Annual Report
2017/2018

TOGETHER, WE INNOVATE
FOR AND WITH PATIENTS
Our **excellence and sharing** of expertise drive new drug discovery.

Our **global presence** enables us to help treat and care for patients **worldwide**.

Our **openness** to patients, health care professionals, partners, and peers helps us contribute responsibly to the future of medicine.

**At Servier, we are committed to therapeutic progress to serve patient needs.**
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Over the past four years, our Group has embarked on a deep transformation around a shared vision, while remaining true to its values. Transforming ourselves means, above all, giving ourselves the means to continue to work every day with a passion for therapeutic progress in order to save and care for patients. This is our vocation. Transforming ourselves also means meeting ever-increasing scientific and industrial challenges in a highly competitive environment. To structure this transformation and bring our vision to life, we have defined five strategic orientations: a focus on five therapeutic areas; dynamic and synergized generics; a differentiated geographical footprint; high-performing organization; and passionate and empowered people. The highlights of the 2017/2018 financial year illustrate the effective implementation of these five orientations.
In this regard, the acquisition of Shire’s oncology branch strengthens our portfolio in this therapeutic area and reinforces our determination to become a key player in this field.

Another important fact: since September 1, 2018, we have been commercially present in the United States, the world’s largest pharmaceutical market. These two events are tangible illustrations of our transformation and embody our ambition for what we want to achieve over the next five years.

We are also building this perspective of the future through our drive for innovation. We are committed to discovering innovative treatments in our five therapeutic areas to address unmet needs and create therapeutic value for patients. To enhance and accelerate our approach to innovation, we choose openness by bringing together intelligence and talent in a cross-fertilization of ideas. We thereby create synergies with the most trailblazing players in the academic, industrial, biotechnology, and start-up worlds. The future Servier Paris-Saclay Research Institute is part of this strategy of openness and proximity to the most innovative research sites.

Innovation is also what guides us when we decide to explore new biotechnology-based therapeutic solutions, whose potential for development is immense. The creation of a production unit dedicated to biological drugs, Bio-S, at our Gidy site in France, represents the realization of our commitment in this area. Finally, innovation is our guiding principle, as we strive to put the needs of patients at the heart of our ambition. We design with them and for them tailored solutions throughout the care pathway. This approach was reinforced in 2018 with the appointment of a Chief Patient Officer.

Thanks to these organizational breakthroughs, now more than ever we are rising to the challenges presented by the health care of tomorrow.

“We strive to put the needs of patients at the heart of our ambition.”

To continue in this direction, we also rely on two major assets. The first lies in the originality of our statutes. As an independent group, we are governed by a non-profit foundation that guarantees independence and a long-term vision. A measure of trust for our partners, the uniqueness of our model is also a tremendous lever of attractiveness and commitment for our teams. Transforming ourselves also means making this business model sustainable and opening it up to the future.

Our second asset is the strength of our community, which embodies our vocation and our strategic orientations on a daily basis. We are a group of enthusiastic men and women who are passionate about innovating and contributing to medical and therapeutic progress. The complementary nature of our talents, being daring, our enthusiasm and our shared culture of scientific excellence are our greatest assets in achieving our vision: to contribute to transmit to future generations a world that can ensure access to quality health care for all.
All over the world, chronic diseases are increasing. Cardiovascular diseases, cancers, chronic respiratory problems, diabetes, neuropsychiatric conditions, etc. are major causes of disability and premature mortality. They are, therefore, a crucial challenge both in terms of prevention and treatment, as well as for patient care and the organization of care.

For Servier
✓ R&D focused on 5 major therapeutic areas covering major chronic diseases to meet growing needs
✓ A comprehensive approach throughout the patient care pathway

68% of deaths worldwide caused by a chronic disease (+8% compared to 2001)
442 m diabetics in the world in 2014 versus 108 million in 1980
14 m people affected by cancer each year (+70% in the next 20 years)
60% of patients with chronic diseases, between the ages of 28 and 45, do not follow compliance instructions

NEW THERAPEUTIC APPROACHES TO EXPLORE

Cell therapy, gene therapy, monoclonal antibodies, etc. In relying on the extraordinary capabilities of life sciences, biotechnology is radically changing the way drugs are designed and produced. Their therapeutic potential is very promising. To realize this tremendous potential, the pharmaceutical industry must adapt its strategies, technologies, and means of production to these new therapeutic modalities.

For Servier
✓ Commitment to research and to the development and production of biopharmaceuticals and biosimilars
✓ A pioneering approach in oncology via immunotherapy

31% OF THE GLOBAL PHARMACEUTICAL MARKET COVERED BY BIOTECHNOLOGY IN 2024 VERSUS 25% IN 2017¹

+130,000 JOBS COULD BE CREATED IN FRANCE BY HEALTH TECH BY 2030²

$93 billion EXPECTED VALUATION OF THE PRECISION MEDICINE MARKET BY 2024³

Aside from the technological and therapeutic revolutions, patients are increasingly taking part in the medical decisions that concern them. It is for them and with them specifically that solutions for increasingly precise medicine are designed and even personalized. Better informed and with more exacting standards, patients are now partners in their own care pathway. All health care stakeholders should therefore listen to the concerns and expectations of patients and their loved ones.

**For Servier**
- A strategy centered on the needs of patients that sets the stage for an open, transparent, and collaborative relationship for and with them
- A comprehensive ‘beyond the pill’ approach to support the patient at all stages of the care pathway
- The desire to be at the forefront of connected health with WeHealth by Servier

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Changing lifestyles are upending the profile of the medical conditions that affect populations, especially in the emerging countries, which are increasingly concerned by diseases that were hitherto widespread in developed countries: diabetes, cancer, cardiovascular disease, etc. What then are the conditions for equitable access to care around the world? This is a formidable challenge for everyone involved internationally in health care.

For Servier
✓ A differentiated international presence to meet patient needs more fully, especially in emerging countries
✓ An increasing supply of generic drugs and biosimilars to increase accessibility to treatment
✓ Listening to patients and health care professionals to better serve local needs

80% of new cases of diabetes will be in emerging countries by 2025*
80% of deaths attributed to a chronic disease occur in low- or middle-income countries*
63% generic drugs represent 63% of health care expenditure in emerging countries*

* Source: World Health Organization (WHO)
The basis for our actions

In line with the changes in the health care sector, our actions reflect our shared vocation, values, and vision. We nurture our commitment to therapeutic progress and strive to meet the expectations of stakeholders and society as a whole. With one guiding principle: concern for the care and respect of patients.

Through our actions, we contribute to transmit to future generations a world that can ensure access to quality health care for all.

Vocation
Committed to therapeutic progress to serve patient needs

Values
- Care
- Dare to innovate
- Commit to succeed
- Grow by sharing

Vision
- Put patients and innovation at the heart of all our actions
- Foster our individual and collective commitment, the Group’s driving force
- Guarantee our independence and our capacity for long-term investment
- Be a Group with global reach

A Stated Ambition
Four Goals for 2021

Launch a new molecular entity every three years
Become a key player in the field of oncology while maintaining our position in cardiovascular health and in diabetes
Reach a revenue of 5 billion euros
Reach an operating profit of 8% to finance our development
TO ACHIEVE OUR VISION: FIVE STRATEGIC ORIENTATIONS

aimed at rapidly and sustainably improving the Group’s performance in all its dimensions, for the benefit of patients and employees, and to ensure the longevity of Servier’s unique business model.

1. FOCUS ON FIVE THERAPEUTIC AREAS
   To respond as effectively and as quickly as possible to the most important medical needs and offer innovative solutions to patients.

2. DYNAMIC AND SYNMERGIZED GENERICS
   The combined strength of our generic and brand-name businesses enhances our performance while enabling more patients to access our therapeutic solutions.

3. DIFFERENTIATED GEOGRAPHIC FOOTPRINT
   To meet the needs of patients, we optimize our potential in each country by adapting to the specificities of each market.

4. HIGH-PERFORMING ORGANIZATION
   Guaranteeing our performance is essential to ensuring sustainable growth and maintaining the Group’s independence over the long term.

5. PASSIONATE AND EMPowered PEOPLE
   We want to make Servier ‘the place to work’ by helping our employees grow and encouraging them to take the initiative.

POINT OF VIEW

Our singularity lies in the fact that we do not define performance only in a financial or short-term sense. To the contrary, it takes on three dimensions: therapeutic, based on our drive for innovation in the service of the patient; social, by focusing on employees and on ethics at the heart of our commitment; and finally, economic, to ensure the sustainability of our model and the long-term independence of the Group.

Siham Imani, DIRECTOR OF GROUP STRATEGY
Choosing independence

As a totally independent entity, the Servier Group is governed by a non-profit foundation, the Fondation Internationale de Recherche Servier (FIRS) [Servier International Research Foundation], which allows us to reinvest all the company’s profits into the development of its business activities, particularly R&D.
RUNNING THE FOUNDATION

THE BOARD OF THE FOUNDATION
• Its President governs the Group;
• The Executive Committee supports the President and is consulted on all major decisions;
• Other members are consulted on the Group’s general policy.

THE SUPERVISORY BOARD
Its mission is to ensure that the Group’s founding principles are followed.

THE GROUP

Servier SAS holding
(France)
President + Executive Committee

100%

Companies whose capital is held as treasury stock
Legal scheme allowing a company to hold its own capital

100%

48%

52%

Non-profit organizations
(France)
Their contributing members are companies in the Group

THE CAPITAL

All business subsidiaries worldwide

FIRS Foundation
(The Netherlands)

BOARD OF THE FOUNDATION
• President
• Executive Committee
• Other members

SUPERVISORY BOARD

CHOOSING INDEPENDENCE
Financial results and key figures

€4.2 billion
2017-2018
GROUP REVENUE

Breakdown of revenue by business activity:
- Brand-name drugs: 69%
- Generic drugs: 31%
+4.5% vs. 2016-2017 (at constant exchange rates)

€2.9 billion
REVENUE IN BRAND-NAME DRUGS
- 598 million boxes sold
- 25% of revenue from brand-name drugs reinvested in R&D
- 7% increase in the volume of boxes sold
- 93% of revenue generated from brand-name drugs produced outside France

€1.3 billion
REVENUE IN GENERIC DRUGS
- Including:
  - Biogaran: €798 million
  - Egis: €454 million
  - Others: €34 million
- 493 million boxes sold
- 10% increase in the volume of boxes sold

POINT OF VIEW

“These results strengthen our ambition to reach five billion euros in revenue in 2021. The acquisition of Shire’s oncology branch and the realization of our commercial presence in the United States, the world’s largest pharmaceutical market, reinforce our belief that we are on the right track.”

Dominique Brissy,
EXECUTIVE VICE PRESIDENT FINANCE & INFORMATION SYSTEMS
Operating Income

- €307 million in operating income, or 7.4% of the revenue for the 2017-2018 year
- 100% of the net income invested in the Group’s development

Breakdown of revenue by therapeutic field (in %)

- Cardiovascular: 57%
- Central Nervous System: 15%
- Metabolism: 11%
- Cancer: 6%
- Other classes and miscellaneous sales: 9%

Top 5 contributing countries for revenue with brand-name drugs (in millions of euros)

- China: 365
- France: 196
- Italy: 140
- Russia: 273
- Canada: 149

Revenue breakdown by therapeutic field (in %)

- Cardiovascular: 57%
- Metabolism: 15%
- Central Nervous System: 11%
- Cancer: 6%
- Other classes and miscellaneous sales: 9%

Financial results and key figures

- 22,000 employees including 4,900 in France
- 100 m patients treated each day worldwide with Servier drugs
- 2nd largest pharmaceutical company in France
- 33rd largest pharmaceutical company worldwide
- 2nd leading European pharmaceutical company in the field of cardiology
- 66 subsidiaries
- 1,500 generic drugs covering most conditions
- 33 drug candidates
A strong international group

Founded in France, Servier is an international group operating in 149 countries. This worldwide presence is the result of our desire to offer solutions tailored to the needs of patients, incorporating the specificities of each country.

MEMBER OF NATIONAL AND INTERNATIONAL BODIES

To affirm our roots and intensify exchanges with key players in the countries and geographic areas where the Group operates, we are part of various professional bodies.

Thus, worldwide, Servier is a member of the International Federation of Pharmaceutical Manufacturers & Associations (IFPMA).

In France and Europe, Servier is:
• board member of the European Federation of Pharmaceutical Industries and Associations (EFPIA),
• founding member and member of the Board of Directors of the ‘French Healthcare’ association which, under the distinguished patronage of the Ministries of the Economy and Foreign Affairs, promotes French health care expertise abroad.
• founding member and member of the Board of Directors of ‘G5 Santé’, a think tank comprising the main French health care companies.
A STRONG INTERNATIONAL GROUP

FRANCE

4,900 employees
23.6% of revenue

EUROPE
(outside the EU)

3,000 employees
12.6% of revenue

AFRICA/ MIDDLE EAST

900 employees
5.7% of revenue

ASIA/OCEANIA

4,400 employees
19.4% of revenue

EUROPEAN UNION
(excluding France)

6,900 employees
29.1% of revenue

A GROUP ROOTED IN FRANCE

Historically established in France, Servier has a significant industrial and economic impact here through its research and production activities.

In France the Group has two research institutes, two production sites, and an international center for therapeutic research.

3
Research institutes
(2 in France and 1 in Hungary)

15
International Centers for Therapeutic Research - ICTRs

16
Production sites
Our five therapeutic areas

To increase our potential for innovation, we are focusing our Research & Development activity on five areas in which we have acknowledged know-how and expertise. We currently have 33 research programs.

**CARDIOVASCULAR DISEASES**

Cardiovascular diseases are the leading cause of mortality in the world and are responsible for the deaths of 17.7 million people a year, i.e., 31% of deaths.* Because of their major impact on people’s health and quality of life, we made a very early commitment to the treatment of heart failure, high blood pressure, coronary disease, and venous disease.

* Source: World Health Organization

- 5th leading pharmaceutical company fighting cardiovascular disease worldwide,
- 2nd in Europe, 1st in France
- 18 drugs available to doctors and patients
- 4 research programs
- 10 drug candidates

**DIABETES**

Diabetes affects 1 in 11 people worldwide – or 422 million individuals*. This makes it the 7th leading cause of death and the 1st cause of blindness, kidney failure, cardiac events, stroke, lower limb amputation, etc. In the absence of profound changes in lifestyle or the emergence of new treatments in the next 10 to 15 years, diabetes is expected to affect 642 million people by 2040, i.e., a 50% increase over 25 years. That’s why we’ve always made type 2 diabetes and its complications a major focus of our research.

* Source: World Health Organization

- 1 drug available to doctors and patients
- 7 research programs
- 1 drug candidate
CANCER

Currently the second leading cause of death worldwide, with nearly 1 in 6 deaths, cancer is on the rise. The number of people affected could therefore double to 22 million by 2032*.

Faced with this growing need for therapeutic solutions, we are making oncology one of our priorities and will devote half of our R&D investment to it in 2020.

* Source: World Health Organization

• 50% of R&D investment in oncology in 2020 (versus 14% in 2015, 37% in 2017)
• 5 drugs available to doctors and patients
• 17 research programs
• 16 drug candidates

IMMUNE-INFLAMMATORY DISEASES

Immune inflammatory diseases and autoimmune diseases are characterized by an inadequate response of the immune system. In order to meet unmet medical needs, we decided to focus our research on three conditions: systemic lupus erythematosus, systemic scleroderma, which affects 30,000 patients in Europe, and Sjögren’s syndrome, the 2nd most common autoimmune disease, with 190,000 people affected in Europe.

• 1 research program
• 3 drug candidates

NEUROPSYCHIATRIC DISEASES

Neuropsychiatric and neurodegenerative diseases such as autism, multiple sclerosis, Parkinson’s disease, and Alzheimer’s disease create strong dependency and have a major impact on the quality of life of patients and their loved ones. As an expert in this field for more than 40 years, Servier is committed to developing much-needed treatments for these highly debilitating diseases.

• 4 drugs available to doctors and patients
• 4 research programs
• 3 drug candidates
A comprehensive health care offering

Our drugs from Servier R&D cover our five therapeutic areas. In addition, we make quality generic drugs widely available and also offer e-health solutions, including through WeHealth by Servier.

A wide range of brand-name drugs

**CARDIO-VASCULAR DISEASES**
- Coversyl®
- Coveram®
- Vastarel®
- Procoralan®
- Fludex®
- Triplixam®

**DIABETES**
- Natrixam®
- Triveram®
- Viacoram®
- Carivalan®
- Preterax®
- Viacorilix®
- Implicor®
- Cosyrel®
- Hyperium®

**NEURO-Psychiatry**
- Evascor®
- Valdoxan®
- Stablon®

**CANCERS**
- Trivastal®
- Arcalion®

**CHRONIC VENOUS INSUFFICIENCY**
- Lonsurf®
- Muphoran®
- Pixuvri®
- Oncaspar®
- Onivyde®

**Daflon®**

**E-health with WeHealth by Servier**

With WeHealth by Servier, our mission is to enroll the Group in digital health by creating and co-developing, with start-ups from around the world, solutions that complement Servier’s therapeutic areas and drugs.

Servier offers patients a wide range of 1,500 generic drugs covering most conditions, through its subsidiaries Biogaran (France), Egis (Hungary and Eastern Europe), Pharlab (Brazil), and Swipha (Nigeria). The Group has an increasingly large presence in biosimilars, similar to the reference biologics used in oncology and rheumatology. Biosimilars represent a strong response to the challenge of controlling the costs of health care systems, allowing more patients to access innovative therapeutic solutions.

We take into account the entire patient care pathway as well as the patient’s environment and lifestyle, so as to offer tailored treatments that the patient will probably follow to the end.
A PROMISING PIPELINE

33 DRUG CANDIDATES
including 23 new molecular entities

33 RESEARCH PROGRAMS

NEW MOLECULAR ENTITIES,
NEW INDICATIONS
• Preclinical phase
  Cardiovascular disease
• Phase I
  S62798 Pulmonary embolism
  TAFIa inhibitor
  S95010 Chronic heart failure
  Anti-miR-92a
• Phase II
  S42909 Venous ulcer

NEW FIXED-DOSE COMBINATIONS
• Phase I/II
  S5162 Perindo/Inda/Ator
  S5164 TMZ/Biso
  S5168 Perindo/Inda/Biso
  S5682 ‘chewable’ Daflon
• Registration
  S5166 Perindo/AmLo/Biso
  HTA/CAD Cosylam

3 DRUG CANDIDATES

CANCER
• Solid tumors and hematologic malignancies

16 DRUG CANDIDATES

NEW MOLECULAR ENTITIES,
NEW INDICATIONS
• Phase I
  S64315 Cancer MCL-1 Inhibitor
  S65487 Bcl-2 Inhibitor
  S68587 UCART19
  S80880 Flotetuzumab
  (CD123xCD3)
  S81694 MPS1 Inhibitor
  S80880 Flotetuzumab
  S95005 mCRC 2L Trifluridine/
  Tipiracil
• Phase II
  S95001 DLBCL 2L Pixantrone
  S95005 mCRC 1L Trifluridine/
  Tipiracil
• Phase III
  S95010 Chronic heart failure
  Omecamtiv mecarbil

1 DRUG CANDIDATE

DIABETES
• Type 2 diabetes

NEW MOLECULAR ENTITIES,
NEW INDICATIONS
• Phase II
  S44819 Post-stroke GABA A
  a5 antagonist
• Phase III
  S95008 Autism
  Bumetanide

10 DRUG CANDIDATES

CARDIOVASCULAR DISEASES
• Heart failure

NEUROPSYCHIATRIC DISEASES
• Neurodegenerative diseases

3 DRUG CANDIDATES

IMMUNE INFLAMMATORY DISEASES
• Autoimmune diseases

NEW MOLECULAR ENTITIES,
NEW INDICATIONS
• Phase I
  S95011* Immune-mediated
  inflammation Anti-IL7R
• Phase II
  S95007* Immune-mediated
  inflammation IL2
  S201086 Osteoarthritis
  ADAMTS-5 inhibitor

RESEARCH PROGRAMS

NEW MOLECULAR ENTITIES,
NEW INDICATIONS
• Preclinical phase
  Neurology
• Phase II
  S44819 Post-stroke GABA A
  a5 antagonist
• Phase III
  S95008 Autism
  Bumetanide

3 DRUG CANDIDATES

As of January 31, 2019

*Exercise of the option to be confirmed
To meet patient expectations and work with them in areas where medical needs are poorly or not covered; to rely on technological progress and growth in knowledge in the life science... Through a drive to innovation focused on five therapeutic areas, dynamic internal research, and a resolute openness to partnerships, Servier contributes to therapeutic progress for the benefit of patients.
Pushing therapeutic boundaries

Within our areas of expertise, we intensify our research and development activities by choosing to focus on areas where there are medical needs.

| Focused R&D |

For nearly 60 years, we have been active in the discovery and development and marketing of innovative drugs stemming from our R&D department. Each day, our 2,900 researchers around the world are motivated by the same goal: to innovate to offer quality treatments and respond more effectively to patients’ expectations.

In order to discover and develop innovative—and even disruptive—approaches, we focus our efforts on five therapeutic areas and on a limited number of diseases with unmet medical needs. We make the resolute choice to form an alliance with academic or industrial partners and the biotechnology world so we can go further in exploring new therapeutic approaches.
Increasingly targeted cancer treatments

Based on advances in science and technology and knowledge of pathophysiological mechanisms, our research teams are designing treatments that are both more effective and safer. To do this, we focus our innovation strategy around three particularly promising areas: targeted therapies, apoptosis (or programmed cell death), and immuno-oncology. Thus, while current treatments often include phases of chemotherapy with onerous effects on the body and quality of life, targeted therapies offer more effective treatment options tailored to patient needs, taking into account the molecular signature of the tumor to be treated. On this point, we specifically study a family of enzymes—tyrosine kinases—responsible for the progression of certain types of cancer. One of our projects is in the clinical phase in patients with some very aggressive forms of breast cancer. The discovery of new drugs aimed at restoring the programmed health of tumor cells (or apoptosis) is another serious line of research on which we are focusing our efforts.

In close collaboration with the biotechnology company Vernalis and the teams at the Walter and Elisa Hall Institute in Melbourne (Australia), we are targeting the BCL-2 proteins that prevent cancer cells from dying. Two of our drugs targeting these proteins are under clinical development for the treatment of hematologic malignancies in collaboration with Novartis. For its part, immunotherapy opens up a new era for therapies based on the adaptability of living organisms. In this area, spectacular progress has been made in recent years, mainly thanks to monoclonal antibodies. Trailblazers in this way, we chose to explore two alternative avenues that are full of possibilities: bispecific monoclonal antibodies and CAR-T cells.

For the latter, we created, the first allogeneic cell therapy in clinical trials, UCART19, in partnership with the French biotechnology company Cellectis and the American biotechnology company Allogene Therapeutics. The goal? To address the limitations of current therapies on cancers such as non-Hodgkin lymphoma and acute lymphoblastic leukemia in children and adults. Finally, here is proof of Servier’s desire to become a world leader in oncology: the 2018 acquisition of the Shire group’s oncology branch, which includes two products on the market, ONCASPAR® and ONIVYDE®. In addition, two partnerships are also underway in the field of immuno-oncology, with biotechnology companies Precision Biosciences and Symphogen, which will allow us to strengthen our ability to innovate in this area.

To improve the treatment of patients with chronic heart failure

With more than 17 million patients worldwide being treated with a Servier drug for a condition affecting the heart or blood vessels, the Group is one of the world leaders in the treatment of cardiovascular disease. With this recognized expertise, we strive to provide innovations that meet the needs of patients, including by offering fixed-drug combinations to strengthen both their effectiveness and compliance. At the same time, we are developing innovative research in the treatment of heart failure. Thus, in 2013, Servier signed an agreement with its partner Amgen regarding the development and marketing of omecamtiv mecarbil for the treatment of chronic heart failure in the European Union and the Commonwealth of Independent States, including Russia. Omecamtiv mecarbil, a selective cardiac myosin activator, currently in phase III, is being developed for the potential treatment of heart failure.
with reduced ejection fraction, in close collaboration with Amgen and Cytokinetics, with the financial and strategic support of Servier. Other innovative research programs to treat this condition are also currently underway with one goal: to explore all avenues of innovation by working both on the cause of the disease, to help prevent it, and on the possibility of a regenerative drug.

**Customizing diabetes treatment**

One of our priorities in diabetes is to identify the origin and the pathophysiological process of the disease, while targeting patient profiles for a therapeutic strategy best suited to their needs. It is within this context that we are collaborating on three projects (DIRECT, IMIDIA, and RHAPSODY) under the Innovative Medicines Initiative (IMI) supported by the European Commission and the European Federation of Pharmaceutical Industries and Associations (EFPIA). One of the goals is to understand why some diabetic patients have a more progressive disease than others. At the same time, we are conducting original early-phase research programs focusing on type 2 diabetes and its complications. We are partnering with the biotech company Intarcia Therapeutics to commercialize, once it has been registered, an innovative treatment for managing patients with type 2 diabetes.

**To tackle the most debilitating neuropsychiatric diseases**

We are focusing our research activities on neurological conditions that are the most debilitating for patients and have the greatest impact on their families: neurodegenerative diseases. To do this, we are targeting proteinopathies, characterized by the abnormal accumulation of certain proteins as observed in Alzheimer's and Parkinson's diseases. We are also developing treatments for diseases with a high therapeutic need such as autism and depression. We are working in partnership with Neurochlore on autism, for which there is currently no drug treatment. After promising phase II results, two phase III studies with bumetanide are being launched in Europe, with the marketing authorization (MA) application scheduled to be filed in late 2022.

**To meet the needs of patients with immune inflammatory disease**

As immune inflammatory and autoimmune diseases are common, serious, and have no curative treatments, our teams are driven to develop innovative approaches to treat and improve the daily lives of patients.
Although treatments stemming from biotechnology have progressed in recent years, these advances are hardly enough, and, on average, only one-third of patients will enter clinical remission. These treatments also have significant adverse effects. To meet the needs of these patients, we have intensified our research through partnerships. Specifically, we are collaborating with OSE Immunotherapeutics on Sjögren’s syndrome, ILTOO Pharma on systemic lupus erythematosus, and, since 2018, with ImmunoQure AG to develop a human autoantibody.

Biopharmaceuticals are a new generation of therapies that herald medical progress and represent a crucial step toward more personalized medicine. We have forged many collaborations in this area. At the same time, we decided to take over part of their production for clinical studies, specifically in oncology. As of 2020, our Gidy site in France will house our future unit dedicated to this project: BIO-S. As for generics, it is also time to explore biotechnology with the production of biosimilars by our subsidiaries, Biogaran and Egis.
**Prof. Michel Sadelain**  
*2018 Pasteur-Weizmann-Servier Prize*

In 2018, the Pasteur-Weizmann Council and Institut Servier honored Professor Michel Sadelain, Director of the Center for Cell Engineering at Memorial Sloan-Kettering Cancer Center in New York, for his work on immunoregulation in oncology. This research prize, awarded every three years, is one of the most prestigious in the world.

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**03/21/2018**

Servier, Pfizer Inc., and Cellectis jointly presented the results of two phase I trials conducted on UCART19 at the 44th Annual Meeting of the European Society for Blood and Marrow Transplantation (EBMT) in Lisbon. This was an opportunity to share the advances that stem from cooperation with the international scientific and medical community.

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**Osteoarthritis: a study drug candidate**

Last June, Servier and Galapagos NV launched ROCCELLA, an international phase II study on the mechanisms of osteoarthritis of the knee and on the assessment of a drug candidate.

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**107 projects launched since 2008 by the IMI (Innovative Medicines Initiative), piloted by the European Union, to facilitate the development of innovative medicines**

Servier participated in a third of them, with a budget of 16 million euros.

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**3 innovative partnerships in our therapeutic areas**

In 2018, we relied on cooperation more than ever to advance medical innovation. We signed partnerships with the biotechnology company ImmunoQure AG on autoimmune diseases, with the Swedish spin-out of the University of Gothenburg, ScandiCure, in the field of metabolic diseases, and with Treventis on Alzheimer’s disease.

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“Hypertension is part of our Group’s DNA. This is one of the first areas in which we developed, with a very strong mobilization of our R&D that has resulted in drug discovery and clinical trials that are now considered as references.”

David Pedelabat-Lartigau  
Marketing Director Hypertension in the Department of Global Marketing, regarding the campaign around the subject of hypertension.
Dr. Emmanuel Canet
SENIOR EXECUTIVE VICE PRESIDENT
RESEARCH AND DEVELOPMENT

“We work to provide patients with new therapeutic solutions”

Innovation drives us to explore new and original lines of research. To do this, we deploy the full spectrum of our expertise, knowledge, and collaboration networks. This is especially true in oncology, focusing in particular on the field of tumor resistance to apoptosis, or programmed cell death. In this field, we are one of the leaders with extremely innovative research programs and products in clinical development. Just like in immunotherapy, by relying on bispecific monoclonal antibodies or on CAR-T cells, we open up innovative therapeutic options for patients who are in extremely serious clinical situations, who have relapsed or suffer treatment failure, and who have major therapeutic needs.

Dr. Claude Bertrand
EXECUTIVE VICE PRESIDENT
RESEARCH AND DEVELOPMENT

“We are doubling our efforts to meet the unmet needs of patients”

Oncology is one field where there are still many unmet needs. As a company working for and with patients, we therefore need to redouble our efforts. To do this, we of course rely on our proven mastery of medicinal chemistry, while also opening ourselves up to the field of biotechnology. In this field, the challenge is still immense. Especially in terms of the industrialization and scaling process that must be thought out quite in advance, concurrently with the research steps. This is a real turning point and we will succeed thanks to our teams’ very high level of expertise and the partnerships established for both the research phases and the industrialization stages.
TOGETHER
WE COMBINE FORCES

...to stimulate
innovation and make
it accessible to everyone

With respect to patients, we are responsible for innovating,
providing suitable treatments, and growing sustainably.
There is only one possible way to do this: combine forces.
That is why we continue to grow and create challenging
and innovative synergies around the world.
To strengthen our global presence

Our international strategy fulfills an essential desire: to adapt to each country’s specificities in order to offer solutions that are as close as possible to the real needs of patients.

A global footprint and a differentiated approach

In order to provide access to quality care to as many people as possible, over the years we have grown internationally. To do this, we count on two major assets. On the one hand, our portfolio of original and generic drugs which constitutes a global therapeutic offering that can be suited to the specificities and priorities of each country. On the other hand, excellent cooperation between our teams in charge of marketing, market access, and medical affairs, both globally and in subsidiaries. Thanks to these two pillars, we are able to offer next-generation treatments—especially in oncology—in so-called ‘mature’ countries, such as in Europe, in the United States, and soon in Japan. At the same time, thanks to our expertise in cardiovascular and metabolic diseases, we are able to meet the very strong needs in this area around the world, especially in so-called ‘emerging’ countries where these conditions are experiencing a significant increase. This dynamic also allows us to be there for markets with a very high potential for development, such as China, our leading subsidiary in revenue, Brazil, Russia, and Turkey.

A stated ambition in the United States

2018 was marked by the establishment of our presence in the United States, the world’s leading pharmaceutical market. After opening our first Servier BioInnovation office in Cambridge, the global epicenter of biotechnology and life sciences, we created our Servier Pharmaceuticals facility in Boston. These two facilities serve one purpose: to develop a portfolio of innovative drugs and to increase our presence in the world. This desire was secured by the acquisition of Shire’s oncology branch, reinforcing our expertise in oncology with a global presence.
**SERVIER IN CHINA**

“As the Group’s leading subsidiary, Servier China can count on the teams’ high level of medical and scientific qualification and their ability to adapt throughout the country.”

Stéphane Mascarau
General Manager, Servier China

1,964 employees

€365 million in revenue in 2017-2018

50 million boxes produced in 2017-2018

04/19/2018

The cornerstone of the new Tianjin production center has been laid. When completed in 2020, this new 8,000 m² center will double the site’s annual production capacity.

**BOSTON SERVIER BIOINNOVATION**

“By opening an office in Boston, we want to showcase Servier’s brand and potential in the United States, as well as identify potential partnerships to expand our portfolio. This first office is, in a way, the flagship of our BioInnovation Network, which will roll out around the world.”

Rekha Paleyanda, Ph.D.,
Director of Business Development/Licensing (BD&L),
Boston Servier BioInnovation

603 employees

€104.5 million in revenue in 2017-2018

23.1 million boxes produced in 2017-2018

**SERVIER IN BRAZIL**

“To take full advantage of Brazil’s potential, in the years to come, we will develop a strategy that will interweave development of our current drugs, enrichment of what is offered in our five therapeutic areas and e-health. But also an approach based on collaborations with Medimpex and our generic subsidiary Pharlab to meet the needs of 200 million Brazilians, regardless of their level of income.”

Christophe Sabathier
General Manager, Servier Brazil

**HIGHLIGHTS**
Looking Forward

The new frontiers of our development

“We adapt to the priorities of each country”

Through our differentiated geographical footprint, we are able to adapt to the ways of accessing each country and the ways in which they change. For example, in so-called ‘emerging’ countries, which are experiencing growing needs with regard to cardiometabolic diseases, we are part of a general medicine system where the indispensable prescriber remains the family doctor. In so-called ‘mature’ countries, we are witnessing, on the contrary, the emergence of specialty health care, requiring more specialized skills—especially in oncology. In both cases, our strength is our portfolio. It represents our point of entry to be closer to the needs of patients in different countries. So with the acquisition of Shire’s oncology branch, and thus its two drugs, ONCASPAR® and ONIVYDE®, we have opened up prospects for international development that go far beyond the US territory alone. This is especially true in Japan, the second largest oncology market. We now plan to establish a strong and long-lasting presence that will cover all functions from clinical studies to commercialization. These new opportunities will also allow us to conduct studies in this country on some of our drugs, such as UCART19.

“The Shire acquisition is the key to Servier’s future in the United States”

As the first acquisition of this scale for Servier, purchasing Shire’s oncology branch marks a key moment in its establishment in the United States. To successfully integrate this new entity, the Group will use its assets which are so unique in this country. Its long-term vision, its commitment to innovation and its partnerships with the most innovative start-ups position it as a partner of choice for participants in the academic field, centers of excellence or even American biotech companies. It’s an exciting challenge. We will achieve this thanks to the motivated, patient-centered team we are building.
Creating an open innovation dynamic

We believe that new ideas, inspiring approaches, and breakthrough innovations spring up through networking. This is the essence of our partnership dynamic.

Creating successful synergies

While medical progress continues to be enriched by the contributions of biotechnology, digital technology, and artificial intelligence, we are setting up research partnerships to meet the health care challenges of tomorrow. This openness is, for us, the guarantee of a long-term commitment to innovation. In the United States, this approach is characterized by cooperation with both the biggest start-up incubators, such as, in the US, Plug&Play in Silicon Valley and LabCentral in Cambridge, as well as prestigious institutions like Harvard and MIT, competitiveness clusters such as the MassChallenge in Boston and, in France, the competitiveness cluster Medicen. In such a scenario, we also focus on digital technology, especially through co-developments with innovative start-ups by WeHealth by Servier, our dedicated e-health department.

At the heart of an open ecosystem

A symbol of our desire for cross-functional collaboration, our future research center will see the light of day in 2021 on the Plateau de Saclay in France. With a desire to become the ‘French MIT’, this site is already bringing together key players of international standing such as the CEA [French Alternative Energies and Atomic Energy Commission], the CNRS [French National Center for Scientific Research], the INRIA [French National Institute for Research in Computer Science and Automation], etc. At the heart of this inspiring environment open to interactions, our 600 researchers will benefit from a framework that is particularly conducive to creativity, exchanges, cross-functional collaboration, and the development of team spirit.
Supporting start-ups alongside LabCentral

Each year, LabCentral, Cambridge’s prestigious incubator, and Servier award ‘Golden Tickets’ to the most promising start-ups to assist them with their research projects for one year. In 2018, two companies received this award: Revitope and Amathus Therapeutics, working in oncology and on rare and neurodegenerative diseases, respectively.

WeHealth by Servier: advancing digital health

In 2018, WeHealth by Servier established numerous collaborations with key players. Thus, a major partnership was signed with the University of California at San Francisco (UCSF) Center for Digital Health Innovation (CDHI). Its goal is to define the new paradigm of digital health and to create tools to support clinical decision-making. WeHealth by Servier has also partnered with Deeplink Medical in oncology, the Peter Sheehan Diabetes Care Foundation, and Mobiosense to develop a portable device to detect myocardial infarction. In total, since its creation, WeHealth by Servier has signed five partnerships to develop both diagnostic and therapeutic digital medical solutions and improve the lives of patients.

“We are pleased to embark on this strategic alliance to identify and support research of great importance to the battle against chronic diseases.”

Isaac T. Kohlberg
Senior Associate Provost and Chief Technology Development Officer at Harvard, on the occasion of the strategic alliance signed in October 2017 between Servier and Harvard University.

A team dedicated to innovation partnerships

Setting up a Servier BioInnovation network resulted in the creation of a ‘scouting team’ in 2018. Its missions: to identify the best opportunities for cooperation on research and development with international clusters and centers of excellence, as well as with the most innovative start-ups and biotechnology companies.

07/17/2018

Bpifrance and five pharmaceutical companies—Sanofi, Takeda, Ipsen, Boehringer Ingelheim, and Servier—launched the InnoBio 2 fund, with a term financing goal of between 200 and 250 million euros. It aims to invest in the French biopharmaceutical products sector and in digital health in connection with prescription drugs.

45 companies innovative digital and medical technology companies are already involved in the Hu-PreciMED project (Human Precision MEDicine)

Started by two French competitiveness clusters, Medicen Paris Region and Cap Digital, as well as Oncodesign, Intersystems and Servier, this initiative aims to structure the precision medicine industrial sector in France.
Looking Forward

A revolution in partnerships generating value

“Being outward-looking is a mindset supported by a true corporate culture”

Scientific innovation has entered a new era: that of openness and cross-fertilization. Thus, our modes of collaboration are currently undergoing a profound transformation. We rely not just on licensing partnerships to enrich our portfolio of therapeutic solutions, but also on external growth, as with the acquisition of Shire’s oncology branch. We are also now forming alliances as projects progress and become more complex. As with CAR-T cells, where we collaborate fluidly with multiple players such as Cellectis, Allogene Therapeutics, Transgene and MaSTherCell, we have chosen to be enriched by the contributions of others. This is the mindset sought for the incubator planned in our Servier Paris-Saclay Research Institute. We are also exploring all the ways to foster innovation, as is the case with our contribution to the InnoBio2 fund led by Bpifrance.

Finally, we move from a systematic logic of exclusive rights to a dynamic that creates value for patients and health care professionals. This openness is of course made possible by our scientific expertise, which positions us as a reliable and serious partner. But it goes beyond the simple framework of science. It is above all a mindset that requires courage, because openness, through the confrontation of others, involves risk taking and sometimes questioning. That’s why this partnership revolution cannot be the business of just one team. It must be a shared culture that permeates every level of the company.
TOGETHER WE OVERSEE THE ENTIRE PHARMACEUTICAL MANUFACTURING PROCESS to ensure quality health care

Quality is the hallmark of exacting standards. From R&D to production and distribution, we combine all our expertise to secure every stage of the drug’s development. A commitment available in every country in which we are present.
Excellence in the production of our drugs has a vital mission: to ensure the safety of patients. Wherever we are, we bring the same level of quality and therapeutic efficacy.

Comprehensive high standards for all

To ensure the quality of our drugs, we have chosen to internalize the design and manufacture of the majority of our products and to control all the links in our chain of distribution. Whether for the production of active ingredients, synthetic intermediates, or industrial-scale drugs, as well as in all our manufacturing, packaging, and shipping phases, we manage the entire flow on our own which helps us ensure strict integrity and quality every step of the way. This quest for excellence also concerns all employees—regardless of whether they are involved in research, production and distribution, regulatory affairs, etc. To maintain the exacting standards expected by patients and regulatory agencies, we have set out a global quality policy, which is then applied to all our sites. Our teams are also trained on a regular basis, both at the practical and theoretical levels, and our quality assurance network allows us to improve upon each other’s best practices. As for the steps of the supply chain, our supply chain is agile, flexible, and quick, which is why we are able to provide health care professionals and patients with the right product, at the right time, in the right place, and at the best cost. This desire for quality, supported by our industrial tool, is also expressed in the production of our generic and biosimilar drugs through our French and international subsidiaries Biogaran, Egis, Pharlab, and Swipha. All of their products are manufactured in Europe and the vast majority in Servier laboratories.

Monitoring and improving

To ensure the same level of quality over time, we have set up regular audits and cross-audits between our various countries, thereby ensuring our quality standards at the international level. We have also established audit and cross-audit
control plans with our suppliers. At the same time, in order to intensify the control of our production processes, we are committed to an operational excellence approach—called OPEX. With the goal of increasing our competitiveness and innovation and developing our team’s skills, this brings about a profound transformation of all our pharmaceutical and chemical production sites.

| Protecting and securing |

Quality is a relentless commitment that requires a strict monitoring process. Thus, to ensure that our products can be traced and tracked and in anticipation of the European Commission’s Falsified Medicines Directive, we launched the MATRIX program in 2013. Its objective: to establish serialization, aggregation, and unit traceability for boxes of medicines to fight against counterfeiting, a phenomenon that is gaining momentum worldwide, due in particular to the increased sale of medicines on the Internet. This program is operational in 37 countries since February 2019. In Europe, we also plan to put tamper-evident technology on each box.

Finally, we ensure the strict monitoring of any adverse effects and situations that pose risks to our patients. Our Therapeutic Safety Department is in constant contact with the health authorities, and nearly 200 members of our staff are dedicated to monitoring and evaluating all the risks associated with taking our drugs.
OPERATIONAL EXCELLENCE SPREADS THROUGHOUT THE GROUP

After involving sites in Ireland, France, and Poland, the OPEX Operational Excellence Program continued in Russia and Brazil in 2018. It has also been launched in China, Morocco, and Spain. Its scope has expanded to include packaging, manufacturing, supply chain, and quality assurance activities. Launched in 2016, this transformation program has already proven itself: productivity gains of 25 to 50% have been achieved at the sites in question, while maintaining or even improving the level of quality and customer service.

Many certifications

As a company that complies with national and international standards and approvals, Servier is certified by many agencies around the world including: ANSM (French National Agency for the Safety of Medicines and Health Products), CFDA (China Food and Drug Administration, China), PMDA (Pharmaceuticals and Medical Devices Agency, Japan), FDA (U.S. Food & Drug Administration, USA), EMA (European Medicines Agency, Europe), ANVISA (Brazilian National Sanitary Surveillance Agency, Brazil), and KFDA (Korea Food and Drug Administration, Korea).

€30 m

in revenue in 2017-2018 for our Contract Development and Manufacturing Organization (CDMO) activity

Our CDMO activity on behalf of third parties has helped us use our know-how and industrial equipment to serve our clients since 2015. In line with our industrial performance strategy, we provide the same exacting standards of quality and responsibility when performing this activity, while preserving our employees’ jobs.

BIO-S THE FUTURE BIOLOGICAL PRODUCTION UNIT ON THE GIDY INDUSTRIAL SITE

Servier is reconfiguring its chemical production unit at its Gidy site in France to transform it into a bioproduction unit for investigational drugs. This project is a turnkey solution that covers all stages of preparation of drugs from biotechnologies and ready-to-use for preclinical and clinical studies.

1,500 packaging items

were modified in light of the new regulations released in February 2019, as part of the MATRIX program for the serialization, aggregation, and unit traceability of boxes of medicines.

HIGHLIGHTS
LOOKING FORWARD

A forward-looking industrial model

“With biotechnologies come new challenges for the future of the industry”

In addition to our chemistry-based historical know-how, biotechnologies steer us in the direction of now working on life sciences: cells are a complex matter. This is the concern of our future Bio-S unit, dedicated to the industrial development of biotechnologies, on the French site of Gidy where the industry and research teams will work hand in hand. Now more than ever, the men and women who are the pride of the industry department are looking firmly toward the future, to have a hand in the future of the Group.

“Today we are drawing the outline of the industry of tomorrow”

To anticipate how our industrial tool will evolve in the future, we must first and foremost ask ourselves what patients’ expectations are and how they are changing. As a result, we are moving toward ever more personalized follow-up and medicines are now associated with tailor-made, related services. This causes us once again to question how we produce and distribute our medicines, including the fixed dosage of tablets, which does not allow us to subtly adapt to the needs of the patient. Another revolution will undoubtedly impact our industrial model: that of big data and new technologies. That is why we are preparing now for this industry of the future. To do this, we have launched five digital projects around the world. Their goal: to test innovative approaches that, if proven successful, will then be rolled out at all our production sites.
TOGETHER WE ADDRESS
THE NEEDS OF PATIENTS

...to support them
along the care pathway

Better informed, more involved, and more connected, playing an ever more active role in their own health... patients express needs that have evolved considerably in recent years. At Servier, we put their expectations at the heart of our activities. We recognize their expertise and that of patient groups to build for and with them solutions to support them better on a daily basis.
Working for and with patients

The best way to meet the current and future needs of patients is to listen to them and get them involved in the early stages of research.

A global commitment...

Whether through our preventative or communication actions, our basic research, our clinical trials, or our treatments and their follow-up, we have established a framework for an open and collaborative relationship with patients. This approach is based on four basic principles: transparency, independence, listening, and respect. It is the concrete formalization of our commitment to act not only for patients, but with them.

...and tangible initiatives

In plain terms, we establish a dialogue with the patients, their loved ones, and the relevant groups to build with them the solutions to their needs. And we do this regardless of the stage of development of our drugs. To give an example, in a phase I study of Sjögren’s syndrome, we are working with a patient group to shed light on this condition and especially its practical impact on everyday life. For our phase II studies on UCART19, we involve patients in writing the protocol so that it is fully understandable and adapts to the personal constraints of individuals. As such, our teams work with patient and parent groups in acute leukemia. Finally, in a phase III study on autism, we worked with patients and their families to write the information documents for the patients participating in the study.

A structured commitment

For the first time in 2018, we appointed a Chief Patient Officer, whose missions include coordinating, promoting, and developing collaborations with patients and groups worldwide. We have also become an active member of the largest patient-centered international community, joining the independent Patient-Focused Medicines Development (PFMD) collective platform. With it, we are able to create and adopt new tools, skills, and practices to further incorporate the point of view and expertise of patients into our therapeutic and support strategies.
A comprehensive approach to the care pathway

At Servier, we know it: when it comes to supporting patients and giving them the best opportunities, innovation goes beyond the discovery of new drugs. The concern is not only to design effective treatments, but also to carry out effective preventative actions, create optimal conditions for adherence, set up accurate health care monitoring, and limit impacts on the quality of life. That is why we are committed to a comprehensive approach that takes into account all the stages of the patient’s care pathway, environment, lifestyle, friends and family, etc. In the fields of metastatic colorectal cancer and heart failure, for example, we work with patient groups on aspects such as nutrition, physical activity and psychological counseling, to develop solutions–beyond treatment–that improve the daily lives of patients in practical terms.

Using digital technology to provide better support

In this approach, digital technology has a role to play. By making it possible to have more personalized, prevention-oriented medicine that incorporates data analysis, the digitalization of services in fact creates significant levers for understanding and responding to the concerns of the medicine of tomorrow. Thus, since 2016, we, together with our subsidiary WeHealth by Servier, have been co-developing e-health solutions that are both innovative and easy to use in partnership with start-ups around the world. While more than 50 solutions are currently undergoing a feasibility analysis, we are setting ourselves up to become one of the world leaders in connected health within three years.
A CAMPAIGN AGAINST HYPERTENSION

The so-called ‘silent killer’, hypertension is the leading cause of premature death and handicap in the world. To encourage as many people as possible to get diagnosed, Servier, in partnership with the International Society of Hypertension (ISH), launched its first global public awareness campaign. With its slogan ‘Because I say so’, this campaign reverses roles by encouraging younger people to inspire their parents and loved ones to have their blood pressure checked.

Paradigm for better patient engagement

Servier joined PARADIGM–Patients Active in Research and Dialogues for an Improved Generation of Medicines–launched in March 2018. With this public-private partnership funded by the Innovative Medicines Initiative (IMI) and the members of the European Federation of Pharmaceutical Industries and Associations (EFPIA), the Group helps to improve patient engagement in the life cycle of medicines for better health outcomes.

Servier Germany, listening to patients

In March 2018, at the main German conference on nursing care, Servier organized two symposia around the care of patients with depression: ‘Patients and communication in the digital age’ and ‘Humor as a way of helping with decision-making’. Nearly 150 doctors, nurses and patients attended. At the same time, several psychiatrists and experts on depression took part in the ‘Telephone call-in-event’ operation. They answered the phone for four hours, taking questions about the disease from more than 1,000 patients or loved ones.

“By becoming an active member of the largest patient-centered international community, we will be able to create and adopt new tools, new skills and practices to roll out our patient-driven approach much more quickly and effectively.”

Olivier Laureau
President of Servier, regarding participation in the Patient-Focused Medicines Development (PFMD) platform.

Mediator

Some patients undeniably suffered adverse effects with Mediator. Each day, we commit to pay special attention to how we manage each of the situations experienced by these patients, with respect to individuals and their loved ones. The Servier Group has committed to compensate every victim addressed by the Oniam (Office national d’indemnisation des accidents médicaux [National Office for Compensation of Medical Accidents]) panel of experts and forensic experts. As of now, the patient compensation process is almost complete. As of February 28, 2019, 3,577 patient claimants have received an offer of compensation out of the 3,580 chargeable cases, for a total of €137.3 million, 114.1 million of which has already been paid. All information relating to patient compensation is available at www.servier.com.

24% of the population in Saudi Arabia has diabetes and the International Diabetes Federation predicts that by 2030, half of the Kingdom’s population will be affected by this disease. As such, Servier Saudi Arabia has launched a ‘We listen to patients’ campaign to take into account the voice of patients with chronic diseases, improve their daily lives, and promote adherence to treatment.

70% of Servier Netherlands employees volunteered to become a potential stem cell donor following the story of a patient with non-Hodgkin’s lymphoma. An example of the importance of listening to patients.
Our new patient paradigm

“Acting with the patient basically requires working with him or her”

When developing a patient strategy, the first lesson is that if we want to go further, we cannot act alone. Working with the patient basically requires working with him or her. Servier applies this rule with the same respect that it shows when conducting its actions with its partners or employees. In our quest to advance, we interact with health care professionals, institutional players, patient groups, as well as other pharmaceutical companies. The Patient-Focused Medicines Development (PFMD) platform is a perfect example of this. The second lesson is that words are not enough. It is imperative to take action. That is why we are building our approach in a scalable, gradual way. 2019 will be an important year for realizing our plans with the implementation of experimental projects in twelve countries and three major lines of work—R&D, medical affairs, marketing, and market access. Our goal: to test, to explore, to validate, and above all to identify the good officers, projects, and skills to put our patient approach on a powerful upswing.

“We are committed to ever better understanding each patient’s individuality”

Each patient is above all a person, with his/her own experience and feelings. Our wish is to provide patients with support that goes beyond the drug and takes into account their individuality. In this regard, we will continue to work even more with patient groups, which are closer to the daily realities of sick people and their families. The development of new technologies will certainly strengthen this dialogue. Finally, the use of real-world data and open data will allow us to further improve our understanding of the impact of the disease and its treatments on quality of life.
At Servier, the quality of the human relationship created with all of our stakeholders is at the heart of our vocation and our performance. It is the basis for our individual-oriented principles of action and sets the stage for our interactions with both employees and our external stakeholders.
Revealing employees’ talents

Our employees’ talents are our greatest asset. We protect them and develop them to create meaning for our teams and to further innovation to best serve patients.

| Our greatest asset: employees |

As the keystone of our performance and our therapeutic innovation, employees are at the heart of our vocation and our values. That is why one of our strategic orientations is specifically dedicated to them: ‘Passionate and empowered people’. This human-oriented philosophy is the foundation of the special attention paid to each person. It is reinforced by the true closeness that exists between our human resources teams and all employees.

| Support at all stages |

To allow each person to best express his/her talents, we deploy specific support at each stage of employees’ journey. This begins in the recruitment phases, which represent a major and growing concern for the Group. In this way, we have transparently defined a specific process that focuses our hiring policy around a first criterion, personality, and then a second one—skills. Focusing on the personality of employees, with respect for their individuality and diversity, is, in fact, the guarantee of commitment and motivation shared by all. This attention to individuals continues with the integration of new employees into an individualized and diversified career path, so that each person can immerse him/herself in the Group’s identity and organization.
Creating Conditions of Trust

This support is then extended throughout employees’ careers. For example, we structure annual development interviews around our four values to make them special moments of dialogue and openness between managers and their teams.

Responding to a call for meaning

For people of all ages, the need for meaning is increasingly in line with employees’ professional expectations. We respond to this wholeheartedly through our vocation, our vision, and our values, as well as through the respect, goodwill and transparency that guide the interactions within teams. Our Corporate Social Responsibility (CSR) or sponsorship commitments also represent ways for our employees to have a concrete impact on society. Meanwhile, we are rolling out initiatives to improve quality of life at work and to find the best work/life balance. That is why we are setting up telecommuting in 60 countries and institutionalized part-time work around the world. To encourage each person’s willingness to contribute to the development of the Group, we are also promoting the emergence of new individual or collective ideas. Thus, as part of our Innov’Action approach, each employee can propose solutions to improve the framework, the organization, or the performance in an open and collaborative dynamic.

A philosophy shared by all

Nurtured by these actions that put humans at the center of every project, the power of our collective was especially expressed during two highlights for our Group. First with RiSe Up event--Reinvent Servier--organized in November 2017 in Singapore. For the first time, 600 managers from around the world came together to take ownership of and embody our strategic orientations. Then, in 2018, with RiSe4All, which involved all 22,000 employees at events around the world. With closeness, sharing and cross-functionality as key words, these gatherings enabled us to provide every team with the same level of information and understanding of the strategy, in order to recognize and consider each of them. Thanks to these unifying moments, all employees are now committed to the same vision, regardless of their position or geographic location.
This is how many employees work within the Group worldwide. All of them were directly involved in rolling out the Group’s strategy during the ‘Rise4All’ events that took place from November 2017 to December 2018 in all the countries where Servier operates.

Servier’s commitment to HR rewarded

In 2018, we received numerous awards for our efforts in favor of employees. The result of the Group having taken human factors into consideration, these awards represent the recognition of a successful HR policy in terms of employee recruitment, integration, and development. They also allow us to measure the progress made and to be part of an ongoing improvement process.

‘Great place to work’ and ‘I love my job’ labels for Egis in Poland.

Getting the 2018 Happy Trainees label, with 4th place on the list of international companies as voted by students for the quality of their internship policy.

‘Top Employer 2018’ certification in Italy

+10% of adapted positions at our Gidy site (France) to promote the employment of people with disabilities.

35 countries in the Group are setting up telecommuting systems

1 in 2 employees at the headquarters are concerned by telework.
We reinvent ourselves collectively

“We measure the changes happening in the labor market with one goal: to become ‘The place to work’.”

At a time when our Group is transforming, Servier can count on a collective group united and ready to respond to the challenges of our industry. First, we will have to recruit new talents constantly to stay in the therapeutic innovation race. But we will also always have to provide training and to support change to give employees the means to diversify and develop their expertise.

Another major concern: how we adapt to the next generation. More agile and cross-functional, enjoying networking, sometimes preferring informal interactions to traditional settings, attentive to the societal impact of their company, etc., breaking the codes does not scare them. Around the world, we find this same expectation of flexibility at work, a better balance between personal and professional life and a greater search for meaning. All these aspects constitute strong aspects of retention or attractiveness that will position us as ‘The place to work’.

Responding to these two concerns is therefore crucial to the Group’s future. That is why we have created a team of 12 people dedicated to ‘New ways of working’, representing all our professions, to spend a few months exploring them, to best serve individual and collective performance. We have also created our internal Servier & U university. This will offer each employee the opportunity to build skills by following training modules from different universities online or face-to-face. At the same time, it redefines the made-by-Servier management and leadership methods, as well as our ways of working in a more collaborative spirit. Because we believe that the Group’s future and its success will depend primarily on each person’s ability and motivation to reinvent him/herself and to contribute more to our vocation.
Acting ethically

Our ethics are based on two approaches that guide all our actions: our compliance approach and our CSR strategy. Both define a shared framework based on exacting standards and transparency.

A shared accountability

Trust and accountability are the foundation of our relationships with our entire ecosystem. Compliance is the first part of this culture of accountability around common rules for preventing corruption and conflicts of interest. Through it, we are vigilant about our practices, including meeting the national and international requirements set out in the French Sapin 2 Law on Transparency, Fighting Against Corruption and Modernization of the Economy. So that every team may make the good practices their own, we have written a Code of Conduct, in addition to the Code of Ethics. This collection, fleshed out with specific directives or processes, constitutes a common reference document, respected and applied by each of the Group’s employees and leaders. It also serves as a framework for collaborations with our partners selected on this basis. The same level of vigilance is, moreover, guaranteed all over the world, thanks to the corresponding compliance officers present at all subsidiaries.

Creating a dialogue with the medical community

In addition to these compliance approaches, our commitment to our stakeholders is sustained by two essential elements: scientific rigor and transparency. This is particularly true in our actions and interactions.
with health care professionals, true partners in enabling patients to access innovative treatments. Our medical business teams are therefore now renowned for their particularly high-level medical background. They are committed to delivering impartial, objective, and quality information to the medical community. They also promote scientific exchanges between international experts, such as the Diabetes Academies organized in South America, which offer conferences and workshops to the most renowned specialists treating this condition. These same scientific standards and transparency are found in how we conduct our clinical trials, for which we give access to protocols and results to all those involved in the field of health care–investigators, health care professionals and, of course, patients, on our website clinicaltrials.servier.com.

### Protecting data

As part of our activities, we have to deal with a great deal of data from patients (especially in clinical trials), partners, health care professionals, and employees. Aware of our responsibility in this area, we have launched a series of actions within the framework of the EU General Data Protection Regulation (GDPR). We have set up a dedicated team, a guarantor of our rules and procedures on the subject. A special feature of this approach: it applies to all entities in the Group, regardless of the local laws, in order to offer the same level of protection everywhere in the world.

**“Compliance is a very structuring element. It responds to concerns involving legal obligations, but also to very deep expectations of patients and society. Protecting both individuals and the longevity of the company, it offers a shared framework of empowerment for each person in his/her practices. It is not the business of a single department charged with issuing directives, it is borne by all employees, it is a culture shared by all.”**

Marie-Christine Larcher
DIRECTOR LEGAL AND COMPLIANCE
Launching our CSR strategy in Russia

In 2018, Servier Russia implemented its CSR strategy. Developed with a consideration for the specificities and local needs, this approach is perfectly in line with the Group’s global strategy.

Transparency guarantees

We are part of a process of ongoing improvement of our information practices. That is why we comply with the charter signed in France by the LEEM (Les Entreprises du médicament [French Drug Companies Association]) and the CEPS (Comité économique des Produits de Santé [Economic Committee for Health Products]), as well as the guidelines defined by other reference organizations all over the world. We are also committed to declaring our ties with health professionals and organizations through the EFPIA (European Federation of Pharmaceutical Industries and Associations) Disclosure Code.

SERVIER STANDS OUT IN AUSTRALIA

“For the third consecutive year, our Australian subsidiary has been voted the best pharmaceutical company in the country by general practitioners. This recognition is a mark of trust from health professionals regarding our know-how and life skills.”

Arnaud Lallouette, General Manager Servier Australia.

MONITORING THIRD PARTIES: the approach is gaining ground

To provide a decision-making tool for selecting service providers, we are rolling out an integrated third-party assessment solution. Corruption, conflicts of interest, international sanctions, legal proceedings, etc., all of these are scrutinized. The analysis is even stronger for countries identified as most at risk by Transparency International.

A new tool for doctors to use

To help health care professionals stay informed about advances in oncology, we have launched the Biblioclick Oncology app. Sending one notification for each bibliographic update, this tool covers nearly 60 types of cancer.

7,916

links of interest

With health care professionals and organizations operating in France were declared by Servier on the public database www.transparence.sante.gouv.fr. Proof that transparency is at the heart of the relationships we have with all participants in the field of health care.
The Servier Group places a high value on medical and scientific excellence, a quality that it has been developing since its creation and that has been solidified by the quality of the relationships with medical communities and experts around the world. Our Department of Global Medical Affairs is making this commitment a reality: it guarantees the objectivity and ethics of the information delivered. We want to promote rich, balanced scientific exchanges, with the ultimate goal of improving how patients are cared for. We are also involved in the strategic choices of the diseases in which the Group engages in research. Our Department of Global Medical Affairs relies on a committed international team that shares with health care professionals the same ethics, the same rigor, the same commitment to the health of patients, and often the same training. This approach combining expertise and empathy is also shared by our Department of Medical Information. As the true voice of the pharmaceutical company, this team responds on a daily basis with precision and transparency to every question asked about our drugs by patients, pharmacists, doctors, associations, etc. It is also the mission of Global Medical Affairs to continue, throughout the life cycle of the drug, to assess its therapeutic benefit: the work done after recording and exploiting real-world data makes it possible to optimize the knowledge about the product and its proper use, and to transmit it to the health authorities and the medical community. To further solidify this relationship of trust in the years to come, we will have to overcome a number of challenges. The first will be to treat increasingly complex conditions and, even more so, to produce innovative treatments, in a context where networks of expertise are globalizing. At the same time, it will be essential for us to tailor our communication tools and our content to meet the expectations of health care professionals, who are increasingly in demand: the digital realm will therefore have a central position. To every one of these concerns, we will respond by increasing the skills of our teams, through both internal and external training, and by recruiting new talents.
In a rapidly changing economic, environmental, and social context, we, at Servier, believe that, now more than ever, companies have a role to play in providing answers to the major concerns of our time. That is why, beyond our commitment as a pharmaceutical company treating 100 million patients every day, we are driven by a greater sense of responsibility. CSR is what allows us to serve every stakeholder: patients, employees, partners, and the entire ecosystem of which our actions are a part. A natural extension of our values and our vocation, it is rooted in our corporate culture. As a proactive approach, we want to bring it to every level of the company. The CSR report details our strategy and the most emblematic field initiatives.

Based on the individual and collective day-to-day involvement of our teams, our CSR strategy is being rolled out in an inclusive and participatory way. Each business line and sector is asked jointly to build and implement action plans that will achieve our CSR objectives.
CREATING CONDITIONS OF TRUST

A STRUCTURED APPROACH

To give substance to our CSR strategy, we relied on a rigorous diagnosis as well as the ISO 26000 standard and we set up a specific governance. We also defined and prioritized the concerns that carry risks or opportunities for our business and our stakeholders. We therefore identified 4 areas of commitment, including 17 priority concerns.

1 A COMMITTED HEALTH CARE COMPANY

We are committed to providing safe, quality therapeutic solutions, while taking a holistic approach to health care to meet patients’ expectations. We strive to innovate across the entire life cycle of a drug.

Concerns: Safety and quality of the products • Fight against falsification and counterfeiting of medicines • EcoDesign • Global approach to health

Focus:
EcoDesign by Servier: A specific methodology to incorporate social and environmental concerns throughout the life cycle of the drug.

2 CARING ABOUT PEOPLE

We execute a successful policy of well-being and safety at work. Our corporate culture incorporates principles such as diversity and equal opportunity.

Concerns: Health and safety of the teams • Quality of life at work • Diversity and equal opportunity • Managerial dynamics

Focus:
#ServierDiversity: our commitment to equal opportunity and our belief that the diversity of our employees is a source of strength for the company.

3 FOCUSED ON OUR BUSINESS PRACTICES

We aim to meet the expectations of all stakeholders (patients, employees, partners, suppliers, public authorities, civil society) in terms of business ethics, transparency, and responsible communication.

Concerns: Business ethics • Purchasing managers • Ethics and transparency in clinical trials • Marketing and promotion managers • Dialogue with our stakeholders

Focus:
Servier 1st class partner: a model in terms of distinguishing partnerships and spurring innovation that places a mutual respect for CSR commitments at the heart of its relationships.

4 AIMING FOR A POSITIVE FOOTPRINT

Our goal is to increase our positive impact by promoting access to quality health care for as many people as possible. We strive to create shared value in the territories in which we establish ourselves and with local communities. We monitor the impacts our activities have on the environment worldwide.

Concerns: Access to care • Territories and communities • Combating climate change and preservation of resources • Managing waste and emissions

Focus:
Servier local shared value: a ‘Local Footprint®’ study to analyze the impact of Servier’s activities on local ecosystems and identify the levers for optimizing value creation.

Servier climate commitment: we are rolling out a low carbon strategy based on a policy of reducing and offsetting our greenhouse gas emissions.
Engaged in society with Mécénat Servier

As a contributor to our CSR strategy, the Mécénat Servier endowment fund brings together the Group’s long-standing commitments and is committed to maintaining and developing them. Through it, we seek to serve the public interest by participating, directly or indirectly, in initiatives in the field of health, education, and living together, and by promoting our local social economies and links to local communities.

THREE FORMS OF ENGAGEMENT

1. FINANCIAL SUPPORT
We financially support the partnerships chosen by our selection committee.

300 children have been operated on at the Cuomo Pediatric Cardiology Center in Dakar since it opened in January 2017. We helped train Senegalese medical teams in Vietnam for six months.

2. SKILLS-BASED VOLUNTEERING
Employees have two days a year (one day granted by the company/one day taken as paid time off or employee leave) to complete a mission within a partner non-profit organization.

63 employees completed 79 days of mission during the pilot in 2017. Since then, 87 additional employees have been involved with our various partner nonprofit organizations.

3. SOLIDARITY LEAVE®
Solidarity Leave®, in partnership with Planète Urgence, enables employees to complete international philanthropic missions (educating young children or adults on biodiversity) in Africa, Asia, or Latin America. In doing so, they help local populations become more autonomous.

34 employees took part in the Solidarity Leave® initiative in 2018.

16 partners  70 missions proposed since October 2017—including 43 missions carried out in late September 2018  96 days of mission and 87 employees involved
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<tr>
<th><strong>OUR PARTNERS</strong></th>
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<tr>
<td><strong>L’envol</strong>&lt;br&gt;The non-profit organization helps sick children and their families achieve psychological and social well-being.</td>
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<td><strong>Le Rocher</strong>&lt;br&gt;Implements educational, social, and cultural actions for young people and their families from troubled neighborhoods.</td>
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<td><strong>Usea • Un Stage Et Après</strong>&lt;br&gt;Helps 13- and 14-year-old students from problem neighborhoods research and complete job shadowing programs and structure their career objectives.</td>
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<td><strong>Cuomo Fondation</strong>&lt;br&gt;Provides access to heart surgery for poor children in Senegal and Western Africa.</td>
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<td><strong>Fondation de la 2e chance</strong>&lt;br&gt;Promotes the reintegration of people who have experienced hardships or precarious situations.</td>
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<td><strong>Planète Urgence</strong>&lt;br&gt;Strengthens the autonomy of populations and the protection of their environment through international philanthropic missions.</td>
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<td><strong>Maison de Parents Ferdinand Foch</strong>&lt;br&gt;Opens its doors to those who are ill and their families, during times of hospitalization or outpatient care.</td>
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<td><strong>Helen Keller International</strong>&lt;br&gt;Is committed to blindness, malnutrition, and diseases caused by extreme poverty.</td>
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<td><strong>L’Arche</strong>&lt;br&gt;Provides a refuge for people with mental disabilities in small, warm and welcoming communities.</td>
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<td><strong>Action Enfance</strong>&lt;br&gt;Welcome children or adolescents entrusted by the juvenile court judge.</td>
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<td><strong>Ordre de Malte France</strong>&lt;br&gt;Welcome, supports, and cares for people destabilized by life and trains their caregivers.</td>
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<td><strong>Agir pour l’école</strong>&lt;br&gt;Aims to reduce early school failure by providing methods for learning to read based on the results of research in the fields of educational sciences and cognitive psychology.</td>
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<td><strong>Centre Communal d’Action Sociale de Suresnes</strong>&lt;br&gt;Implements the municipal social action policy by offering various services to citizens.</td>
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<td><strong>1 001 Fontaines</strong>&lt;br&gt;Recruits, trains, equips, and supports entrepreneurs in rural communities around the world to provide autonomous and sustainable drinking water solutions.</td>
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<td><strong>Enfants d’Asie</strong>&lt;br&gt;Provides disadvantaged children in Southeast Asia with access to quality education.</td>
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<td><strong>Physionoma</strong>&lt;br&gt;Informs and trains medical and paramedical health care professionals on the treatment and rehabilitation from noma, a bacterial infection that disfigures young children, mainly in Africa.</td>
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