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Service Engagements with Scientific External Experts

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GRI Standards:

N/A

EXECUTIVE SUMMARY

Sanofi may transfer value to Scientific External Experts as part of a compensation-for-service arrangement. Such an arrangement may be entered with Scientific external experts to perform a meaningful service or activity in medical or scientific-related domains for legitimate needs.

Service arrangements are always organized in compliance with Sanofi’s *Service Engagements with Scientific External Experts* policy, which sets out objective selection criteria, rules for compensation and guidelines on interactions with experts and applies to all entities and activities of Sanofi worldwide.

This factsheet provides an overview of Sanofi’s approach to engaging with Scientific External Experts and to ensuring reasonable compensation for services provided.

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1. Background

Sanofi is committed to acting with the highest standards of integrity and honesty when interacting with the scientific community. Interacting with the scientific community is legitimate and essential in ensuring that patients have access to the products they need and that they use Sanofi products correctly for their optimal benefit. These interactions also enable us to obtain feedback and advice about our products. Medicines in research and development, as well in clinical practices, greatly benefit from these interactions. Sanofi also supports medical education, which provides a forum for scientific experts to share their clinical experiences and to learn continuously.

Sanofi interacts with the medical and scientific community in many ways, including:

- Supporting their medical education by providing fair and balanced information about our products and their appropriate use.
- Organizing medical or scientific meetings or events or contributing to scientific and educational meetings organized by third parties.
- Entering into compensation-for-service arrangements with Scientific external experts to perform a meaningful service or activity in medical or scientific-related domains for legitimate needs, such as conducting trainings, participating in scientific meetings, and providing consulting services.

Scientific external experts who deliver a service for Sanofi deserve a fair compensation for their time and contribution. However, engaging an expert for services must never constitute an inducement to prescribe, purchase, supply, sell, administer, or recommend formulary placement of any Sanofi product. Compensation-for-service arrangements are always organized in compliance with Sanofi's Service Engagements with Scientific External Experts policy, which sets out objective selection criteria based on the defined need, rules for compensation and guidelines on interacting with experts.

This factsheet provides information on Sanofi's policy approach to engagements with scientific external experts, including healthcare professionals, in the context of service arrangements.

Aside to the Engaging with Scientific External Experts policy, Sanofi Employees and Third Parties interacting with Sanofi must always comply with applicable Anti-corruption and Anti-bribery Laws and Regulation. For further details, please refer to Sanofi's [Anti-Bribery Policy](#).

2. Need for the Service

Sanofi only identifies and approaches a Scientific External Expert for a service if a justified need has been identified, and any potential conflict of interest on the side of the Scientific External Expert has been assessed and excluded. A service can cover different types of activities, such as involvement in:

- Meetings with experts (e.g. Speaker, chairman).
- Advisory Boards or committees (e.g. Member, speaker, chairman).
- Training services (e.g. Speaker).
- Consulting (e.g. bibliography search, review of materials developed in-house).

3. Selection of a Scientific External Expert

We select Scientific External Experts exclusively based on objective criteria such as education, university degree, knowledge, expertise and experience in a particular area regarding the defined need, and purpose of the service. The selection is never founded on the Scientific External Expert's history of use or recommendation of Sanofi products, nor constitutes an inducement to prescribe, purchase, supply, sell, administer or recommend formulary placement of any Sanofi product or service.

For a service that requires a group of Scientific External Experts (e.g. advisory boards), the number of Scientific External Experts engaged is never greater than the number reasonably necessary to achieve the identified need. In addition, we avoid duplication or overlap in the expected contribution from each Scientific External Expert. The selection of a Scientific External Expert is validated by a Sanofi Employee in the

medical department or R&D (as applicable) with sufficient expertise to evaluate whether the Scientific External Expert is able to fulfill the defined service need.

4. Working with a Scientific External Expert

Any meeting with a single, or group of, Scientific External Expert(s) follows the requirements defined in Sanofi's global policy on the Organization of and Contribution to Events. The information provided to a Scientific External Expert is strictly relevant to the service and should not represent disguised promotion of Sanofi products. Only the Sanofi Employee(s) involved in the service (e.g. those who are expected to review and use the results of the services) interact with the Scientific External Expert.

5. Compensation

5.1. SERVICE FEE TABLE

Each national Sanofi affiliate, under the responsibility of the country medical lead, establishes a service fees table, based on objective internally and externally audible and nationally recognized public criteria. For each Scientific External Expert category an hourly benchmarked rate is defined in the service fees table, with the support from our Global FMV team in the Chief Medical Office (CMO) department. Each country's service fees table is updated at least every two years.

5.2. DETERMINATION OF SERVICE FEES

Compensation of Scientific External Experts must always be reasonable and reflect the Fair Market Value (FMV) of the service performed. Sanofi employees determine the service fees by entering the following information:

- Duration of service.
- Role (e.g. member, speaker or chairman).
- Duration of preparation.
- Travel distance, unless compensation of travel time is prohibited by local law or regulation.

There is no distinction between the service fees for different types of event (e.g. symposium, advisory-board, adjudication committee, etc.). Scientific External Experts delivering services in a regional or international context receive compensation based on the FMV applicable in their country of practice. The service fees are validated by a Sanofi Employee in the medical department or R&D (as applicable).

5.3. EXPENSES

Sanofi only pre-pays or reimburses reasonable expenses incurred by the Scientific External Expert for the delivery of the service. Reimbursable expenses are described in the agreement or have received prior written approval from Sanofi, and comply with the requirements of the global policy on the Organization of and Contribution to Events. Expenses reimbursement only occurs after verification of the associated receipts or other supporting documents. Sanofi does not pay travel and accommodation expenses for a spouse or guest of the Scientific External Expert, or any personal costs incurred by the Scientific External Expert (such as mini bar, entertainment...).

5.4. PAYMENT

Payment of service fees and reimbursement of expenses does not occur until it has been verified that the service has been provided (Sanofi does not allow guaranteed minimum fees or advance payments). Service fees payment and/or expense reimbursement occurs in accordance with the payment schedule in the agreement and upon receipt of invoice or similar document. The amount due must be wired to a bank account based in the Scientific External Expert's country of practice.

5.5. SCIENTIFIC EXTERNAL EXPERT AGREEMENT

An agreement must be signed between Sanofi and the Scientific External Expert prior to the service preparation/delivery or, when expenses or time compensation for travel to an event are included, prior to the Scientific External Expert's departure to the event. The agreement can be preceded by a confidentiality disclosure agreement in case confidential information will be exchanged prior to the Scientific External Expert's service preparation or delivery. An agreement must be signed at all times, even when the Scientific External Expert does not require payment for services. This case should remain exceptional as any work deserves compensation. The agreement is drafted, approved and executed in accordance with the Global Policy Group Contracts and specifies at least the following points:

- Description of the services, responsibilities and related deliverables if applicable (e.g., slide kit, expert report).
- Time schedule for completion of the service.
- Service fees and payment schedule.
- Reimbursable expenses.
- Confidentiality and relevant intellectual property rights.
- The Scientific External Expert's obligation to comply with applicable laws on the approval of, or disclosure of information related to the agreement.
- The Scientific External Expert's obligation to declare that he/she is a consultant to Sanofi when writing or speaking about a subject matter covered by the agreement.
- The Scientific External Expert's commitment to comply with Sanofi Anti-Bribery Global Policy.
- Transparency/financial disclosure obligations for the Scientific External Expert and Sanofi (as applicable).

The parameters used for the service fees calculation (e.g. service duration, preparation duration, travel time) are clarified in the agreement as a justification for the service fees.

6. Monitoring and Public Disclosure

At each Sanofi country affiliate oversight is kept on all agreements between Sanofi and Scientific External Experts in its country, including the total amount of fees paid per year.

Any public disclosure by Sanofi of the service fees and expenses provided to a Scientific External Expert under this Global Policy are made in accordance with local laws and regulations.