchange its Animal Health business (Merial), valued at €11.4 billion, for Boehringer Ingelheim's Consumer Health Care business, valued at €6.7 billion. Boehringer Ingelheim's Consumer Health Care business in China would be excluded from the transaction. The deal would also involve Boehringer Ingelheim making a gross cash payment of €4.7 billion to Sanofi. Boehringer Ingelheim and Sanofi are aiming to close the transaction in

the fourth quarter of 2016 subject to execution of definitive agreements and thereafter to regulatory clearances. We intend to allocate part of the net proceeds from the exchange to our share repurchase program. Taking into account the projected results from our Consumer Health Care business, the proposed share repurchases and the potential synergies, we expect the overall impact of this transaction on business earnings per share to be neutral in 2017, and accretive thereafter.

Significant events subsequent to December 31, 2015

On January 4, 2016, Sanofi notified MannKind Corporation (MannKind) that it was terminating the contract between the two companies, with effect from April 4, 2016. This notification was made in accordance with the terms of the contract. Our decision was motivated by various factors, in particular persistently low prescription rates for **Afrezza**[®] in the market despite significant efforts on our part. We intend to work with MannKind to ensure a smooth transition, and will continue to make **Afrezza**[®] available in the United States for a maximum of 180 days from the date on which the contract terminates, in accordance with the terms of the license and collaboration agreement.

On January 11, 2016 we announced a collaboration and license agreement in immuno-oncology with Innate Pharma. Under the terms of the license agreement, Sanofi will be responsible for the development, manufacturing and commercialization of products derived from the collaboration.

On January 11, 2016, Sanofi and Warp Drive Bio (Warp Drive) announced that they had extended and reshaped their existing collaboration based on Warp Drive's proprietary **SMART**[™] (Small Molecule Assisted Receptor Targeting) and Genome Mining platforms to discover novel oncology therapeutics and antibiotics. Under the terms of the agreement, Warp Drive will lead the research collaboration for a period of five years and Sanofi will receive worldwide exclusive licenses to develop and commercialize the candidates discovered during the research term.

On February 2, 2016, management announced a voluntary redundancy program as part of the 2020 strategic plan. This program could result in a net loss of approximately 600 jobs in France, with no plant closures and no impact on R&D headcount. The program is intended to focus primarily on an early retirement plan wholly funded by the Group, accompanied by various other measures. The overall cost is estimated at approximately €500 million. This program does not apply to the Animal Health business (Merial), given that (as announced on December 15, 2015) Sanofi is in exclusive negotiations with Boehringer Ingelheim with a view to exchanging Merial for Boehringer Ingelheim's Consumer Health Care business.

OPERATING AND FINANCIAL REVIEW

• Net Sales by segment

Net sales for the year ended December 31, 2015 were €34,542 million, 9.0% higher than in 2014. Exchange rate movements had a favorable effect of 7.4 percentage points. At constant exchange rates⁽¹⁾, net sales rose by 1.6% year-on-year.

Reconciliation of the net sales for the years ended December 31, 2015 and December 31, 2014 to the net sales at constant exchange rates⁽¹⁾:

(€ million)	2015	2014	Change
Net sales	34,542	31,694	+9.0%
Effect of exchange rates	(2,334)		
Net sales at constant exchange rates (CER)	32,208	31,694	+1.6%

Reconciliation of the aggregate net sales for the years ended December 31, 2015 and December 31, 2014 to the net sales at constant exchange rates⁽¹⁾:

(€ million)	2015	2014	Change
Net sales⁽²⁾	34,542	31,694	+9.0%
Net sales of the Animal Health business ⁽³⁾	2,515	2,076	+21.1%
Aggregate net sales	37,057	33,770	+9.7%
Effect of exchange rates	(2,549)		
Aggregate net sales at constant exchange rates (CER)	34,508	33,770	+2.2%

(1) At constant exchange rates, see the "Definitions" section.

(2) In accordance with the presentation requirements of IFRS 5, the consolidated income statement line item "Net sales" does not include the net sales of the Animal Health business.

(3) Presented in a separate income statement line item "Net income/(loss) of the held-for-exchange Animal Health business", in accordance with IFRS 5.

The Pharmaceuticals segment

In 2015, net sales for the Pharmaceuticals segment were €29,799 million, up 7.5% on a reported basis and 0.8% at constant exchange rates (CER). The year-on-year increase of €2,079 million) includes favorable exchange rate effects of €1,854 million, along with the following main effects at constant exchange rates:

- growth in net sales for Genzyme (up €768 million), Generics (up €138 million), and Consumer Health Care (up €92 million);
- lower net sales for the Diabetes division (down €496 million) and for established prescription products (down €259 million).

Net sales for the **Diabetes** division were €7,580 million, down 6.8% CER, mainly on lower sales of Lantus® in the United States.

Net sales for the **Oncology** business were €1,504 million, down 1.9% CER. Good performances from Jevtana® and Mozobil® were offset by the impact of generic versions of Taxotere® in Japan.

The **Genzyme** business generated net sales of €3,664 million, up 29.5% CER, driven by a solid performance from Aubagio® and the ongoing launch of Lemtrada®.

Net sales for the **Consumer Health Care** business rose by 2.8% CER in 2015 to €3,492 million. The main growth drivers were the United States (+6.1% CER, at €902 million) thanks to a strong performance from Allegra® OTC following the launch of a new formulation, and Australia/New Zealand (+18.5% CER, at €191 million).

The **Generics** business recorded 2015 net sales of €1,917 million, up 7.6% CER. In Emerging Markets, the Generics business generated net sales of €1,094 million, a rise of 5.2% CER, driven by Eurasia/Middle East and Venezuela.

The **Established Prescription Products** business generated net sales of €11,633 million in 2015. This business segment includes mature products such as Plavix®, an anti-platelet agent indicated for a number of atherothrombotic conditions; Lovenox®, a low molecular weight heparin indicated for prevention and treatment of deep vein thrombosis and for unstable angina and myocardial infarction; Aprovel® and CoAprovel®, hypertension treatments; Renagel® and Renvela®, oral phosphate binders for the treatment of high phosphorous levels for use in patients undergoing dialysis for chronic kidney disease; as well as other prescription products.

The Human Vaccines (Vaccines) segment

In 2015, net sales for the Vaccines segment were €4,743 million, up 19.4% on a reported basis and 7.3% at constant exchange rates (CER). Year-on-year growth was driven by sales of Polio/Pertussis/Hib vaccines in Emerging Markets, and in the United States by sales of

Menactra® and the performance of VaxServe (a Sanofi Pasteur company that supplies vaccines in the United States).

The Animal Health segment

Following the announcement of exclusive negotiations with Boehringer Ingelheim regarding the divestment of our Animal Health business (Merial), the net profit or loss of that business is now presented in a separate line item in the consolidated income statement, "Net income/(loss) of the held-for-exchange Animal Health business", in accordance with IFRS 5. Consequently, the net sales reported in our consolidated income statement do not include the net sales of the Animal Health business. Until final completion of the transaction, expected in the fourth quarter of 2016 once regulatory clearances have been obtained, we will continue to monitor the performance of the Animal Health business (which remains an operating segment), and to report the performance of that business at Group level.

Net sales for the Animal Health segment in 2015 amounted to €2,515 million, up 21.1% on a reported basis and 10.8% CER.

• Net Sales by Geographical Region

In the United States, aggregate net sales declined by 1.0% CER to €13,406 million, reflecting reduced sales for the Diabetes division (-17.3% CER), though the effect was partly offset by solid performances by Genzyme (+39.5% CER), Vaccines (+7.2% CER) and Animal Health (+15.0% CER).

In Emerging Markets, aggregate net sales reached €12,014 million, up 7.8% CER, driven by Diabetes (+16.4% CER), Genzyme (+21.4% CER), Vaccines (+11.9% CER) and Animal Health (+10.1% CER).

Aggregate net sales in Latin America advanced by 4.0% CER to €3,305 million. Growth was boosted by a favorable sequence of purchases in the local market in Venezuela (+22.2% CER, at €457 million), but hampered by Brazil (-6.2% CER, at €1,112 million) due to lower influenza vaccine sales. In Asia, aggregate net sales rose by 13.2% CER to €3,732 million. Aggregate net sales in China reached €2,218 million, up 19.5% CER, reflecting good performances in Diabetes and Vaccines (on strong sales of polio vaccines), and also in other prescription products (especially Plavix®). The Eastern Europe/Turkey region saw aggregate net sales rise by 5.4% CER to €2,429 million, mainly in Diabetes, Generics and Vaccines. Growth in Turkey reached 15.7% CER (to €461 million), while aggregate net sales in Russia declined by 2.8% CER to €596 million due to adverse economic conditions.

Aggregate net sales in Western Europe rose by 0.9% CER to €8,026 million. The effects of ongoing generic competition for Plavix® and Aprovel® were more than offset by the performances of the Genzyme business (+26.0% CER) and the Diabetes division (+2.9% CER).

In the Rest of the World region, aggregate net sales amounted to €3,611 million, down 2.5% CER. Lower sales of other prescription products (-11.4% CER) and in Vaccines (-7.8% CER) were not fully offset by positive performances from Genzyme, Generics, Consumer Health Care and Animal Health. In Japan, aggregate net sales totaled €2,082 million (-6.6% CER) due to the adverse impact of competition from generics of Taxotere®, Myslee® and Amaryl® combined with lower polio vaccine sales, partly offset by good performances in Generics and Animal Health.

• Business Net Income

Net income attributable to equity holders of Sanofi amounted to €4,287 million, versus €4,390 million in 2014. Basic earnings per share for 2015 was €3.28, 1.8% lower than the 2014 figure of €3.34, based on an average number of shares outstanding of 1,306.2 million in 2015 (1,315.8 million in 2014). Diluted earnings per share for 2015 was €3.25, 1.5% lower than the 2014 figure of €3.30, based on an average number of shares outstanding after dilution of 1,320.7 million in 2015 and 1,331.1 million in 2014.

Business earnings per share was €5.64 in 2015, 8.5% higher than the 2014 figure of €5.20, based on an average number of shares outstanding of 1,306.2 million in 2015 and 1,315.8 million in 2014.

• Consolidated Statement of Cash Flows

Net cash provided by operating activities excluding the held-for-exchange Animal Health business amounted to €8,290 million in 2015, versus €7,165 million in 2014. Operating cash flow before changes in working capital (excluding the net income or loss of the held-for-exchange Animal Health business) for 2015 was €7,235 million, versus €6,257 million in 2014. Working capital requirements fell by €1,055 million in 2015, compared with a reduction of €908 million in 2014, due mainly to an increase in non-current liabilities related to commercial terms of business.

Net cash used in investing activities excluding the held-for-exchange Animal Health business amounted to €3,011 million in 2015, compared with €3,357 million in 2014.

Acquisitions of property, plant and equipment and intangible assets totaled €2,772 million, versus €1,453 million in 2014. The main items were investments in industrial and research facilities (€1,163 million, versus €970 million in 2014) and contractual payments for intangible rights, mainly under license and collaboration agreements (€1,465 million, versus €354 million in 2014).

Acquisitions of investments during 2015 amounted to €362 million, net of cash acquired and after including assumed liabilities and commitments, compared with €2,294 million in 2014. The main items were our acquisitions of shares in Regeneron (€117 million in 2015, €1,629 million in 2014) and Alnylam (€79 million in 2015, €535 million in 2014).

After-tax proceeds from disposals (€211 million) related mainly to the divestment of our equity interest in Merrimack Pharmaceuticals and the sale of rights in Sklice® to Arbor Pharmaceuticals LLC in the United States.

Net cash used in financing activities excluding the held-for-exchange Animal Health business amounted to €3,578 million in 2015, compared with €5,194 million in 2014. The 2015 figure includes net external debt finance raised of €1,346 million; this compares with net external debt finance repaid (i.e., net change in short-term and long-term debt) of €390 million in 2014. It also includes the effect of changes in share capital (repurchases of own shares, net of capital increases), amounting to €1,211 million (versus €1,121 million in 2014), and the dividend payout to our shareholders of €3,694 million (versus €3,676 million in 2014).

The net change in cash and cash equivalents excluding the held-for-exchange Animal Health business was an increase of €1,469 million in 2015.

Net cash flows for the held-for-exchange Animal Health business represented net cash inflows of €361 million in 2015 and €436 million in 2014.

The net change in cash and cash equivalents during 2015 (after the €23 million impact on cash and cash equivalents of the reclassification of the Animal Health business to "Assets held for sale or exchange"), was an increase of €1,807 million.

• Consolidated Balance Sheet and Debt

Total assets were €102,321 million as of December 31, 2015, versus €97,392 million as of December 31, 2014, an increase of €4,929 million.

Debt, net of cash and cash equivalents was €7,254 million as of December 31, 2015, versus €7,171 million as of December 31, 2014. We define "debt, net of cash and cash equivalents" as (i) the sum total of short-term debt, long-term debt and interest rate and currency derivatives used to hedge debt, minus (ii) the sum total of cash and cash equivalents and interest rate and currency derivatives used to hedge cash and cash equivalents.

Our gearing ratio (debt, net of cash and cash equivalents as a proportion of total equity) fell from 12.7% in 2014 to 12.5% in 2015.

We expect that our existing cash resources and cash from operations will be sufficient to finance our foreseeable working capital requirements. The financing arrangements in place as of December 31, 2015 at Sanofi parent company level are not subject to covenants regarding financial ratios and do not contain any clauses linking credit spreads or fees to our credit rating.

Other key movements in the balance sheet are described below.

Total equity amounted to €58,210 million as of December 31, 2015, versus €56,268 million as of December 31, 2014. The net year-on-year increase in equity was attributable primarily to:

- increases: our net income for the year ended December 31, 2015 (€4,388 million), the net change in currency translation differences (€1,915 million, mainly on the U.S. dollar), and movements in actuarial gains and losses during the period (€465 million);
- decreases: the dividend payout to our shareholders in respect of the 2014 financial year (€3,694 million) and repurchases of our own shares (€1,781 million).

As of December 31, 2015, we held 4.0 million of our own shares, recorded as a deduction from equity and representing 0.3% of our share capital.

Goodwill and Other intangible assets (€51,583 million in total) decreased by €2,157 million, mainly reflecting:

- decreases: amortization and impairment losses recognized during the period (€3,532 million), and the reclassification to "Assets held for sale or exchange" of the goodwill (€2,147 million) and other intangible assets (€1,510 million) of the Animal Health business;
- increases: acquisitions of other intangible assets (€2,245 million), and currency translation differences on the remeasurement of assets denominated in foreign currencies (€2,895 million, mainly on the U.S. dollar).

Investments in associates and joint ventures increased by €292 million to €2,676 million, mainly as a result of currency translation differences on the remeasurement of assets denominated in foreign currencies.

Other non-current assets were €150 million higher at €2,725 million, mainly due to the acquisition of shares in Alnylam.

Provisions and other non current liabilities (€9,169 million) decreased by €409 million, mainly as a result of movements in actuarial gains and losses on defined-benefit pension plans (reduction of €650 million) and currency translation differences (increase of €190 million).

Deferred taxes represented a net asset of €1,819 million, a year-on-year increase of €1,064 million. This increase was mainly due to reversals of deferred tax liabilities on the remeasurement of acquired intangible assets (€725 million) and tax losses available for carry-forward (€424 million).

Liabilities related to business combinations and to non-controlling interests decreased by €13 million to €1,251 million. The main movements in this item are fair

value remeasurements of (i) the contingent consideration payable to Bayer as a result of an acquisition made by Genzyme prior to the latter's acquisition by Sanofi and (ii) the contingent value rights (CVRs) issued by Sanofi in connection with the Genzyme acquisition.

Assets held for sale or exchange (€5,752 million) and liabilities related to assets held for sale or exchange (€983 million) mainly comprise the assets and liabilities of the held-for-exchange Animal Health business.

OUTLOOK

• Impacts from generic competition

Some of our flagship products continued to experience diminishing sales in 2015 due to generic competition. While we do not believe it is possible to state with certainty what level of net sales would have been achieved in the absence of generic competition, we are able to estimate the impact of generic competition had for each product.

A comparison of our consolidated net sales for the years ended December 31, 2015 and 2014 shows that in 2015, generic competition led to a loss of €256 million of net sales on a reported basis.

We expect the decline caused by generic competition to continue in 2016, with a negative impact on net income. Products susceptible to the effects of such generic competition in 2016 include:

- those for which new generic competition can reasonably be expected in 2016 based on expiration dates, patents or other regulatory or commercial exclusivity: Renagel®/Renvela® in the United States; Lovenox® in Western Europe; Aprovel® in Japan;
- those which already faced generic competition in 2015, but whose sales can reasonably be expected to be subject to sales decline in 2016: Aprovel®, Lantus®, Plavix® and Renagel®/Renvela® in Europe; Ambien®, Lovenox® and Taxotere® in the United States; and Allegra®, Amaryl®, Myslee®, Lantus®, Plavix® and Taxotere® in Japan.

Specifically as regards Lantus® in the United States, in September 2015 Sanofi reached a settlement agreement with Eli Lilly and Company (Lilly) regarding the patents for Lantus Solostar® (insulin glargine). The agreement resolves a U.S. patent infringement lawsuit regarding Lilly's pursuit of regulatory approval for a product that would compete with Lantus SoloSTAR®. Sanofi and Lilly agreed to end that lawsuit and to discontinue similar disputes worldwide. Under the agreement, Lilly will pay royalties to Sanofi in exchange for a license to certain Sanofi patents. In the U.S., Lilly will not sell its insulin glargine product before December 15, 2016. The settlement does not include the injectable solution formulation of Lantus® in vials, Toujeo®, or combination products.

In 2015, the consolidated net sales of these products in countries where generic competition currently exists or is expected in 2016 amounted to €4,411 million; this comprises €873 million in the United States (including €723 million in net sales of Renagel®/Renvela®); €2,230 million in Europe (including €909 million in net sales of Lovenox®); and €1,308 million in Japan (including €94 million in net sales of Aprovel®). The negative impact on our 2016 net sales is liable to represent a substantial proportion of this amount, but the actual impact will depend on a number of factors such as the actual launch dates of generic products in 2016, the prices at which they are sold, and potential litigation outcomes.

(1) See the "Definitions" section.

• 2016 Outlook

Sanofi expects 2016 Business earnings per shares⁽¹⁾ to be broadly stable at CER, barring unforeseen major adverse events. In 2015, business net income reached €7,371 million, while business earnings per share was €5.64.

As announced on November 6, 2015, as a result of investments in launches, headwinds in diabetes and the phasing of cost savings, Sanofi does not expect to show any meaningful bottom line growth over 2016-2017.

These outlooks were elaborated based on a certain number of assumptions and are likely to evolve according to the changes in such underlying assumptions or in the way they are taken into account.

DEFINITIONS

• Aggregate Net sales

Following the announcement of exclusive negotiations with Boehringer Ingelheim regarding the divestment of our Animal Health business (Merial), the net profit or loss of that business is now presented in a separate line item in the consolidated income statement, "Net income/(loss) of the held-for-exchange Animal Health business", in accordance with IFRS 5. Consequently, the net sales reported in our consolidated income statement do not include the net sales of the Animal Health business.

Until final completion of the transaction, expected in the fourth quarter of 2016, we will continue to monitor the performance of the Animal Health business (which remains an operating segment pursuant to IFRS 8), and to report the performance of that business at the Group level.

In our analysis of our financial performance for the year ended December 31, 2015 we discuss our aggregate net sales, which combines our net sales as reported in the consolidated income statement with the net sales of the Animal Health business. Aggregate net sales is a non-GAAP financial measure.

• Net sales at constant exchange rates

When reference is made to changes in the net sales "at constant exchange rates", the effect of exchange rates is excluded by recalculating net sales for the relevant period using the exchange rates that were used for the previous period.

Reconciliation of the net sales for the year ended December 31, 2015 to the net sales at constant exchange rates

(€ million)	2015	2014	Change
Net sales	34,542	31,694	+9.0%
Effect of exchange rates	(2,334)		
Net sales at constant exchange rates (CER)	32,208	31,694	+1.6%

Reconciliation of the aggregate net sales for the year ended December 31, 2015 to the aggregate net sales at constant exchange rates

(€ million)	2015	2014	Change
Net sales⁽¹⁾	34,542	31,694	+9.0%
Net sales of the Animal Health business ⁽²⁾	2,515	2,076	+21.1%
Aggregate net sales	37,057	33,770	+9.7%
Effect of exchange rates	(2,549)		
Aggregate net sales at constant exchange rates (CER)	34,508	33,770	+2.2%

(1) In accordance with the presentation requirements of IFRS 5, the consolidated income statement line item "Net sales" does not include the net sales of the Animal Health business.

(2) Presented in a separate income statement line item "Net income/(loss) of the held-for-exchange Animal Health business", in accordance with IFRS 5.

• **Net sales on a constant structure basis**

When reference is made to the net sales on a “constant structure basis”, the effect of changes in structure is eliminated by restating the net sales for the previous period as follows:

- by including sales from an entity or with respect to product rights acquired in the current period for a portion of the previous period equal to the portion of the current period during which Sanofi owned them, based on sales information received from the party from whom the acquisition is made;
- similarly, by excluding sales for a portion of the previous period when Sanofi has sold an entity or rights to a product in the current period; and
- for a change in consolidation method, by recalculating the previous period on the basis of the method used for the current period.

• **Business net income and business earnings per share**

The Group reports segment results on the basis of “Business operating income”. This indicator is compliant with IFRS 8 and is used internally to measure operational performance and allocate resources. Business operating income is derived from Operating income, adjusted as follows:

- the amounts reported in the line items Restructuring costs, Fair value remeasurement of contingent consideration liabilities and Other gains and losses, and litigation are eliminated;
- amortization and impairment losses charged against intangible assets (other than software and other rights of an industrial or operational nature) are eliminated;
- the share of profits/losses of associates and joint ventures is added;
- net income attributable to non-controlling interests is deducted;
- other acquisition-related effects (primarily the workdown of acquired inventories remeasured at fair value at the acquisition date, and the impact of acquisitions on investments in associates and joint ventures) are eliminated;

- restructuring costs relating to associates and joint ventures are eliminated;
- the non-recurring adjustment recognized in 2014 for the annual Branded Prescription Drug Fee in the United States (following publication by the U.S. Internal Revenue Service in July 2014 of the final regulations on that fee) is also eliminated.

Business net income is a non-GAAP financial measure, defined as “Net income attributable to equity holders of Sanofi” determined under IFRS, excluding:

- amortization and impairment losses charged against intangible assets (other than software and other rights of an industrial or operational nature);
- fair value remeasurements of contingent consideration liabilities related to business acquisitions;
- other impacts associated with acquisitions (including impacts of acquisitions on associates and joint ventures);
- restructuring costs⁽¹⁾;
- other gains and losses (including gains and losses on major disposals of non-current assets⁽¹⁾);
- costs of provisions associated with litigation⁽¹⁾;
- tax effects related to the items listed above as well as effects of major tax disputes;
- the 3% tax on the distribution of dividends to Sanofi shareholders;
- the additional expense relating to the annual U.S. Branded Prescription Drug Fee, booked in 2014 following publication in July 2014 of the final U.S. IRS regulation on this issue;
- those Animal Health income statement items that are not included in business net income⁽²⁾; and
- the portion attributable to non-controlling interests of the items listed above.

Sanofi has also decided to report “business earnings per share”. Business earnings per share is a specific non-GAAP financial measure, which is defined as business net income divided by the weighted average number of shares outstanding.

⁽¹⁾ Presented in the income statement line items “Restructuring costs”, and “Other gains and losses, and litigation”, to our consolidated financial statements.
⁽²⁾ Includes the following items: impact of the discontinuation of depreciation and impairment of property, plant & equipment with effect from the start date of IFRS 5 application (Non-Current Assets Held for Sale and Discontinued Operations); impact of the amortization and impairment of intangible assets until the start date of IFRS 5 application; costs incurred as a result of the divestment; and the tax effect of those items.

Business operating income for the year ended December 31, 2015

(€ million)	Pharmaceuticals	Vaccines	Other	Total Group	Animal Health ⁽¹⁾	Total aggregated basis ⁽²⁾
Net sales	29,799	4,743	-	34,542	2,515	37,057
Other revenues	288	31	-	319	41	360
Cost of sales	(8,788)	(2,131)	-	(10,919)	(885)	(11,804)
Research and development expenses	(4,530)	(552)	-	(5,082)	(177)	(5,259)
Selling and general expenses	(8,656)	(726)	-	(9,382)	(865)	(10,247)
Other operating income and expenses	(121)	27	(114)	(208)	5	(203)
Share of profit/(loss) of associates and joint ventures	146	23	-	169	1	170
Net income attributable to non-controlling interests	(125)	(1)	-	(126)	-	(126)
Business operating income	8,013	1,414	(114)	9,313	635	9,948
Financial income and expenses						(390)
Income tax expense						(2,187)
Business net income						7,371

(1) The net income/loss of the Animal Health business is presented in a separate income statements line item, "Net income/(loss) of the held-for-exchange Animal Health business" for 2015 and prior years, in accordance with IFRS 5. Until final completion of the transaction, the Animal Health business remains an operating segment of the Group pursuant to IFRS 8.

(2) Non-GAAP financial measure which includes the Animal Health Business.

Business operating income for the year ended December 31, 2014

(€ million)	Pharmaceuticals	Vaccines	Other	Total Group	Animal Health ⁽¹⁾	Total: aggregated basis ⁽²⁾
Net sales	27,720	3,974	-	31,694	2,076	33,770
Other revenues	272	33	-	305	34	339
Cost of sales	(8,282)	(1,948)	-	(10,230)	(799)	(11,029)
Research and development expenses	(4,174)	(493)	-	(4,667)	(157)	(4,824)
Selling and general expenses	(7,692)	(614)	(3)	(8,309)	(682)	(8,991)
Other operating income and expenses	194	2	(52)	144	20	164
Share of profit/(loss) of associates and joint ventures	106	40	-	146	1	147
Net income attributable to non-controlling interests	(126)	-	-	(126)	(1)	(127)
Business operating income	8,018	994	(55)	8,957	492	9,449
Financial income and expenses						(447)
Income tax expense						(2,155)
Business net income						6,847

(1) The net income/loss of the Animal Health business is presented in a separate income statement line item, "Net income/(loss) of the held-for-exchange Animal Health business" for 2015 and prior years, in accordance with IFRS 5. Until final completion of the transaction, the Animal Health business remains an operating segment of the Group pursuant to IFRS 8.

(2) Non-GAAP financial measure which includes the Animal Health business.

Reconciliation of business net income to Net income attributable to equity holders of Sanofi

(€ million)	2015 ⁽¹⁾	2014 ⁽¹⁾
Business net income	7,371	6,847
Amortization of intangible assets	(2,137)	(2,081)
Impairment of intangible assets	(767)	31
Fair value remeasurement of contingent consideration liabilities	53	(303)
Expenses arising from the impact of acquisitions on inventories	-	-
Restructuring costs	(795)	(404)
Other gains and losses, and litigation ⁽²⁾	-	35
Additional year expense related to US Branded Prescription Drug Fee	-	(116)
Tax effects on the items listed above, comprising:	1,331	928
- amortization of intangible assets	757	564
- impairment of intangible assets	262	(18)
- fair value remeasurement of contingent consideration liabilities	39	254
- expenses arising from the impact of acquisitions on inventories	-	-
- restructuring costs	273	141
- other gains and losses, and litigation	-	(13)
Other tax items	(111)	(110)
Share of items listed above attributable to non-controlling interests	25	8
Restructuring costs and expenses arising from the impact or acquisitions on associates and joint ventures	(191)	(198)
Animal Health Items ⁽³⁾	(492)	(247)
Net income attributable to equity holders of Sanofi	4,287	4,390

(1) The Animal Health business is reported separately in accordance with IFRS 5.

(2) Profit related to the acquisition of Alnylam shares in 2014, reported in the line item "Financial Income".

(3) Includes the following items: impact of the discontinuation of depreciation and impairment of property, plant & equipment with effect from the start date of IFRS 5 application, impact of the amortization and impairment of intangible assets until the start date of IFRS 5 application: costs incurred as a result of the divestment; and the tax effect of those items.

CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT

(€ million)	2015 ⁽¹⁾	2014 ⁽¹⁾	2013 ⁽¹⁾
Net sales	34,542	31,694	30,966
Other revenues	319	305	325
Cost of sales	(10,919)	(10,230)	(10,302)
Gross profit	23,942	21,769	20,989
Research and development expenses	(5,082)	(4,667)	(4,605)
Selling and general expenses	(9,382)	(8,425)	(7,950)
Other operating income	254	301	691
Other operating expenses	(462)	(157)	(240)
Amortization of intangible assets	(2,137)	(2,081)	(2,527)
Impairment of intangible assets	(767)	31	(1,387)
Fair value remeasurement of contingent consideration liabilities	53	(303)	314
Restructuring costs	(795)	(404)	(303)
Other gains and losses, and litigation	-	-	-
Operating income	5,624	6,064	4,982
Financial expenses	(559)	(598)	(609)
Financial income	178	192	111
Income before tax and associates and joint ventures	5,243	5,658	4,484
Income tax expense	(709)	(1,214)	(726)
Share of profit/(loss) of associates and joint ventures	(22)	(52)	39
Net income excluding the held-for-exchange Animal Health business	4,512	4,392	3,797
Net income/(loss) of the held-for-exchange Animal Health business	(124)	117	77
Net income	4,388	4,509	3,874
Net income attributable to non-controlling interests	101	119	158
Net income attributable to equity holders of Sanofi	4,287	4,390	3,716
Average number of shares outstanding (million)	1,306.2	1,315.8	1,323.1
Average number of shares outstanding after dilution (million)	1,320.7	1,331.1	1,339.1
- Basic earnings per share (in euros)	3.28	3.34	2.81
- Basic earnings per share (in euros) excluding the held-for-exchange Animal Health business	3.38	3.25	2.75
- Diluted earnings per share (in euros)	3.25	3.30	2.77
- Diluted earnings per share (in euros) excluding the held-for-exchange Animal Health business	3.34	3.21	2.72

(1) The results of the Animal Health business are reported separately in accordance with IFRS 5 (Non-Current Assets Held for Sale and Discontinued Operations).

NON-CONSOLIDATED STATEMENTS OF SANOFI (THE PARENT COMPANY) FOR THE LAST FIVE YEARS

(€ million)	2015	2014	2013	2012	2011
Capital at period-end					
Share capital	2,611	2,639	2,649	2,653	2,682
Number of shares issued	1,305,696,759	1,319,367,445	1,324,320,881	1,326,342,959	1,340,918,811
Income statement data					
Net sales	403	339	298	289	324
Net income before tax, depreciation and amortization	9,202	3,392	4,006	5,083	3,133
Income tax	174	214	210	267	595
Employee profit-sharing	-	-	-	-	-
Net income after tax, depreciation and amortization	9,323	3,499	3,626	3,666	2,990
Dividends		3,694	3,676	3,638	3,488
Earning per share (in euros)					
Net income after tax but before depreciation and amortization	6.91	2.41	2.87	3.63	2.34
Net income after tax, depreciation and amortization	7.14	2.67	2.74	2.76	2.23
Dividend per share		2.85	2.80	2.77	2.65
Personnel					
Average personnel employed	19	18	20	20	20
Payroll cost	27	39	34	33	32
Paid fringe benefits	17	16	12	11	16

REQUEST FOR ADDITIONAL DOCUMENTS AND INFORMATION

AS SPECIFIED IN ARTICLE R. 225-83 OF THE FRENCH COMMERCIAL CODE

SANOFI

Société anonyme with share capital of €2,611,393,518
Registered Office: 54, rue La Boétie – 75008 Paris (France)
Registered number: 395 030 844 R.C.S. Paris

COMBINED GENERAL MEETING ON MAY 4, 2016

I, the undersigned,

Mrs., Miss, Mr _____
Last name (or company name)

First name _____

Address _____

Town/City _____

ZipCode _____

Owner of _____ Sanofi registered shares,

Owner of _____ Sanofi bearer shares (attach a copy of the shareholding certificate "*attestation de participation*" issued by your financial intermediary),

hereby request that I be sent the documents and information relating to the Combined General Meeting to be held on May 4, 2016, as specified in Article R. 225-83 of the French Commercial Code.

These documents are also available on our website (www.sanofi.com/AGM2016).

Place of signature _____ Date of signature _____ 2016

Signature

NOTICE : In accordance with Article R. 225-83 of the French Commercial Code, owners of shares may by a single request have the Company send them the documents and information specified in Articles R. 225-81 and R. 225-83 of the French Commercial Code in advance of all subsequent general meetings. Shareholders wishing to benefit from this option must indicate on this request form that they wish to do so.

**Send this request form to: BNP Paribas Securities Services
CTS Assemblées – Les Grands Moulins de Pantin – 9 rue du Débarcadère
93761 Pantin Cedex – France
or to the financial intermediary keeping your share account.**

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