Soil and Groundwater Remediation

GRI Standards: ENVIRONMENT 306-3 Effluents and Waste

PLANET CARE

The connection between the health of our planet and that of people is increasingly clear. Climate change and human-induced environmental challenges (water, soil & air pollution) are one of the main threats to health worldwide leading to the exacerbation of diseases, such as respiratory conditions, cardiovascular diseases, diabetes, and infectious diseases.

As a global healthcare leader, our mission at Sanofi extends beyond developing life-changing medicines and vaccines: it encompasses our contribution to the environment and society. Our ambition is to tackle the impact of environmental challenges on health and health care and we're bridging our key sustainability efforts together to focus on improving equitable access to healthcare, reducing the environmental impact of our activities, and transforming the delivery of care to reduce health systems' environmental footprint.

Through Planet Care, we have charted a clear path forward anchored in innovative actions and measurable goals to not only minimize the environmental impact of our products and activities, but to also adapt our business to the complex climate and nature-related challenges that we face.

With purpose and determination, we are driving a meaningful change that embeds environmental sustainability & adaptation in our day-to-day operations and across our value chain aiming at:

- ***Fighting Climate Change:*** Towards Net Zero in 2045
- ***Limiting our impact on Nature:*** Championing Sustainable Resources Use and Circularity
- ***Innovating with Purpose:*** Environmental Sustainability by Design for our medicines & vaccines through Eco-design
- ***Adapting our business and value chain*** to complex environmental challenges

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1. Our commitments to soil and groundwater remediation

Sanofi Planet Care ambition of limiting our impact on Nature includes our commitment to carry out systematic environmental studies at our sites to evaluate and address potential impacts on soil & groundwater linked to past industrial activities. Remediation operations are conducted upon need and always in compliance with regulatory requirements, and, whenever possible, selection of the most relevant remediation options allows for property re-use, including, for some non-operating sites, the possibility to welcome renewable electricity projects or develop biodiversity protection areas.

Soil and groundwater remediation at Sanofi addresses two issues:

- Sites currently operated by the Company that may have an impact on soil and groundwater
- The impact on soil and groundwater that may exist at certain sites as a result of past industrial activities

2. Performance

Sanofi's policy addresses the prevention of spills and releases to avoid future impacts on soil and groundwater, and remediation of historic impacts on soil and groundwater.

To avoid future impact on soil and groundwater, each site maintains a procedure to assess, prevent and control the potential for spills and releases to air, water and soil. Each industrial and research facility complies with regulatory soil and groundwater protection principles and good practices, as outlined in both construction and environmental standards. This includes maintaining the integrity, containment and monitoring of above-ground and underground tanks, vaults, pipelines, loading and storage areas, and sewer systems containing materials that may be hazardous to the environment. In addition, spill-control kits are included as part of the emergency spill-response program wherever potentially hazardous or potentially are stored or handled.

In terms of existing historic impacts on soil and groundwater, the objective is to take appropriate steps to ensure the absence of risk for the health of the environment.

All remedial work is carried out in accordance with the applicable current standards and regulations, and in co-operation with local authorities.

3. Actions

Setting up a process for remediation of impacted sites

In compliance with environmental laws, Sanofi is sometimes required to implement investigation and eventually remediation processes for certain sites.

These regulatory requirements concern sites where:

- Sanofi operates
- Sanofi (or legal predecessors) operated in the past
- Sanofi (or legal predecessors) may have disposed of waste

For this reason, financial provisions are established and adjusted every year taking into account new events that may have occurred, as well as updates of environmental assessments.

Assessing the risks and conducting soil remediation

Sanofi maintains a responsible approach to managing the sites where the Company (or legal predecessors) operates or operated in the past.

The Company systematically applies a multi-year soil and groundwater monitoring and evaluation program for Sanofi properties, both for those that are currently owned by the Company, and those that were formerly

owned and/or operated by Sanofi.

Sanofi relies on detailed risk evaluations of soil and groundwater, carried out, when necessary, at the Company's sites or former sites. Remediation projects are initiated either as a request from local authorities or by Sanofi. Remediation is currently underway at over 20 Sanofi sites worldwide, as well as several other sites that have been sold to third parties, with guarantees from the Company with respect to environmental liabilities.

In total, remediation costs amounted to €35 million in 2024 (compared to a total of €33 million in 2023).

For more information, see Form 20-F 2024, B9 section (p. 50).

Case study: Remediation of former chemistry Neuville site (France)

Site view in 2014 (before remediation):

Site view in 2024 (remediation completed):

Site characteristics:

- 30ha site with 15ha dedicated to chemistry
- 20 km north of Lyon, France
- Mixed environment (industrial, undevelopped, residential)

Past situation

The Neuville-sur-Saône site has been dedicated to industrial activities since 1872, operated by several operators (including BASF, French state, Société Gignoux, and more recently UCLAF and Sanofi chimie) for various activities including dye production, production of explosives during WWI, textile activities and more recently chemistry to produce active pharmaceutical ingredients.

In 2012, Sanofi announced his intention to end chemistry activity in Neuville.

Remediation project

Dismantling, demolition and remediation project was conducted between 2013 and 2024 at the 15-ha site, by Sanofi, under the strict control of the local authorities in charge of environment (DREAL).

The site was split into 5 areas to phase the works. For each area, after demolition, dense site environmental investigations were carried out in order to identify all impacts in soil, soil gas and groundwater. In coherence with the history of industrial activities, the main contaminants were metals, solvents (essentially BTEXs[1], HVOCs[2], chlorobenzenes, MBTE[3]), hydrocarbons, and some traces of pharmaceuticals produced at the site.

Specific remediation targets were set to ensure the remediated site is fit for a new industrial use, and there is and will be no environmental risk for the off-site (residential areas, Saône river, …). Remediation fieldworks were implemented, as shown in the table:

Sector	Remediation works date	Fieldworks description
1	October 2015 – June 2016	Removal of residual infrastructures Removal of contamination sources in soil and their extension (t of contaminated soil removed): - Sector 1: 7 sources / 6,500 t - Sector 2: 12 sources / 26,400 t - Sector 3: 18 sources / 74,000 t - Sector 4: 15 sources / 90,400 t - Sector 5: 18 sources / 81,900 t Treatment of pumped groundwater at the bottom of excavations, localized in-situ treatment (chemical oxidation) In-situ or substitution treatment for deep soil
2	September 2016 – September 2017	
3	August 2017 – December 2019 / February – March 2022	
4	November 2018 – March 2021	
5	September 2020 – May 2023	

These remediation works resulted in the removal of a significant quantity of contaminants in all environmental compartments. Mass balances are shown in the table:

Sector	T of contaminants removed from Soil compartment	T of contaminants removed from Groundwater compartment	T of contaminants removed from Soil gas compartment
1	10	0.1	
2	49	0.5	
3	110	0.6	2.7
4	235	4.2	25.6
5	302	3.7	11.7
TOTAL	**706**	**9.1**	**40**

[1] BTEX: Benzene, Toluene, Ethylbenzene et Xylenes
[2] HVOC: halogenated Volatiles Organic Compounds
[3] MTBE: Méthyl Ter Butyl Ether

Post-remediation environmental monitoring is carried out to confirm residual site condition and deed restrictions are put in place to ensure that conditions minimizing health and environmental risks will be properly maintained in the long term at the site.

With this final phase, the remediation of the former chemistry site is considered complete. Sanofi has met all regulatory obligations related to the end of its chemistry activities and remediation of the site under the French environmental regulation.

Current situation

The site is redeveloped for vaccines activities, with a new production unit Evolutive Facility which represents a new fully digitalized evolutionary biomanufacturing facility, dedicated to tomorrow's technological platforms. It allows sanofi to increase our capacities while making production more flexible and respectful of the environment.