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THE BASIS FOR OUR ACTIONS

We are inspired by our Vocation, driven by our Values and guided by our Vision. These are our pillars and our identity.

VOCATION
Committed to therapeutic progress to serve patient needs

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

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

VALUES
• Care
• Dare to innovate
• Commit to succeed
• Grow by sharing

Our independence is an asset to our CSR

OLIVIER LAUREAU,
President of Servier

At Servier, we are committed to therapeutic progress to serve patient needs. It’s our vocation. Our independence results from our unique governance structure, built on a foundation that allows us to ensure and pursue the sustainability of our activities in the long term.

To maintain independence, we continuously improve our performance in all dimensions: therapeutic, social, and economic. This is why we have made the specific choice to integrate our social and environmental responsibility into the Group’s strategy. It is a choice that strengthens our ethical approach.

The health crisis that we are facing emphasizes the need for corporate social responsibility, and demonstrates that the most resilient companies are those who are aware of the interdependence between the economic, social and environmental aspects. Caring for others and the environment, more responsible production and consumption practices, solidarity… these are a few of the notions illustrating the social, economic, and environmental role that companies play in the world today, and will play for generations to come. It is a deep conviction held by Servier that echoes our values.

This is how we conceive our corporate responsibility towards society while being attentive to all aspects of performance, committed in a independent and sustainable way, and remaining open to dialogue with all our stakeholders. It is why we work hard every day to accelerate research and innovate for and with patients.

We have made the specific choice to integrate our social and environmental responsibility into the Group’s strategy.
“A responsible company”: What does that mean at Servier?

Nicolas Bouts: As a health care player, our first responsibility is towards patients. Being responsible also means having a sustainable vision of our activities, which is made possible by our unique governance structure, via a foundation. It is also about the desire to create value and work in dialogue with our stakeholders, while being attentive to the environment, wherever we are present. We are constructing an ambitious CSR approach, which is designed as a process of continuous improvement. It concerns each of the Group’s 22,000 employees and is anchored in our strategy.

How does CSR fit into the Group’s performance?

N.B.: CSR is inseparable from our Group’s therapeutic, social, and economic performance. In practice, this manifests daily in a variety of different ways: in the quality and safety of our products, therapeutic innovation for the patient, the consideration given to employees and society, and the value we create for our stakeholders as well as in the areas in which we operate. In addition, our CSR policy contributes to building stronger ties with stakeholders. It is a source of motivation and commitment for employees.

What are you learning from the health crisis brought about by Covid-19?

N.B.: At Servier, our effort has been doubled. We continue to make our medicines available to patients who need them, and to ensure the health of each of the Group’s employees. Employees have demonstrated an exemplary commitment to continue delivering medications to patients. They have also participated in solidarity initiatives in more than 35 countries. We also have positive lessons to learn from this period, such as accelerating the transformation of our new ways of working. Contributing to providing something meaningful, being part of a dynamic of openness and co-construction with our stakeholders, is the very purpose of our CSR approach.
A COMMITTED CSR APPROACH INTEGRATED INTO GROUP STRATEGY

Since 2016, the Corporate Social Responsibility (CSR) strategy has consolidated the Servier Group’s commitment to sustainable development. The CSR approach makes it possible to meet our stakeholders’ high expectations in terms of transparency, respect for the environment and the positive impact of companies on society. It is part of a dynamic of proactive and continuous improvement.

CSR contributes to the company’s performance, by reinforcing the positive impact of the Servier Group in social, economic, and environmental terms. It is based on the commitment of the Executive Committee, a solid methodology, concrete actions, and employee engagement.

A STRONG AND PARTICIPATIVE CSR ASSESSMENT

The ISO 26000 standard is the internationally recognized reference for a sound CSR approach. Naturally, it is the cornerstone of the diagnosis of Servier’s CSR challenges, which are relevant for the Group and its business. Interviews conducted with approximately 50 internal and external stakeholders have made it possible to define 4 areas of commitment and 17 priority stakes, which respond to societal expectations with regard to the pharmaceutical sector and Servier. These challenges are the pillars of the CSR roadmap and its deployment within the Group.

CSR, A PERFORMANCE LEVER

In the belief that CSR creates value, the Servier Group set up a dedicated governance structure in 2016. The mission of the CSR Department is to propose a strategy and orientations, and to deploy them across departments and professions. It also provides the tools to enable each team and each employee to take ownership of the approach. The CSR Department also monitors the progress of action plans, the achievement of objectives and their extra-financial indicators, which were previously defined with the various Group departments. The CSR results are reported to the Executive Committee.

A true lever for performance and sustainability for the Servier Group’s business, the CSR approach is based on the local initiatives carried out by each team and the commitment of the Group’s employees.

INVOLVING ALL EMPLOYEES

Since 2019, the Servier Group’s CSR strategy has been actively implemented among employees. This implementation consists of four stages:

1. Raise awareness of CSR stakes among management committees and identify CSR coordinators.
2. Confirm the CSR challenges specific to the context of each business, country, profession, department or site mission.
3. Make an inventory of CSR best practices and initiatives already carried out, involving as many employees as possible.
4. Implement short, medium, and long-term action plans.

The role of the CSR coordinator is to bring the CSR strategy and issues to the local level, with the support of a community of volunteers. The success of the CSR strategy is based on the ownership and involvement of the greatest number of people.
A company committed to health care

In the countries in which we operate, we are committed to ensuring that patients can access innovative and quality therapeutic solutions.

**Identified CSR challenges:** Product safety and quality / Anti-counterfeiting / Ecodesign / Global approach to health care

**Focus:**
- The program **EcoDesign by Servier**, to integrate social and environmental issues into the stages of the medicines’ life cycle.

Caring about people

The Group’s employees are the driving force behind our performance and our capacity for innovation in the service of patients. They are also at the core of our need to be accountable.

**Identified CSR challenges:** Health and safety at work / Employee well-being / Diversity and equal opportunities / Managerial practices

**Focus:**
- Diversity is an asset for the company. 
  #ServierDiversity bears witness to the Group’s commitment to diversity and inclusion.

Focused on our business practices

In all interactions with our stakeholders (patients, employees, partners, suppliers, governments, institutions, civil society), we aim to establish a balanced and committed relationship.

**Identified CSR challenges:** Business ethics / Responsible purchasing / Ethics and transparency of clinical trials / Responsible marketing and promotion / Stakeholder engagement

**Focus:**
- With the **Servier 1st class partner** project, we have defined a partnership model that places collaboration and mutual respect for economic, ethical, and responsible commitments at the heart of relationships with our suppliers and partners.

Aiming for a positive footprint

Our goal is to enhance access to quality health care and increase our positive footprint in communities and territories while ensuring environmental protection.

**Identified CSR challenges:** Access to health care / Local development and community engagement / Climate change and responsible use of resources / Effluents and waste management

**Focus:**
- **Servier Local Shared Value** for a positive and sustainable social and economic contribution in the countries in which we operate.
- **Servier Climate Commitment** to help combat climate change.
HAVING A POSITIVE IMPACT ON SOCIETY

Servier aims to create economic, social, and therapeutic value, as well as protecting the environment, while taking into account the expectations of patients and stakeholders. Therefore, the Group is deploying a proactive CSR approach.

| 100% of the results of Servier’s clinical trials are published on the European Union Clinical Trials Register (EUCTR) website (see page 19) |
| **31** ongoing public-private R&D partnerships as of May 1st, 2020 |
| **100%** |
| A wide range of **1,500** generic medicines are distributed in 60 countries |
| **9** partnerships and 4 digital solutions in 2019 for WeHealth™ Digital Medicine, the Group’s e-health division |
| **-25%** greenhouse gas emission reduction target by 2030 (see page 22) |
| **81%** of employees would recommend Servier as “A great place to work”* (see page 14) |
| **7/16** industrial sites are certified or in the process of being certified under ISO 14001 and/or ISO 50001 |
| **MORE THAN 400** million Servier boxes will be serialized (or 5000 Group baselines) (see page 10) |

*of the 17,238 respondents to the first PULSE survey conducted in 2019 by the Gallup Institute
Aiming for a positive footprint: supporting solidarity projects

Mécénat Servier Charity Fund is part of the Group’s corporate social responsibility. Since 2016, the Mécénat Servier Charity Fund has been supporting general interest initiatives in France and abroad in the fields of health care, education, and community life. This commitment fosters the Group’s territorial foothold and its links with local communities, in addition to the solidarity projects and initiatives carried out by its subsidiaries and sites around the world. Mécénat Servier provides its partners with financial and human support through the voluntary contribution of the women and men who form the Group.

4 POSSIBLE FORMS OF ENGAGEMENT FOR EMPLOYEES:

• **Skills-based sponsorship**, to share, during their working time, their professional or personal expertise with associations on projects related to the fund’s areas of commitment;

• **Congé Solidaire®** for international solidarity missions with Planète Urgence, financed by the Charity Fund for two weeks, taken by employees in their time off;

• **Solidarity seminars** to carry out a joint solidarity initiative with associations;

• **Rounding up salary** for Servier employees in France who wish to make a monthly micro-donation to the charity of their choice, deducted directly from their salary.

In 2019, Servier launched its first socio-economic impact study using the reputed LOCAL FOOTPRINT methodology®. The goal? To measure the footprint of its activity in order to optimize its long-term value creation in the territories in which it operates. For this first analysis, Servier focused on its brand-name medicines and generic activities in 18 of its main countries of operation: France, China, Russia, Canada, Spain, Italy, Germany, Brazil, Poland, Australia, Turkey, Romania, Argentina, Hungary, Japan, Egypt, Morocco, Ireland.

In 215,731 jobs (FTE) supported by Servier, an additional €3.7 of GDP is created in the economy.

28 partner associations since the creation of the Mécénat Servier Charity Fund

2 days of skills-based sponsorship per year and per employee in France (1 day taken by the employee as part of their annual vacation and 1 day offered by the company)

335 employees involved in Mécénat Servier Charity Fund: skills-based sponsorship, Congé Solidaire® and solidarity seminars
A fake rabies vaccine in the Philippines, fake leukemia treatment tablets seized in Switzerland, a counterfeit antibiotic distributed in Haiti, fake face masks... In 2018, seizures of fake medicines by law enforcement authorities increased by 63% over the previous year, according to the Pharmaceutical Security Institute.

ALL MEDICATIONS ARE AFFECTED

The first observation is that all categories of medicines are affected, from the most common such as painkillers to the most sophisticated, such as anti-cancer medicines, including vaccines, diabetes medicines and sedatives. The second observation is that the fake medicines look real. Visually, they are often an exact replica. They may even contain a small amount of the active ingredient of the real medicine to create perfect copies that are significantly underdosed. According to the OECD, India and China are the largest identified producers of counterfeit pharmaceuticals. However, a patient has no way of distinguishing a real from a fake medicine, especially if it is sold individually.

AFRICA, MAIN VICTIM OF COUNTERFEITING

While all countries are affected by counterfeit medicines, low and middle-income countries pay the highest price. Africa, with its often inadequate network of pharmacies and health facilities, its customary informal distribution systems and the low incomes of its inhabitants, is the preferred terrain for traffickers. Hundreds of thousands of people die each year because of a "medical product of insufficient quality or falsified", according to the WHO. Fake treatments for tuberculosis or malaria claim a great many victims, due to lack of care. In some cases, fake medicines are even directly toxic. In 2015, in the Democratic Republic of Congo (DRC), a false sedative caused eleven deaths and more than 1000 hospitalizations for meningitis-related symptoms. The tablets actually contained doses of antipsychotic medication 20 times higher than the norm.
HOW CAN WE EFFECTIVELY FIGHT FAKE MEDICATIONS?

Cooperation among key public and private players is the cornerstone of an effective response against organized crime. Such partnerships take many forms: sharing expertise, exchanging information... Thus, in France, on January 9, Servier and its partners in the G5 Santé (Health G5)* made a commitment to the Central Office for the fight against environmental and public health damage (OCLAESP), in order to better fight against fake medical products.

WHAT WAS THE IMPACT OF THE COVID-19 CRISIS IN THE FIGHT AGAINST COUNTERFEITING?

The link between fake medical products and criminal networks is well established, as is the one between the emergence of health crises and the opportunism of these traffickers. The Covid-19 crisis was no exception to the rule and was accompanied by an explosion of criminal activity on the internet: fake medicines, fake prescriptions and alternative care, so-called miracle food supplements, health devices outside the legal channels...

HOW CAN THE SALE OF COUNTERFEIT MEDICINES BE PREVENTED ON THE INTERNET?

The major difficulty is that the internet knows no boundaries, and makes it possible to anonymously reach millions of patients. We will not be able to fight without organizing cooperation with each of the players in the medicines chain: patients, industry, health professionals and health authorities, law enforcement and internet stakeholders. As part of their partnership, the Health G5 laboratories have pooled their monitoring and cooperation capacities to detect and prioritize suspicious offers, in order to dismantle online pharmacies belonging to illicit networks.

THE WEB AS A DISTRIBUTION NETWORK

The best protection against traffickers of fake medicines is still a country’s health system and its health coverage. But with highly organized criminal networks, no country is immune from counterfeit medicines. The United States, for example, is beset by a serious opiate trade, with counterfeit tablets circulating on the black market, sold over the counter or online. With their fatal doses, they cost hundreds of lives every year. Most of this traffic takes place online. The figures speak for themselves: 96% of online pharmacies are illegal. Fake online pharmacies lure patients with the ease of mail order shopping, or the possibility of obtaining prescription medicines without a prescription. It has also been noted that social networks have become a key vehicle for buying fake medicines online. Hundreds of different websites, in different languages and countries, can be operated by the same criminal network. The trafficking of fake medicines is a global scourge that requires concerted action at the international level. Operation Pangea, which is coordinated by Interpol, brings together more than 100 countries, making it possible to seize millions of counterfeit medicines and dismantling criminal networks every year.

INTERVIEW

CATHERINE BOUDOT, Director of Trademarks and Fight against Falsification, Servier

MERIEM BOURAHLA LOUDIYI, In charge of the monitoring of Internet illicit offers, Servier

In March 2020, Operation Pangea, coordinated by Interpol, seized 34,000 counterfeit surgical masks, 4.4 million illicit pharmaceuticals worldwide, dismantling 37 organized crime groups.

1. OECD/EUIPO 2020 Report

* The Health G5, the voice of the French health industries, is a think tank that brings together the leaders of France’s leading health and life sciences companies.
A MAJOR PLAYER
IN THE FIGHT AGAINST
COUNTERFEITING

The Servier Group, as a member of the Anti-Counterfeiting Group of the European Federation of Pharmaceutical Industries and Associations (EFPIA), has established a rigorous organization to help fight counterfeit medicines. The first part of the action is prevention operations, in partnership with authorities. Training and traceability of medicines, boosted by the Matrix serialization system, are the other two major aspects of the Group’s action.

ESTABLISHING A PARTNERSHIP OF TRUST WITH THE AUTHORITIES

This is one of the pillars of the Group’s action. Detailed information on the supply and distribution chain, the provenance and packaging of Servier medicines distributed in a country help improve the detection of suspicious flows. In order to provide these elements, the Anti-Counterfeiting Department works closely with the entire Group, including subsidiaries and the Regulatory Affairs Department. The success of future customs and police interventions depends on the reliability of the information given. One of Servier’s strengths within this partnership is to respond effectively to requests, both upstream, in the context of ad hoc exchanges with the authorities, and when a suspicious flow is identified. Practical guides, such as how to photograph a medication to request verification, help expedite the processing of requests. The quality of the information provided and the responsiveness of Servier’s employees encourage the public authorities’ confidence in the Group.

RESPONDING TO PUBLIC AUTHORITY TRAINING REQUESTS

Being fully engaged in the fight against counterfeiting, Servier participates in an increasing number of training courses each year. Thus, 1,729 people were trained in 2018-2019. This involvement is made possible by a rigorous internal organization and crossfunctional communication between departments. More specifically, in 2019, Servier contributed to the training of 452 law enforcement officers (301 customs officers, 74 police officers, 77 health agencies members) around the world.

These training courses—which are conducted at the request of international organizations or national governments—are an opportunity for Servier to support the authorities, by providing essential knowledge so that law enforcement officers are confident in their checks and have all the elements to identify counterfeits. In charge of a range of nearly 400 missions, customs officers are not medicine specialists. Servier’s training courses provide them with accurate tools to identify risk indicators.

ENSURE MEDICINES’ TRACEABILITY AND AUTHENTICITY

Since 2015, the Matrix (Mark Aggregate Track & Report for International Exchanges) program has established the individual traceability of medicine boxes, with a view to preparing the Group for the implementation of serialization in Europe in February 2019. Matrix assigns a unique identifier (product code + serial number) that is no longer per batch but per box, introducing a tamper-proof system to allow pharmacies to verify the compliance of the product dispensed to the patient. In addition to equipping the packaging lines, Matrix also had to make it possible to set up complex data exchange systems. After being deployed throughout the European Union, serialization will be implemented in Russia in the summer of 2020. Servier has also developed innovative tools to secure its products, such as Securistamp, a coded digital authenticator printed on products in the most at-risk countries. In addition, Servier has a laboratory for analyzing counterfeit medicinal products in Orléans (France).
In 2018, after years of investigation, a fake medicines factory was dismantled in China, in close cooperation with the authorities, Servier and other affected pharmaceutical partner companies.

Biogaran, Group subsidiary and generic medicines pioneer in France, launched its operations in Gabon in November 2019, being already present in Nigeria, Côte d’Ivoire and Republic of Congo. Biogaran medicines cover a wide range of conditions on the African continent, such as hypertension and diabetes. Biogaran aims to sell ten new medicines each year in Gabon.

A new digital tool to predict medicine interactions

A partnership established with Elsevier, a specialist in science and health information, in September 2019, has led to the development of a tool called the Drug-Drug Interaction Risk Calculator (DDIRC). This tool is used to prevent interactions from the early stages of drug development to the final stages. In this way, the DDIRC contributes to reinforcing patient safety.
Worldwide, one in three employees feels ‘disengaged’ at work, according to an Ipsos study conducted in 2016. The notion of disengagement reflects the gradual decline in employees’ commitment to their job and their company. Companies are multiplying initiatives to avoid this.

MEANING AT WORK, A UNIVERSAL QUEST
What meaning is given to work? While the question is not new, answers have evolved over time. The search for financial security, the feeling of belonging to a group, or the need for social security protection now seem to be diminishing, to the benefit of a more global objective, that of participating in social and environmental progress. Looking for ‘meaningful’ work, the new Holy Grail of human resources, seems sometimes to count as much as the financial consideration. Embedded in the DNA of the social component of CSR, the quest for meaning in the workplace can be accomplished by enabling employees to strengthen the consistency between their job and their values, between their talents and their aspirations.

HORIZONTAL MANAGEMENT, AUTONOMY AS A PRINCIPLE
One of the antidotes to disengagement is on the management side: innovative methods can restore everybody’s position and the meaning of their work. Fewer fixed working hours, more flexibility in the workplace, and employees responsible for their own organization: new horizontal management methods enhance everyone’s autonomy. The traditional pyramidal organization, which was very vertical, is now giving way to more horizontal structures, enabling each person to be an actor in the decisions that concern him or her. ‘Project mode’ management allows, for example, for tasks and decisions to be allocated based on each individual’s actual role in the project, not based on their title or seniority.
WORKING REMOTELY, A DEEP (R)EVOLUTION

Another key to engagement? The possibility of a better work-life balance. According to an annual Malakoff Méderic study¹, one in three French people struggles to balance these two lives. In the US, the proportion is increasing: two out of three Americans don’t think they have a good work-life balance ². Working remotely is one of the possible answers to this search for balance. Being removed from attendance logics, not having to travel into work, save commuting time and make employees more efficient and focused. Working remotely requires a certain organization at the corporate level. Digital platforms are needed to enable employees to easily connect and interact with their colleagues. Managers who are responsible for maintaining the cohesion of their teams and the proper distribution of the workload also need to be trained.

Working remotely continued to advance and increased by 173% worldwide between 2005 and 2018³. But it still affects a minority of employees, for example 10% of employees work from home in Europe⁴. More flexibility and autonomy can increase engagement among employees. But it is often the quality of human relationships that is the cornerstone of well-being at work. The more pleasant and fruitful the exchanges are, the more they help to give meaning to everything else. However, working remotely can also be a vector of social links, when interactions and exchanges are frequent between employees and if the manager ensures this.

WHAT DO EMPLOYEES EXPECT FROM A COMPANY AND THE WORKPLACE?

Today, employees seek an employer that offers a sense of meaning and purpose that connect with the employee’s values, rather than merely a decent salary and benefits package. Employees expect to develop and have opportunities to learn and grow. They expect to be part of a team with a good manager who acts as a coach rather than a boss and helps them develop in areas of natural strength rather than simply correcting weaknesses. Finally, employees today see their career as a fully-integrated part of their lives and expect employers to adopt this holistic view as well.

IN YOUR OPINION, WHAT IS ENGAGEMENT?

Engagement is a measure of employees’ needs in the workplace. When these needs are met consistently, employees become emotionally and psychologically attached to their work and to their employer. Engaged employees are highly involved in and enthusiastic about their work and workplace. Psychologically, the company becomes ‘theirs’. They become drivers of performance and innovation and move the organization forward.

CAN YOU COMMENT ON SOME OF THE RESULTS OF THE SERVIER ENGAGEMENT SURVEY?

Although employees are strongly committed to Servier’s quality and mission, feedback is still too infrequent, and employees are asking for more individual attention. Gallup estimates that managers account for 70% of the variance in team engagement. To quote Gallup Chairman and CEO Jim Clifton, “When you have great managers who can maximize the potential of every team member, you have delivered on the new global demand: a great job and a great life.”

Faced with changes in the world of work and traditional business models, the Servier Group is developing innovative responses. Two complementary strategic programs, Ways of Working and PULSE, are designed to change working methods and encourage individual engagement.

WAYS OF WORKING, A CULTURAL TRANSFORMATION SERVING PERFORMANCE

The mission of this ambitious program? Create a high-performance culture, accelerated by collaboration between teams, facilitated by streamlined processes and energized by social innovation. Deployed, for the first year at the Group headquarters in Suresnes, France, Ways of Working brings together a set of projects that revolve around four themes: performance, cooperation, streamlining, and social innovation. For Group employees, there are many benefits.

The streamlining of processes and decision-making encourages everyone to be proactive and to feel responsible for their projects. The development of crossfunctionality, in a business partner culture, promotes mutual understanding of tasks and provides tools for better cooperation. The focus on social innovation paves the way for experimenting with new ideas and improving the employee experience. Finally, a better definition of performance allows each employee to better understand their task and contributes to the recognition of the work accomplished.

PULSE, SERVIER’S ENGAGEMENT PROGRAM

In 2019, Servier launched its engagement program, PULSE, with the independent Gallup Institute. The goal? To create the conditions to promote commitment and allow everyone to develop their talents. 78.5% of employees responded to this first online engagement poll. This study revealed a 40% commitment rate, placing Servier four points above the average among companies launching this type of project. The results of the study have enabled managers to set up exchange groups throughout their teams. Each employee is thus encouraged to become an actor in his or her own engagement, and is accompanied in this process by fruitful dialogue and exchanges. Sharing allows everyone to remove any constraints on their development. The initial feedback is a testament to the motivation of our employees.

As part of a continuous improvement approach, PULSE is a five-year program designed to monitor progress in the engagement level of employees.

80% of employees are proud to work for Servier and 81% would recommend the Group as a great place to work.

Source: PULSE–Group Results 2019
HIGHLIGHTS

A COMPANY ATTENTIVE TO THE WORKING ENVIRONMENT

Top Employer certification in Italy in 2018 and 2019, Best Employer 2018 in Russia, and for EGIS in Poland, Russia and Czech Republic, Great Place to Work label in 2018 and 2019 in Brazil, Central America and Caribbean, South Korea and Turkey... Servier China also received the 2019 Workplace Excellence Award and the 2019 Best Employer China-Most Aspiring Employer award. A first for the subsidiary! This recognition illustrates Servier’s ongoing efforts to provide a work environment in which employees can thrive. From management to training, via talent management and integration paths—all of these criteria are evaluated, allowing for HR strategy to be included in a continuous improvement approach.

Remote working arrangements are implemented in 36 countries in which the Group operates, to promote organizational flexibility, autonomy and work-life balance for employees. 2019 Data

1 employee in 2 at Group headquarters engaged in working remotely. 2019 Data


Servier, the best place to start!

For the second year in a row, Servier obtained the HappyTrainees® label, taking fourth place in the category, French companies that host 200 to 499 internships or work-study programs annually. The ranking recognizes companies that provide their interns with hospitality, coaching, and management. This award reflects the initiatives that Servier Campus has deployed for work-study participants, interns, VIEs (Volunteers for International Experience), postgraduates, and residents. Trainees enjoy welcome sessions, lunches, workshops and the investment of teams who host and support them throughout their time within the Group.
The major stakeholders in the pharmaceutical industry are established all over the world, with the same quality of standards and requirements for their products. Variations in the index of confidence in medicines and their manufacturers therefore appear to be more a result of local cultures and perceptions of the industry itself, rather than of products.

REINFORCE CONFIDENCE WITH MORE TRANSPARENCY IN THE INDUSTRY

In France, the latest edition of the Observatoire sociétal, a survey conducted by Ipsos for Les entreprises du medicament (LEEM) and published in 2018, shows that, apart from the aeronautics industry, no other industrial sector is an exception to the mistrust of public opinion: only 37% have confidence in nuclear power, 34% in banking, 27% in energy... With a 49% positive opinion, the pharmaceutical industry is among the top rated.

Factory-related pollution, environmental risks around sensitive sites... the industry has a diminished image uncorrelated to production itself. In order to regain public confidence, initiatives for greater transparency are multiplying. The publication of product composition, communication around manufacturing chains, respect for the environment: the major players in the secondary sector show strong commitments in favor of health and the planet.

PHARMACEUTICAL INDUSTRY ETHICS

Because it holds a unique place at the heart of public health, the pharmaceutical industry is one of the most regulated in the different countries. It is also one of the pioneers in product safety and transparency in terms of the links between industry and health care professionals.

At the European level, the European Federation of Pharmaceutical Industries and Associations (EFPIA) publishes all collaborations between manufacturers and the health care players of all member countries in an open access database; of which the general public often isn't aware.
Despite the actions and commitments of the medicine companies, only 34% of French people believe that they are ethical and 16% that they are transparent.

**INNOVATION AND COMMUNICATION AT THE HEART OF TRUST**

How to strengthen this bond of trust? By responding increasingly to the expectations and fears of the public, particularly in terms of innovation around medicines, and taking their needs into account. The pharmaceutical industry is the one that devotes the largest part of its turnover to R&D: Around 9.8%, compared with an industrial average of 4%. And the costs of discovering new medicines continue to rise. A 2012 study estimated that the development of a new molecule represented an investment of approximately $900 million, or even $1.5 billion considering the cost of capital\(^3\). The ability to innovate is one of the recognized strengths of the pharmaceutical industry, with new therapies (immunotherapy, gene therapy) bringing huge hope around the world. Turning communication toward the patient, and not just to the medical profession, also allows companies to make themselves better understood. According to the Edelman barometer, ‘people like yourself’ are among the most trustworthy ambassadors of a company, alongside scientists and academics.

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(3) Source: [https://www.leem.org/recherche-et-developpement](https://www.leem.org/recherche-et-developpement)
SERVIER IN ACTION

COMMITTED TO A
SAFE, RESPONSIBLE
AND TRANSPARENT
INDUSTRY

Servier is committed to conducting its activities in compliance with all laws and regulations of the countries in which it operates. As fundamental requirements of the Servier Group, ethics and integrity are reflected in a policy of transparency in all its actions. Overview of the Group commitments.

ETHICS AND COMPLIANCE, DRIVING FORCE BEHIND ALL OUR ACTIONS
The compliance rules, particularly those set out in the Code of Conduct and the Ethics Charter, are communicated to Group employees through the various training courses and communications that are regularly addressed to them and guide the actions of each individual in accordance with the Group’s standards of integrity, ethics, and values. In particular, the compliance program has been strengthened by a dedicated anti-corruption system. This is complemented by an online platform, through which anyone can alert the Ethics Office in real time if they observe non-compliant practices. Servier’s ethical commitment extends to all of its partners. The Third Party Compliance Due Diligence Process (TPCDDP) ensures that each partner of the Group that may present a risk of corruption or reputational risk in their engagement with the Group shares these same requirements.

PRODUCTION CHAIN CONTROL
The Group adopts responsible practices at each stage of the medicine chain. Servier has opted for an integrated industrial model. The design and manufacture of the Group’s medicines are thus mainly carried out inhouse, enabling us to control all the links in the production chain. The Servier Group’s Industrial Quality Department ensures the continuous improvement of the quality standards of production sites and raw material suppliers. It also ensures that each Group site complies with national and international quality and traceability standards. Our own management of distribution flows, from packaging to dispatch, makes it easier to track products and check them as necessary.

TRANSPARENT AND PATIENT-ORIENTED INFORMATION
Servier strives to provide objective, high-quality information to the health care community to ensure that its medicines are used safely. The Group’s Medical Affairs Department plays a fundamental role as the guarantor of the objectivity and integrity of the information provided to medical experts and communities worldwide. Servier’s Medical Information Department responds directly to questions about products or Group studies from patients, caregivers and physicians. Led by a Chief Patient Officer, the “for and with patients” approach is also advancing within the Group. Servier is working more and more closely with patients and patient organizations to engage them throughout the medicine life cycle.

98% of the active ingredients of the Servier Group’s brand-name medicines are produced in France
The Servier Group’s Responsible Purchasing Charter, published in January 2020, sets out the principles common to the Group’s buyers, its suppliers, and their sub-contractors. It stems from the Group’s Ethics Charter, its Code of Conduct, and the Group’s CSR strategy.

In accordance with European legislation, the Servier Group publishes 100% of the results of its clinical trials in Europe on the European Union Clinical Trials Register (EUCTR) website. The Group also shares on its clinicaltrials.servier.com website summaries of its studies in everyday language, as well as information on research protocols for investigators and patients. The site also allows researchers to request access to clinical trial data.

EXEMPLARY TRANSPARENCY FOR ALL CLINICAL TRIALS

It is undeniable that patients have suffered adverse reactions related to the use of Mediator. Les Laboratoires Servier reiterates its sincere regrets to the patients affected by this tragedy and to their families. They are our main concern, and, as early as 2011, Les Laboratoires Servier committed to compensating victims, a process that is now almost complete. The trial, which began on September 23, 2019, with the referral of Les Laboratoires Servier and the ANSM to the Criminal Court, is an opportunity for Les Laboratoires Servier to defend itself publicly and it will shed light on the reality of the responsibilities of all those involved.

SELECT CSR-ENGAGED SUPPLIERS WITH ECODAVIS

The Servier Group has adopted the Ecovadis platform, a leading player in the industrial and pharmaceutical sector, to evaluate the CSR commitment of its suppliers. A high-performance tool to boost the Group’s Responsible Purchasing approach.
Many nations are mobilizing in favor of carbon neutrality: France, Great Britain and Japan have a 2050 horizon, Norway 2030... Companies are also seeking to reduce their carbon footprint by committing to reducing their greenhouse gas emissions.

COLLECTIVE AWARENESS
The year 2019 was marked by many citizen gatherings for the protection of the planet. Particularly active, young people have united around specific movements, such as Youth for Climate or Fridays for Change. In many countries, the climate issue also plays a role in everyday consumption choices within each household, with, for example, the ‘zero waste’ trend, which aims to reduce pollution linked to waste treatment, or ‘local and seasonal consumption’, to limit the impact related to transportation and greenhouse cultivation. The commitment to the climate also involves energy, with the development of renewable energies or the construction of so-called positive energy buildings, that is, buildings that produce more energy than they need to function.

THE PRIORITY: REDUCING GREENHOUSE GAS EMISSIONS
The latest scientific models highlight the obvious link between greenhouse gases and climate change. According to the last UN Environment Program report (UNEP), published in November 2019, states should treble the overall level of their engagement by 2030 to keep temperature increases below 2°C.

Of the four scenarios developed by the Intergovernmental Panel on Climate Change (IPCC), the most ambitious—and the only one that can meet the Paris agreement target—would require an immediate reduction in greenhouse gas emissions of about 10% per year. This is considered very unlikely by the scientific community. The most likely scenarios point to a temperature increase greater than 3°C. The next IPCC report on climate will be published in 2021-2022.

AIMING FOR A POSITIVE FOOTPRINT

CLIMATE CHANGE
A major global concern, the climate is the subject of strong commitments by economic actors and states, as well as by individuals.

The Science Based Targets initiative (SBTi), which is conducted in partnership between international organizations*, helps companies determine how much they need to reduce carbon emissions to avoid the worst climate scenarios.

*CDP, UN Global Compact, WRI and WWF
HOW DOES ECOACT FIT INTO AN SBTI APPROACH?

The ‘Science Based Targets initiative’ (SBTi) provides a framework for companies to reduce their greenhouse gas (GHG) emissions by setting targets consistent with the COP21 agreement. The SBTi validation thus recognizes that a company has set ambitious GHG emission reduction targets based on science. EcoAct supports companies by helping them define their ambitious goals for each GHG emissions category, to design their action plan for robust reduction, and to prepare and follow the SBTi validation process. EcoAct is recognized as an accredited supplier by the CDP (SBTi member) to provide this type of support, with more than 40 companies being supported in the definition of their SBT objectives.

WHAT ARE THE MAIN CHALLENGES FOR A COMPANY LIKE SERVIER?

As a global group, Servier will need to continue its efforts to improve production processes so as to reduce CO₂ emissions and increase energy efficiency. Furthermore, Servier will also need to work with its suppliers to reduce the impact of its purchases, while getting them to commit to developing SBT objectives. Finally, Servier will have to raise awareness among all its employees, in particular on emissions related to travel and business trips.

THE LOW CARBON ERA IN COMPANIES

Faced with climate change challenges, economic players are mobilizing alongside states and citizens. Initiatives to reduce greenhouse gas emissions are multiplying. They are structured according to standards such as ISO 50001 on energy management, or Landfill Free certification, which attests to the reuse or recycling of at least 90% of the waste from an industrial site. In France, companies with over 500 employees must also perform a carbon assessment every four years. This analysis can then be used as a basis for developing a greenhouse gas emissions strategy. The convergence of actions and engagements must make it possible to limit the increase in the concentration of greenhouse gases in the atmosphere, in the hope of achieving the most optimistic scenarios of the IPCC.

Sources:
https://www.lefigaro.fr/actualite-france/l-objectif-de-neutralite-carbonee-ambition-ambigue-20190612
https://www.lepoint.fr/environnement/climat-de-nouveaux-modeles-remettent-en-question-les-objectifs-de-laccord-de-paris-17-01-2020-2358289_1927.php
https://sciencebasedtargets.org/companies-taking-action/

In France, companies with over 500 employees must also perform a carbon assessment every 4 years.
AN AMBITIOUS
LOW CARBON
STRATEGY

A ANALYSIS OF THE GROUP’S CARBON FOOTPRINT

The first step in the Servier Climate Commitment approach consisted of an assessment of Group emissions. This assessment was performed for 2015-2016. Servier’s results showed an annual overall emission of 1,014,000 metric tonnes of CO2 equivalent. These emissions are separated into three categories or ‘scopes’:

• **Scope 1:** the Group’s direct emissions (fuels, emissions from Group vehicles, fugitive emissions, industrial processes, etc.) account for 6% of total emissions.

• **Scope 2:** indirect Group emissions (electricity, heat, steam, etc.) represent 5% of total emissions.

• **Scope 3:** all other indirect emissions (raw material purchases, freight transportation, waste management, employee travel, etc.) account for 89% of total emissions.

25% REDUCTION IN EMISSIONS BY 2030

In line with COP21 and the Paris Accord engagements, the Group’s strategy is to reduce global CO2 emissions by 25% by 2030, that is, a reduction of 251,282 CO2 metric tonnes equivalent. In detail, scopes 1 and 2 would be required to reduce their emissions by 28,900 CO2 metric tonnes equivalent, and scope 3 by 222,382 CO2 metric tonnes equivalent. These reduction targets will be methodically broken down for each emission item (energy, transportation, packaging, purchase of raw materials, etc).

Effective measures have already been taken in a number of sectors. In terms of downstream transportation (from the production site to distributors), the replacement of aircraft by boat between 2016 and 2019, if sustained, will make it possible to reduce the carbon footprint by 12,742 CO2 equivalent by 2030, i.e. 75% of the final objective in this area.

GROUP-WIDE MOBILIZATION

Since the implementation of energy-efficiency actions, from the choice of low-carbon modes of transportation to the purchase of raw materials from suppliers who are themselves committed to a low-carbon strategy, the range of solutions undertaken has required the involvement of each of the Group’s departments and all its employees.

= -25% reduction in greenhouse gas emissions by 2030

Servier is one of 348 global companies whose emissions reduction strategy has been validated by SBTi.

Source: https://sciencebasedtargets.org/companies-taking-action/ – March 2020

Aligning the low-carbon strategy with the objectives of the Paris agreement: this is the challenge the Group has taken on by committing to the SBTi to reduce its carbon footprint by 25% by 2030. Conducted in partnership with EcoAct, this commitment process began with a comprehensive review of emissions, in order to implement a relevant action plan.
The aim of these guidelines is to help reduce overall waste generation, increase the share of reused/recovered material, reduce carbon emissions, and avoid the use of landfills. Good waste management practices rely on the circular economy principle, which takes into account the product life cycle, promotes efficient resource utilization, and reduces their environmental impact.

**BEST PRACTICES GUIDELINES FOR BETTER WASTE MANAGEMENT**

**Environmental Management and Energy (ISO Certifications)**

7 industrial sites and the head office in Suresnes (France) are ISO 14001/ISO 50001 certified, or in the process of being certified.

**SERVIER PARIS-SACLAY: OBJECTIVE BIODIVERCITY®**

The Group has redefined its Health & Safety and Environment (HSE) policies. It sets out the principles and expectations in this area and they apply to behavior, as well as to all processes and projects. Servier thus reaffirms the importance of employee health and safety, as well as environmental protection throughout its global operations.

The Servier Paris-Saclay Research Institute is aiming for the BiodiverCity® label, combined with the double certification, WELL and High Environmental Quality (HQE). Based on the requirements of the BiodiverCity® label, the Servier Paris-Saclay Research Institute will be equipped with nearly 5000m² of ground gardens, 9000m² of green roofing and a 100m² collaborative garden. Thanks to this biophilic approach, employees will be able to relax while increasing their knowledge of biodiversity issues. In order to enhance the value of the label in the long term and make a positive contribution to biodiversity, Servier undertakes to guarantee the environmental management of these areas for a minimum of five years and to have environmental monitoring carried out by an expert every three years.
And tomorrow?

What are your goals for 2020?

Our first objective is to continue the deployment of CSR in all the Group’s departments and sites. Communicating and explaining our strategy, enabling each entity to identify among our challenges those that are a priority for them. So far, we have already rolled out our approach to a third of our subsidiaries, and to all of our sites in France. Our second objective is integrating CSR into the strategic plans of the Group’s departments. The target for 2020 is this integration in 14 of our 18 departments, 5 more than at present. Finally, we will continue to measure our progress and performance by continuing work on the design of our CSR indicators. Of the 120 indicators identified, 80 are already being monitored.

What major news event left an impression on you in 2019?

Youth climate movements all around the world. Youth for Climate, Fridays for Future, or the Manifesto for an ecological awakening, signed by more than 32,000 students in France, testify to the awareness and increasing engagement of young people. How can companies heed and meet their expectations? For example, through our Servier Climate Commitment approach: a Group strategy to reduce our greenhouse gas emissions validated by the SBTi and a clear goal of 25% reduction in emissions by 2030.

What do companies need to do today in terms of CSR?

Companies are confronted with major challenges. Performance, innovation, growth, profitability, talent development... but they must also answer a key question: what is their added value for society and in terms of their impact on their ecosystem? At Servier, this question finds its response in our history, our vocation, our values, our strategy and the transformation initiated in the Group. This is undoubtedly the reason for the enthusiasm that our CSR approach generates when we share it with our colleagues. It is up to us to capitalize on this desire, mobilize the teams and turn this energy into concrete actions.

What should we remember about CSR at Servier in 2019?

Many things have happened. We have defined and made progress on our five key projects, which aim to create value for our stakeholders. In addition, during our meetings and visits to subsidiaries and sites, we always discover a great wealth of spontaneous initiatives, led by teams or employees. We therefore asked ourselves how we could enhance the value of these projects and facilitate the internal sharing of these best practices. In 2019, with the help of the Digital Factory team, we put in place an ergonomic digital tool that helps escalate these local initiatives. More than 150 have already been submitted in just a few months. We are currently working on the creation of an online platform, to give all our CSR coordinators access to these initiatives. These are all sources of inspiration for new plans of action.