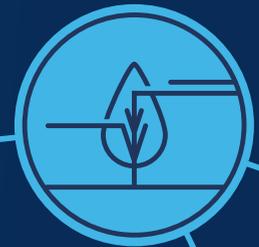


***REGENERON***

**2017**

**RESPONSIBILITY  
REPORT**



# CONTENTS

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# A WORD FROM OUR CHAIRMAN

Welcome to Regeneron's first consolidated Responsibility Report.

Three decades ago, Regeneron was founded with a clear mission: to use the power of science to bring new medicines to patients ... over and over again.

Today that mission remains consistent. In this report, we explore how it has shaped our business model, our working culture, our approach to operating responsibly and the ways in which we seek to engage our communities and inspire future generations.

We have always been committed to achieving growth through innovation. The ongoing value of our business depends on developing novel medicines for previously unmet medical needs. Our success is also dependent on other commitments: a workplace that champions and celebrates diversity, a culture that empowers talented people to fulfill their potential and a determination to inspire and enable the scientists of tomorrow.

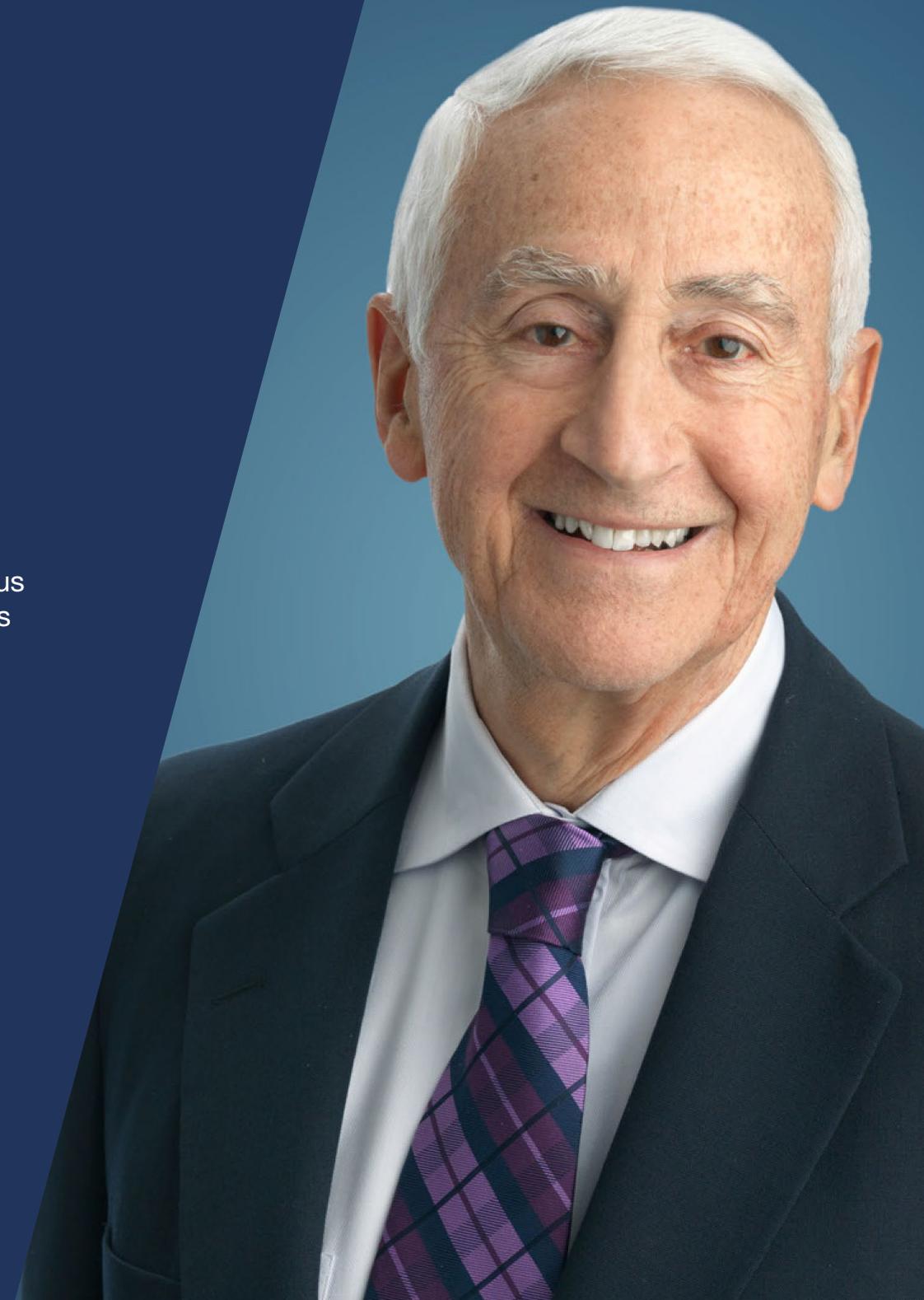
Our mission depends on trust in our business. We earn this trust through operating responsibly, applying the highest standards of quality and safety, reducing our environmental impact and engaging with our stakeholders on an ongoing basis.

This report is an important part of that process as it marks our most comprehensive effort to report on our corporate responsibility practices. It builds on previous work including working with the Carbon Disclosure Project (CDP) since 2010, publishing an annual Environmental Sustainability Report since 2015, and regularly submitting in-depth information on our employment practices to organizations that rank the quality of working environments. Our consolidated Responsibility Report draws together all of these different strands of reporting, highlighting our continuous growth and improvement. It also explores other aspects of operating responsibly, including support for our communities, the beneficial economic impact of our business and our commitment to always do the right thing for our patients.

We are very proud of the business that Regeneron has become over the last 30 years—a company that continues to deliver life-transforming medicines for people in need. This report reflects that pride. At the same time, it acts as a benchmark. It's a reminder of the standards we must hold ourselves to, in order to continue furthering our mission.



P. Roy Vagelos, MD



# 30 YEARS OF ACHIEVEMENTS

1988 - 1989



Len and George team up to start Regeneron

Using the power of science to bring new medicines to patients ... over and over again

1990



Science journal publishes Regeneron's first paper, the most highly-cited neurobiology paper of the year

1991



Regeneron (REGN) stock begins trading publicly on the NASDAQ

1993



We acquire space for a drug manufacturing facility in Rensselaer, NY

1995



P. Roy Vagelos, MD, former CEO and Chairman of Merck, and industry luminary, becomes Chairman of the Board, a position he still holds today

2011



The FDA approves our EYLEA® (afibercept) Injection for its first indication

2008



The U.S. Food and Drug Administration (FDA) approves our first medicine, ARCALYST® (riloncept) Injection for a rare inflammatory disease

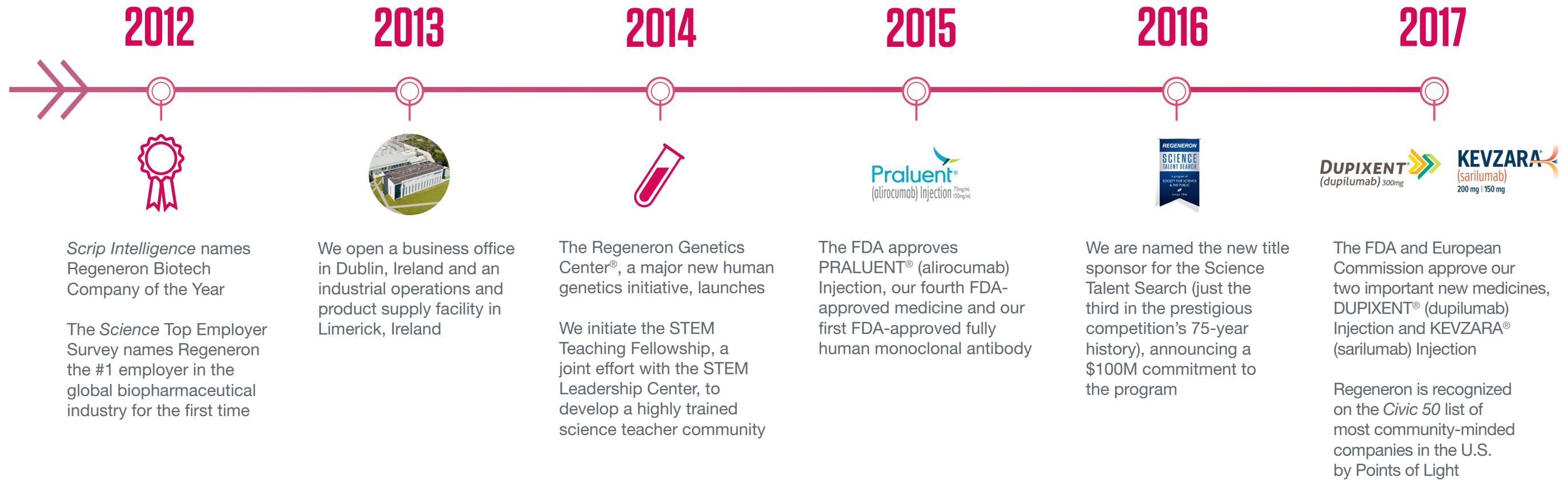
2003



We become one of the original sponsors of the Westchester Science & Engineering Fair (WESEF) to support and reward scientific excellence in promising high school students

Our first paper on *VelociGene*® is published, introducing the world to the first of our proprietary *VelociSuite*® drug discovery and development technologies

# 30 YEARS OF ACHIEVEMENTS



# 2017 IN REVIEW

## GROWING OUR TEAMS AND SPACES

**6,500+**

Employees, including seven main locations and field-based employees across the United States\*



Opened Sleepy Hollow, NY and London offices; expanded Irish facilities

## DOING WELL BY DOING GOOD

**50%+**

Employee participation on our first annual Day for Doing Good, a company-wide day of service

**1<sup>st</sup>**

First official Regeneron-sponsored Science Talent Search, the most prestigious science competition for high school students in the U.S.



\$14,850,978 in corporate donations to national and local non-profit organizations, including contributions under our Matching Gift Program

APPROX. **300,000**

Individuals sequenced by the Regeneron Genetics Center\*

\*As of April 2018

# 2017 IN REVIEW

## COLLABORATIONS



Collaborating with Aimmune to develop dupilumab in food allergies, Decibel Therapeutics, Inc. to develop hearing loss therapeutics and SillaJen, Inc. and Inovio Pharmaceuticals, Inc. to study novel combinations for cancer



Expanded our collaboration with the Biomedical Advanced Research and Development Authority (BARDA), a division of the U.S. Department of Health and Human Services, to advance antibodies to treat infectious diseases

## PIPELINE INNOVATION



Two new medicines approved in the U.S. and E.U., bringing our total FDA-approved treatments to six

16

Product candidates in clinical development across multiple therapeutic areas\*

## SCIENTIFIC PUBLICATIONS

97

Published peer-reviewed publications in 2017

## TECHNOLOGY ADVANCEMENTS

849

Patents issued worldwide in 2017; more than half of the patents are directed to innovative technologies, with the remainder directed to our key therapeutic molecules

\*As of April 2018

# ABOUT OUR BUSINESS

Regeneron is a leading biotechnology company that invents, develops, manufactures and commercializes medicines for the treatment of serious medical conditions. Our mission is to use the power of science to bring new medicines to patients ... over and over again.

## OUR COMPANY

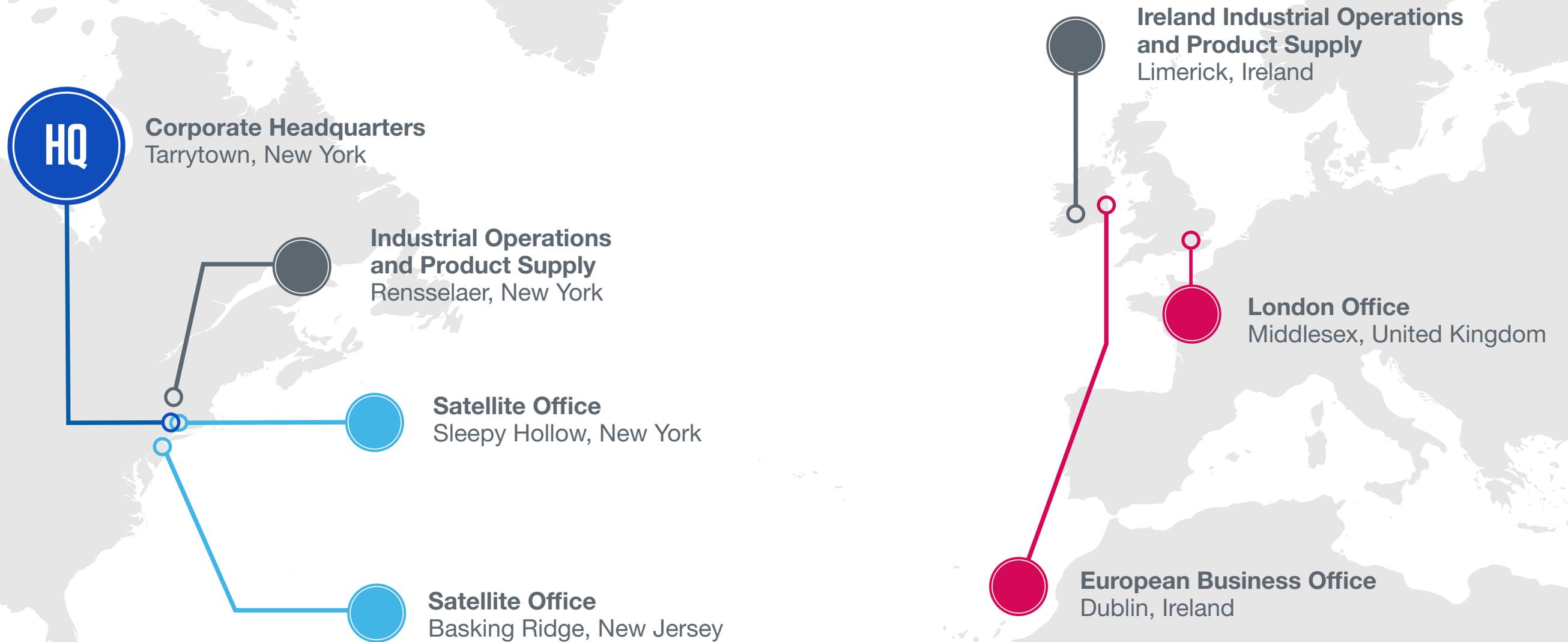
Regeneron was founded in 1988 by physician-scientists to bring life-transforming treatments to people with serious disease. Our commitment to translating science into effective medicine has resulted in six medicines approved by the FDA and a pipeline of innovative drugs and technologies. Our medicines are designed to help people with eye, heart, allergic and inflammatory diseases, chronic pain, cancer and rare conditions. We do well by doing good, growing by discovering new technologies and treatments for those in need.

Our corporate and Research and Development (R&D) headquarters are in Tarrytown, New York. We have large-scale industrial operations and product supply facilities in Rensselaer, New York and Limerick, Ireland, and additional U.S. offices located in Basking Ridge, New Jersey and Sleepy Hollow, New York. We also have a European business presence with clinical and regulatory teams in Dublin, Ireland and London, United Kingdom.



# ABOUT OUR BUSINESS

## HEADQUARTERS AND OPERATIONAL LOCATIONS



# ABOUT OUR BUSINESS

## 2017 RECOGNITION AND AWARDS

### *Science*

Top Employer Survey

### *Fortune*

Future 50 rankings

### *AmeriSourceBergen*

Think Live Award, Commitment to Patient Care

### *Center for Economic Growth*

Technology Awards, Judges' Choice for Manufacturing

### *MIT Technology Review*

50 Smartest Companies

### *Points of Light*

Civic 50 Most Community-Minded Companies in the Nation

### *Fortune*

100 Best Companies to Work for

### *Forbes*

Most Innovative Companies

### *Great Places to Work*

Best Workplaces in Ireland

### *Investor's Business Daily*

Biotech Innovator Awards

### *Life Sciences*

Ideal Employers List

## OUR CULTURE

Our culture revolves around a passion for using science to transform the lives of those with serious disease. It springs from our position as a business led by physicians and scientists rather than businesspeople, and it is captured in the 'Regeneron 5' guiding principles:

- 1** Science drives our business and passion drives our science.
- 2** We are a select team.
- 3** You will be challenged. Every day.
- 4** "That's the way we've always done it" is the wrong answer.
- 5** We won't let bureaucracy block good ideas.

As our business grows, we recognize that our culture must evolve, too. We regularly meet with our colleagues to discuss how we can keep our unique culture alive and adapt it over time.

# ABOUT OUR BUSINESS

## OUR LEADERSHIP



**Leonard S. Schleifer, MD, PhD**  
Founder  
President and Chief Executive Officer



**George D. Yancopoulos, MD, PhD**  
Founding Scientist  
President and Chief Scientific Officer



**Ned Braunstein, MD**  
Senior Vice President, Regulatory  
Affairs & Pharmacovigilance



**Thomas Daly, PhD**  
Senior Vice President, Preclinical  
Development & Protein Chemistry



**Robert E. Landry**  
Senior Vice President, Finance  
and Chief Financial Officer



**Joseph J. LaRosa**  
Senior Vice President,  
General Counsel and Secretary



**Beth F. Levine**  
Senior Vice President,  
Associate General Counsel,  
Chief Compliance Officer



**Jay S. Markowitz, MD**  
Senior Vice President,  
Portfolio Management



**Marion McCourt**  
Senior Vice President and  
Head of Commercial



**Andrew (Drew) Murphy, PhD**  
Senior Vice President, Research,  
Regeneron Laboratories



**Sally A. Paull**  
Senior Vice President,  
Human Resources



**Nicholas Papadopoulos, PhD**  
Senior Vice President, Research  
and Development Operations



**Neil Stahl, PhD**  
Executive Vice President,  
Research and Development



**Daniel Van Plew**  
Executive Vice President and  
General Manager, Industrial  
Operations and Product Supply



**David Weinreich, MD, MBA**  
Senior Vice President, Global  
Clinical Development

### Board of Directors

Regeneron's Board of Directors includes Nobel laureates and physicians and scientists. More than half of Regeneron's Board are members of the National Academy of Sciences, and all of them share our commitment to sustainable innovation for patients through a long-term approach. Regeneron was one of the first companies to form a Technology Committee as an integral component of its Board, a practice which has since become industry standard, and which demonstrates our company's commitment to scientific excellence.

# AN ENGINE OF INNOVATION

Regeneron's business model is optimized around scientific innovation. We earn our growth as a business by discovering therapies that address the most serious medical conditions and have a life-transforming impact on patients' health.

## Research and development

For the last two years, Regeneron has invested more than \$2 billion in R&D each year. This enables us to develop all treatments within our own labs, accelerate the average time from discovery to drug approval and, ultimately, help more patients faster.

During the first half of 2017, we secured FDA and European Commission approvals for two new targeted biologics, DUPIXENT® (dupilumab) Injection for adults with atopic dermatitis\* and KEVZARA® (sarilumab) Injection for adults with rheumatoid arthritis\*, both of which were discovered and developed by our in-house R&D teams.

## Industrial Operations and Product Supply

Our Industrial Operations and Product Supply (IOPS) team is responsible for the production and distribution of Regeneron products for patients worldwide. IOPS operations also include quality control, quality assurance, process development and validation, all of which are fully compliant with Good Manufacturing Practices. We have the capability to manufacture product candidates for multiple trials simultaneously, and then expand production capacity following drug approval.



## Clinical trials

Regeneron had 53 clinical studies in progress as of April 2018. During 2017, we conducted trials involving over 4,200 patient volunteers, in 41 separate countries\*\*.

## Fair pricing and drug accessibility

We strive to set a responsible and value-driven price for our medicines. We work proactively with independent organizations, such as the Institute for Clinical and Economic Review (ICER), to help us consider cost-effective pricing. We partner with insurance providers and healthcare professionals to improve access to treatment, providing free medicine for patients who qualify, and providing support with co-pays for those who are eligible. Regeneron also provides comprehensive patient support services to help eligible patients throughout their treatment journey.

\*Developed and commercialized under a global collaboration agreement with Sanofi

\*\*Does not include studies of Regeneron medicines conducted by collaborators

# AN ENGINE OF INNOVATION

## Collaborations

Collaboration is key to our approach—and to our effectiveness in bringing more people the treatments they need. We welcome collaboration with companies, non-profit organizations and academic research institutions, to advance research and development. We also collaborate with large pharmaceutical companies, such as Bayer and Sanofi, which can help bring our products to market or increase their accessibility to patients around the world.

Regeneron recently established a consortium of leading life sciences companies, including AbbVie, Alnylam Pharmaceuticals, AstraZeneca, Biogen, Pfizer and Takeda. This consortium will jointly fund the Regeneron Genetics Center's sequencing of 500,000 individuals in the UK Biobank, which is one of the world's largest health resources. The project will enable better understanding of genetic factors that cause or influence a range of human diseases, including those that have never been diagnosed. It is expected to be completed by the end of 2019, generating the largest database of its kind, with the potential for a profoundly positive impact on human health. The data will be made publicly available to the global research community as a 'big data' resource, within a year of the sequencing being completed. This reflects our commitment to open access and sharing data that can enable wider understanding and innovation in healthcare.

Some of our current collaborators include:



Global ophthalmology collaboration



Collaboration on multiple programs and products



Antibody discovery agreement



Research collaboration on genetic basis of familial disease



Global collaboration for investigational pain therapeutic



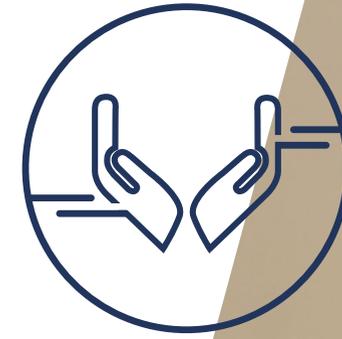
Gene-editing technology collaboration



Engineered immune cell therapeutics collaboration

Details about our collaborations can be found at <https://www.regeneron.com/collaborations>

# OUR APPROACH TO RESPONSIBILITY



Regeneron's business model is focused on making an impact to improve our world. We use the power of science to bring new medicines to patients ... over and over again. We aim to build on this positive impact by operating responsibly, communicating transparently about our Environmental, Social and Governance (ESG) issues, and engaging with stakeholders.

## OUR PHILOSOPHY: DOING WELL BY DOING GOOD

We proudly expand on our mission with our efforts to strengthen communities through environmental and social action. This commitment underlies our philosophy of "doing well by doing good," a lesson that our CEO Len learned from his father as a young boy, and which has guided his leadership of Regeneron. It's a principle that also informs how we engage and support our various stakeholder communities:

### Doing good for our patients

Our business strategy is rooted in our understanding of patient needs. Our commitment to our patients doesn't end when they are prescribed our treatments; instead we provide ongoing support for everyone using our medicines.

### Doing good for our employees

We have built a high-engagement and high-integrity culture at Regeneron. Every person is empowered to make an impact and every colleague receives stock options so that they share in the financial upside of our success. We also embrace a diverse and inclusive workforce.

### Doing good for our communities

Our employees contribute directly to sustainable communities through year-round community engagement and donations of time, money and skills. We channel their energy through a range of volunteering initiatives and support their philanthropy through matched giving.

### Doing good for the future of scientific innovation

Our philosophy centers on a belief that scientists can and should be the world's heroes. We are therefore committed to fostering the next generation of scientific talent through STEM (Science, Technology, Engineering and Math) education.



# OUR APPROACH TO RESPONSIBILITY

## REFINING OUR RESPONSIBILITY STRATEGY

Our responsibility strategy focuses on using the unique knowledge and expertise within our company for the benefit of society, the economy and the environment. By addressing the issues that matter most to our stakeholders, we can maximize our positive impact on the world.

In 2017, we conducted a responsibility audit, engaging our senior leaders to refine our approach to responsibility and identify any gaps and opportunities. Through this process, we have identified three focus areas for our strategy:

**1** Improve the lives of people with serious disease

**2** Foster a culture of integrity and operational excellence

**3** Build a better future

During 2018, we will translate these focus areas into strategic goals and a multi-year implementation plan to measure our progress towards them. As part of this, we will refresh our approach to managing our responsibility program. We plan to establish a Responsibility Committee comprised of key business leaders with accountability for relevant goals and metrics, and we will establish a formal governance structure for responsibility.

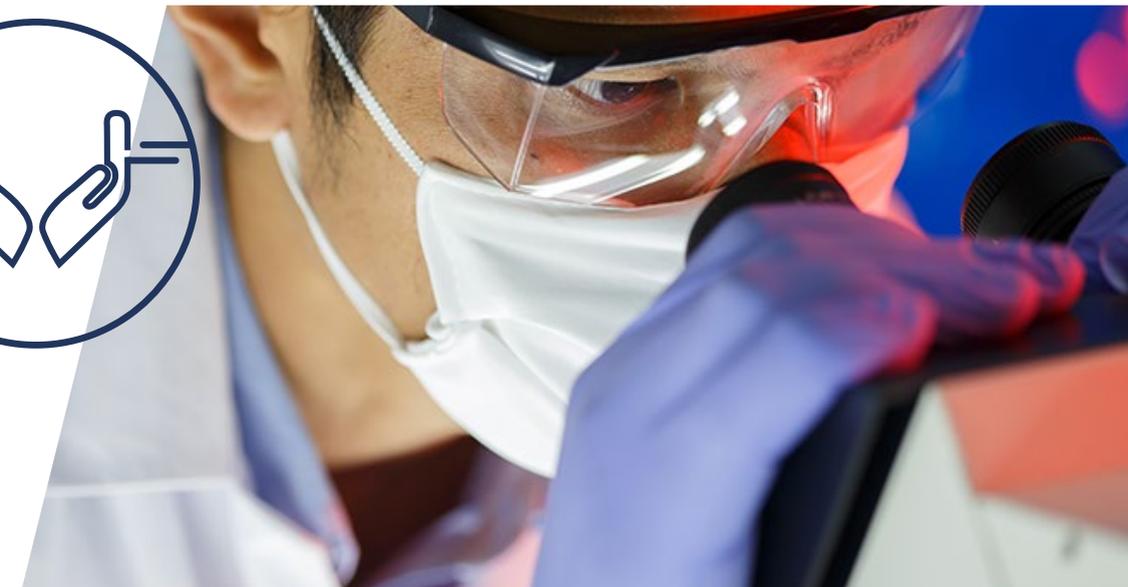
We will announce updates to our responsibility strategy in our 2018 Responsibility Report, which will be published in 2019.

\*In this report, we use the terms “material” and “materiality” to refer to topics that reflect Regeneron’s meaningful economic, environmental and social impacts or that influence the assessments and decisions of stakeholders, or what sustainability organizations and standards commonly define as “Material Aspects.” The use of such terms shall not be deemed to constitute an admission as to the materiality of any information in this report for purposes of applicable securities laws or any other laws of the United States, nor are we using them as they are used in the context of financial statements and financial reporting.

## ASSESSING OUR MATERIAL ISSUES\*

We are committed to working with our stakeholders to understand our responsibilities. This involves identifying how our business model impacts on others, and how to maximize our positive impacts.

As part of this process, in early 2018, we engaged an external global management consultancy specializing in sustainability and corporate responsibility, to conduct a materiality assessment for our business. We are engaging with external stakeholders and our own senior leadership to prioritize the responsibility issues that are most relevant to our business. We will discuss issues throughout our value chain, such as access to healthcare, R&D and innovation, attracting and retaining talent, responsible business practices and operations, and our socio-economic impacts. We will publish the findings in our 2018 Responsibility Report.



# OUR APPROACH TO RESPONSIBILITY

## ENGAGING OUR STAKEHOLDERS

A responsible business needs to engage a wide range of different stakeholder groups. Regeneron is no exception. We take a tailored approach to engaging our various stakeholders in the relevant ESG issues for our business. We periodically review and evolve our approach to keep up with their changing priorities and the changing business landscape. During 2017, we created a global map of key stakeholder groups across our value chain.

Here's how we engage some of our key stakeholder groups:

### Investors

As part of our shareholder outreach, in the second half of 2017 we engaged our large institutional investors to better understand their views on ESG matters and expectations for our ESG performance and disclosure. This ESG initiative included conducting investor interviews, which helped us gain insights into ESG issues important to our investors and identify key ESG opportunities for Regeneron. At the conclusion of this initiative, we assessed the feedback and identified next steps to advance our approach to ESG.

### Local communities

For over 20 years we have partnered with local schools, non-profits and community organizations to improve STEM education and create pathways to careers in science. We support programs that nurture, challenge and reward the best and brightest minds in science research. We collaborate with leading education organizations to bridge gaps in STEM education for students historically underrepresented in the sciences. We also give back to our communities through the unique skills and passion of our employees, 56 percent of whom volunteered their time to community organizations during 2017.



# OUR APPROACH TO RESPONSIBILITY

## Employees

We strive to create a work environment that will attract and retain highly talented and motivated people. Regular communication with our employees about our mission and our business performance is an essential part of this approach. Our getConnected orientation program aligns new employees with our culture and values from the start, including our comprehensive compliance program. We consistently engage our people through quarterly all-employee forums hosted by our company leaders, regular town hall meetings, our RON intranet site and quarterly updates on our development pipeline. We prioritize inclusive, two-way dialogue through digital channels that ensure all employees can access strategic and business information on an ongoing basis.

## Standards-setting organizations

We take an active interest in organizations and standards for responsible business practices. In 2017, Regeneron participated in the Sustainability Accounting Standards Board (SASB) Investor Advisor Group meeting, which shares feedback on proposed standards. Our Vice President of Corporate Communications & Citizenship was a featured panelist at the event, providing perspective on likely material issues for the biopharmaceutical industries.

## Science students

We are dedicated to cultivating interest and experiences in science, giving back to the scientific community and developing future scientific leaders. We focus on initiatives that support, challenge and reward bright scientific minds, from high school through college and post-doctoral work—in our labs and in their schools. These include sponsoring the Regeneron Science Talent Search, the most prestigious high school science competition in the U.S., which was previously sponsored by Westinghouse and Intel.

We also hold campus visits to help students prepare for the workforce, and run mentoring programs for high school students and internships for undergraduates and PhDs. We honor excellence in biomedical science with the Regeneron Prize for Creative Innovation, now in its fifth year, which recognizes talented biomedical scientists at early stages in their careers.

56%

of our employees  
volunteered their  
time to community  
organizations  
during 2017

# OUR APPROACH TO RESPONSIBILITY

## GLOBAL TRANSPARENCY AND REPORTING

We recognize that accountability and transparency are essential for responsible growth and a key component of doing well by doing good. For this reason, Regeneron has been publicly disclosing information about its material issues since 2014. We have continually updated and extended our approach to this disclosure—and this report, our first consolidated Responsibility Report, is a part of that journey.

In 2014, we began publishing environmental sustainability highlights to outline our commitment to the planet and the steps we take to ensure its long-term health. Since 2015, we have shared data with the Carbon Disclosure Project (CDP), a global disclosure system that enables companies to measure and manage their environmental impacts. We responded to the CDP Climate questionnaire for the first time in 2015, and the CDP Water questionnaire in 2016.

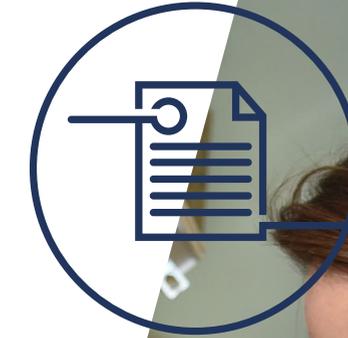
We have an in-house team dedicated to transparency reporting on our financial interactions with healthcare professionals. We also submit in-depth information on our employment practices and support for the development of our people to organizations that rank the quality of working environments. As a business, we're proud of the recognition that we have earned through these rankings. Our first Responsibility Report brings together these different aspects of transparency and reporting, and adds more information on other

material issues. These include the impact of our business on people with serious health conditions. This report also provides a baseline for us to build on in the future. It covers our data and activities during the period January 1 to December 31, 2017 (except where indicated otherwise).

We welcome your feedback on our first Responsibility Report. For further information you may contact [communications@regeneron.com](mailto:communications@regeneron.com).

### External assurance

We engaged Bureau Veritas North America, Inc. (BVNA), an independent assurance provider, to conduct independent verification of our greenhouse gas (GHG) emissions for the period covering January 1, 2017 to December 31, 2017. The Verification Statement can be found on our website <https://www.regeneron.com/GHGVerificationStatement>.





Responsibility Strategy Focus Area 1

# IMPROVE THE LIVES OF PEOPLE WITH SERIOUS DISEASE



# SUSTAINABLE PIPELINE INNOVATION

Regeneron is committed to improving the lives of people with serious disease by discovering new treatments for unmet medical needs. Our business model and the way that we operate extends our capacity to improve lives by focusing on growth through innovation and our commitment to doing the right thing for patients.

In this section, we explain how we maintain a fast-moving pipeline of sustainable innovation, and how we enhance the positive impact of our medicines through disease awareness and education initiatives, support for patients, fair pricing and accessibility measures and our approach to compassionate use.

Holly, patient with atopic dermatitis



Regeneron doesn't just discover new medicines. We also develop new technologies and approaches to accelerate and improve the drug development process by addressing bottlenecks. Our deep focus on science and technology has enabled us to launch six FDA-approved treatments and yielded a current pipeline of 16 new product candidates.

Our proprietary *VelociSuite*<sup>®</sup> technologies help to determine the best targets for therapeutic intervention and rapidly generate high-quality, fully-human antibodies as drug candidates. The Regeneron Genetics Center supports our R&D through a fully integrated genomics program that uses DNA sequencing paired with anonymized health records to understand better the causes of disease.

Improving the R&D process is an ongoing priority for our business and one that requires a long-term view to creating value for our stakeholders. We believe that our greatest discoveries are yet to be made—and that making them requires continued investment. As a business, Regeneron has increased revenues by 43 percent over the last two years; over the same timeframe, it has increased investment in R&D by 28 percent.

Our goal is to address serious medical conditions across multiple and diverse therapeutic areas, currently including ophthalmology, cancer, rheumatoid arthritis, asthma, heart disease, atopic dermatitis, pain and infectious diseases. Our treatments are only the beginning of our long-term commitment to solve the human body's most complex mysteries.

Our robust pipeline includes product candidates that are designed to address a wide range of serious diseases. A list of our current clinical product candidates can be found on our website at <https://www.regeneron.com/pipeline>.

# SUSTAINABLE PIPELINE INNOVATION

## INSIGHTS FROM PATIENT COMMUNITIES

### FDA-APPROVED AND MARKETED MEDICINES



\*Commercialized by Bayer ex-US

\*\*Developed and commercialized under global collaboration with Sanofi

\*\*\*ZALTRAP® is commercialized exclusively by Sanofi

### Reaching out to patient communities to support our innovation

In addition to investing in pipeline innovation, we reach out to patient communities for insight that can help to direct our R&D efforts.

Fibrodysplasia ossificans progressiva (FOP) is a rare disease in which bone forms in the muscle and connective tissue. Over time, people living with FOP gradually lose the ability to move and even breathe as their rib cages lose flexibility. After discovering that the protein Activin-A played a role in triggering FOP, we made it a priority to reach out to the small but strong FOP community to understand their daily struggles and treatment needs.

We are working with organizations such as the International Fibrodysplasia Ossificans Progressiva Association (IFOPA) to inform the development of our investigational candidate REGN2477 and help us keep patient needs front and center in our development efforts. Patients inspire our scientists directly by visiting our campus and talking to our employees about their experiences. We've also given back to the FOP community through grants and by sharing our genetically-modified FOP mouse model with other scientists to advance basic and translational research. Through these mutually supportive relationships, we have come together with the FOP community to fight this devastating disease.

# SUPPORTING PATIENTS

## **Patient advocacy**

We are committed to supporting and collaborating with patient advocacy groups. Together, we share a mission to address patients' unmet medical needs.

We support patient advocacy group initiatives that develop disease education, create awareness programs and address barriers to care. These programs play a vital role in improving diagnosis and supporting the best possible health outcomes. They also enable Regeneron scientists to learn what it means to live with certain conditions. The more we understand patient and caregiver experiences, the better we are able to help through our ability to develop treatments, programs and education.

## PATIENT ADVOCACY IN ACTION

### » **A day in a life with AD: empowerment through education**

Uncontrolled moderate-to-severe atopic dermatitis (AD) is much more than 'just' a skin condition. This serious and chronic form of eczema is a systemic inflammatory disease that can have a significant physical and psychological impact on those living with it. Regeneron and Sanofi partnered with the award-winning screenwriter and playwright Peter Moffat, himself an AD patient, and the National Eczema Association to launch the Understand AD: A Day in the Life program, which promotes empathy and gives a voice to those suffering from this debilitating condition.

The program builds on Peter Moffat's work portraying the experience of moderate-to-severe AD through the BBC series *Criminal Justice* and its HBO adaptation, *The Night Of*.

### » **Partnering to raise awareness of cholesterol management**

Since 2016, Regeneron and Sanofi have supported the American Heart Association's cholesterol education program, Check.Change.Control. Cholesterol. This aims to raise awareness of better cholesterol management and encourage behavior change by engaging patients, caregivers and healthcare practitioners.

### » **Revealing the impact of an 'invisible' disease**

Through Honestly RA, Regeneron and Sanofi have surveyed more than 1,000 people living with rheumatoid arthritis (RA), to uncover their experiences and better understand their needs. The survey, which was conducted in 2016, revealed significant unmet needs when it comes to treatment and overall support. We brought the findings of Honestly RA to life through a series of shareable illustrations, designed to recognize the emotional impact of patients' daily struggles, frustrations and triumphs.

# RESPONSIBLE PRICING AND ACCESS

## Product support services

We offer product support to both healthcare providers and patients, including contacting patients' health plans to understand product coverage requirements, and educating healthcare providers about product coverage, reimbursement and claims coding. We offer co-pay assistance to eligible patients and rebates and discounts to payers to help make our products more affordable. We also provide a range of patient assistance programs that are designed to increase access to medicine. Besides helping patients to access their prescribed medicines, product support also includes education on using those medicines safely and appropriately.

## Compassionate use: access to investigational medicines

Compassionate use allows for non-approved medical products to be used outside of a clinical test by those with serious or life-threatening conditions, who do not have any viable or available treatment options, and are unable to participate in ongoing clinical trials. Regeneron has established a compassionate use policy that allows eligible patients to access our unapproved medicines through Expanded Access Programs (EAPs) and other permitted mechanisms.

## Fair pricing and broad access

Regeneron's commitment to patients with serious conditions doesn't end when we bring a new product to market. We set a responsible, value-based price for our innovations. We often work with insurance companies and other stakeholders to ensure affordability.

## IMPROVING ACCESS AND AFFORDABILITY

## Responsible pricing and patient support

For the launch of DUPIXENT® (dupilumab) Injection, our breakthrough treatment for moderate-to-severe atopic dermatitis, we, together with our collaborator Sanofi, took an industry-leading approach. For the first time, we worked with insurance companies and other stakeholders before launch to discuss cost-effective pricing and access. On average, the list price of the medicine was more than \$20,000 less than the list prices of comparable biologics for dermatology.

We have also priced our recently approved KEVZARA® (sarilumab) Injection at 30 percent less than the list price for the two most commonly used biologics in rheumatoid arthritis.

Our patient support programs such as DUPIXENT MyWay, EYLEA4U, KevzaraConnect and MyPRALUENT help eligible patients through the treatment journey via insurance eligibility support, patient resources and connections to educate patients and help them start and stay on track with their prescribed treatment, financial assistance and access to free medicine.

DUPIXENT MyWay, for example, provides access to personalized nursing with a dedicated phone-based DUPIXENT MyWay nurse educator. Our nurses contact patients to introduce the MyWay program and help them through the process of getting started, including injection planning and home visits to provide injection training when required.

Our Patient Assistance Programs provides our medicines free of charge for up to 12 months to eligible lower income patients who lack adequate insurance coverage.

## PHILLIP'S STORY

# DRAWING INSPIRATION FROM PATIENT EXPERIENCES

Phillip is one of many patients who have talked to our team about living with a serious disease. Such insights help us to understand more about unmet medical needs and patient experiences, and inspire our employees about the impact their work can have.

Phillip suffered with atopic dermatitis and spent years unable to get a good night's sleep because of the red, oozing rashes that covered 90 percent of his body. His condition robbed him of his confidence throughout high school and led to him dropping out of college.

Today, Phillip is a junior at Texas State University studying Computer Science, able to hold down a job and enjoy time with friends. He's confident, eloquent—and his experience has given him a renewed sense of purpose.

“ I would like to participate in research into bionics for amputees, so that I can help someone in the same way that Regeneron has helped me—and so that I can be someone's hero in the way that you all have been for me. ”





Responsibility Strategy Focus Area 2

# FOSTER A CULTURE OF INTEGRITY AND OPERATIONAL EXCELLENCE



# BUILDING A CULTURE TO SUPPORT SCIENTIFIC EXCELLENCE

Regeneron's culture is the backbone of our business. It embodies a commitment to scientific innovation, to empowering our people and to always operating with the highest standards of quality and integrity.

Regeneron depends on attracting and retaining a diverse range of highly talented and motivated people. We believe that the best way to do this is building a culture that supports diversity and a passion for scientific enquiry, where all employees share in our mission and the value that it generates, and where all are empowered to reach their full potential.

In this section, we explain how we attract, manage and retain talented people; support passion for innovation alongside integrity and responsible business practices; and promote continual learning and development throughout our employees' time with our business.

## OUR APPROACH TO TALENT ATTRACTION AND RETENTION

One of the key challenges for a rapidly growing business is to maintain the distinct culture that made it successful in the first place. In our recruiting process, skillset, knowledge, professional or academic background and expertise are of critical importance. However, we recognize that cultural fit is also vital for our continued success. We see culture as a two-way relationship, created in partnership by a business and its employees. A coherent culture enables us to motivate both the hearts and minds of our people.

We aim to maintain such a culture by emphasizing Regeneron's five guiding principles (see page 10), which we will be updating this year to reflect the growing nature of our company. We have focused on building a talent brand that tells the Regeneron story authentically, so that the desire to work for our business stems from a genuine understanding of who we are.

When recruiting new talent, we use a two-way interview process that involves meeting and interacting with other Regeneron employees. We recognize that candidates are interviewing us as much as we are interviewing them. Our hiring strategy looks beyond specific roles to find people with the best possible fit for our company both today and into the future. This emphasis on cultural fit has helped to drive an acceptance rate of over 94 percent for job offers in 2017.

The success of our approach is reflected in Regeneron's employee retention rate of 92.2 percent and employee turnover rate of just 7.8 percent in 2017, less than half our industry average. It's also reflected in the fact that 25 percent of our new hires come through referrals from our existing employees. We're proud to have been named as one of *Fortune* magazine's *100 Best Companies to Work For* in each of the last three years and ranked first in *Science* magazine's Top Employer Survey for the fifth time.

# BUILDING A CULTURE TO SUPPORT SCIENTIFIC EXCELLENCE

## ENGAGING EMPLOYEES FROM THE START

Once people make the decision to join Regeneron, we aim to provide a best-in-class onboarding experience. In 2017, we introduced getConnected, a new orientation and onboarding experience that quickly builds an emotional connection with our business and accelerates everyone's ability to contribute once they start. The getConnected experience includes role-playing scenarios, question-and-answer sessions and video testimonials about the company and life as an employee. New employees also receive a welcome box with a letter from a patient and a variety of comfort gear to ease them into their role.

Our getConnected sessions include a modular eLearning program, which gives employees a chance to review content on their own time. The emphasis includes deep dives on Regeneron history, compliance philosophy, leadership, values and mission—the building blocks upon which our unique, science-driven culture stands.

## A GREAT PLACE TO WORK



94%+

Acceptance rate for job offers



92.2%

Employee retention rate



7.8%

Employee turnover rate, less than half our industry average\*

\*Industry average is based on the Radford U.S. Life Sciences Trends Report for the relevant year

Celebrations and camaraderie are part of the DNA of Regeneron and help us to drive the collaboration and innovation that are critical to our culture. More than 20 years ago, when the company had fewer than 100 employees, Friday afternoons were dedicated to getting together informally to talk science. With more than 6,500 employees, we've continued and evolved this tradition, finding new ways to share our interests and celebrate successes. These include global celebrations that link thousands by video conference, our wildly popular sports programs and our long-standing Cheesy Hawaiian Shirt Day.

We aim to reinforce a sense of shared ownership in Regeneron by communicating regularly with our employees about our progress and our business performance throughout the year. This dialogue with our people takes place through:

- » Quarterly global forums
- » Regular town hall meetings
- » Quarterly business updates
- » *Hot Topics with Len and George*, which features video Q&As with our CEO and Chief Scientific Officer
- » *Pipeline Primer*, our intranet update on the status of our R&D pipeline
- » Regular intranet articles on ongoing developments across the business

# BUILDING A CULTURE TO SUPPORT SCIENTIFIC EXCELLENCE

At the end of December 2017, 47% of Regeneron's employees and 37% of those in leadership positions, were women. Our mix of ethnic backgrounds includes 66% of employees who are white, 16% Asian, 6% Hispanic and 5% African American.

## FACILITATING A DIVERSE AND INCLUSIVE WORKFORCE

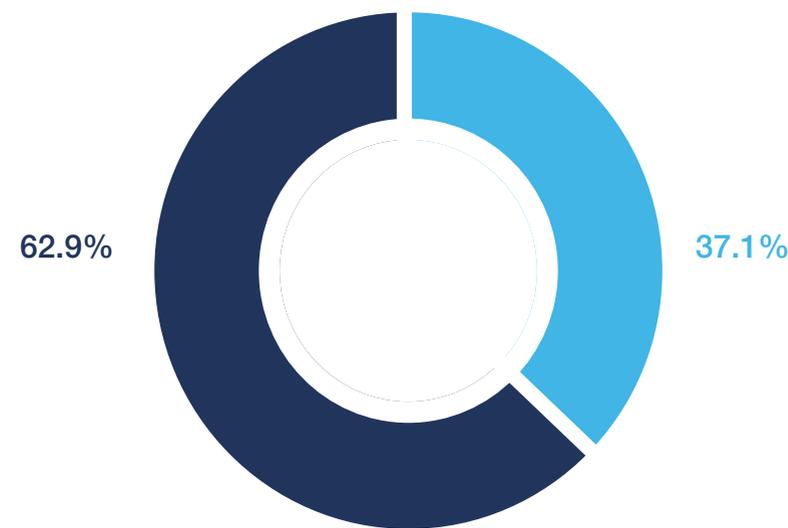
Regeneron is made up of people from more than 100 countries, a multitude of faiths, numerous ethnicities and an even greater number of perspectives. Our employees represent a broad mix of generations, with a balanced gender mix. We value the diversity of thought created by their varied backgrounds, beliefs and outlooks, and the impact that this can have on innovation. This is why we actively seek to foster diversity and build a sense of belonging for all who work at our company.

### Global workforce by gender\*



Females: 47.4% (total of 2,956)  
Males: 52.6% (total of 3,274)

### Percentage of women in leadership positions (Director level and above)\*



Females: 37.1% (total of 197)  
Males: 62.9% (total of 334)

### Women on the Board\*\*



Females: 25% (total of 3)  
Males: 75% (total of 9)

\*\*This graph accounts for Charles Baker's planned retirement from the Board, which will be effective at the conclusion of the 2018 Annual Shareholder Meeting

Total number of employees: 6,230 (as of December 31, 2017)  
\*Does not include contingent workers, interns, fellows and mentors

# BUILDING A CULTURE TO SUPPORT SCIENTIFIC EXCELLENCE

## Celebrating inclusion: Employee Interest Groups

Regeneron's culture is an open one that proactively seeks to build a sense of belonging among our employees and supports a range of interests. We have found that grassroots, employee-led advocacy and interest groups are one of the most effective ways to support inclusion. We launched a new Employee Interest Group (EIG) effort last year, to support and encourage like-minded employees to come together over a common passion. The EIG initiative is open to all employees who wish to establish or participate in a group based on ethnicity, race, gender, sexual orientation, or other common interests. Each EIG is open to everyone and participation is completely voluntary.

Our diversity and inclusion awareness programs seek to increase understanding and appreciation for a more open and inclusive society, both within Regeneron and in society as a whole. In 2017, we launched a new EIG site on our company intranet. The site shares our philosophy and principles around EIGs, and includes helpful information and resources to start an EIG.



# BUILDING A CULTURE TO SUPPORT SCIENTIFIC EXCELLENCE

## PROMOTING EMPLOYEE GROWTH AND DEVELOPMENT

Regeneron's culture encourages continuous learning and openness to new ideas. We believe that we will only be successful as an organization if each individual can reach his or her full potential through active personal development. That's why we have a Learning & Organizational Development department dedicated to supporting individuals, leaders and teams. It's also why we continue to evolve our approach to learning and development to meet the changing needs of a growing organization.

The following programs are designed to promote development across our organization:

### » **TalentHub: A one-stop shop for learning and development**

TalentHub is Regeneron's learning and development platform, which is available to all employees. Launched in 2016, it provides instant access to more than 3,000 optional online courses, seminars, instructor-led training sessions, instructional videos and educational materials. The topics covered include emotional intelligence (EQ), change agility, influence and persuasion, and the ability to hold difficult conversations when necessary. In 2017, employees engaged with almost 6,000 hours of learning content through TalentHub.

### » **Research Associate to Scientist career track**

Typically, it takes five to six years to earn a PhD in the sciences, yet there are many Research Associates (RAs) working in laboratories that have spent much more time in specific scientific endeavors without earning a doctoral degree.

Regeneron offers a unique program to help RAs bridge this gap, empowering them to earn the title and position of a scientist through recognition of their work at our company, without the need for a traditional PhD. As scientists, they have greater responsibility for the design of experiments and the creativity behind the scientific line of inquiry.

### » **Biotech@Regeneron**

Regeneron's future depends on employees who understand our unique approach to drug discovery and biotechnology. With this in mind, we offer a two-day intensive program called Biotech@Regeneron, hosted by our senior scientific leaders, to explain how medicine goes from an idea to a functional therapeutic.



# BUILDING A CULTURE TO SUPPORT SCIENTIFIC EXCELLENCE

## OCCUPATIONAL HEALTH AND SAFETY

Regeneron is committed to keeping all of our employees safe and ensuring a healthy working environment. We do this by meeting and exceeding all Environmental, Health, Safety (EHS) and Security regulations and driving best practices.

Ensuring safety across all areas of our organization is a critical priority. We provide 24/7 global site protection to all our colleagues. Across our business, we have an extensive range of programs, plans and procedures to ensure the safety of our employees. These programs include our Tarrytown emergency preparedness program, laboratory safety audits, accident investigation, near miss reporting, ergonomic assessments, radiation protection program and job hazard assessments such as industrial hygiene monitoring and biosafety assessments. The IOPS EHS team, for example, has implemented an electronic incident management system (ALERT), which has greatly increased the visibility of EHS incidents and the associated corrective actions across the organization.

We adhere to the standards set by the Occupational Safety & Health Administration (OSHA) in the U.S., as well as the Health and Safety Authority (HS) of Ireland, and perform routine site inspections to reduce the risk of workplace accidents. We track our Total Recordable Incident Rates (TRIR), Lost Time Incident Rates (LTIR) and Days Away Restricted Time (DART) Rates, which reflect the number and severity of accidents in the workplace. This information provides a benchmark for monitoring our performance and alerting us when improvements need to be made.

We are in the process of aggregating our corporate safety performance data to include our contractors and look forward to reporting these figures next year.



# BUILDING A CULTURE TO SUPPORT SCIENTIFIC EXCELLENCE

## A HOLISTIC APPROACH TO WELLBEING

In 2017, we re-launched our employee wellness strategy to go beyond traditional healthcare benefits and integrate all aspects of health, emotional and financial wellbeing.

We offer a mix of programs to help employees actively manage their health, plan their financial future, reduce stress and find emotional support when they need it. These initiatives include biometrics screenings, retirement and tax planning sessions, emotional wellbeing workshops and massage therapy.

Laboratory research and the manufacture of medicines can be physically demanding work, requiring employees to be close to their lab, specialized equipment or process area for most of the day. It can be difficult to accommodate flexible or work-from-home arrangements. That's why we've focused our wellbeing program on a robust suite of on-campus concierge services to make our employees' time at work more comfortable. Through the program more than 1,400 of our colleagues participate in company-backed activities including soccer, softball, board games and knitting. We also provide support for employees on the Weight Watchers program, offer free financial seminars and run campaigns such as Hydration Week to help our people stay healthy.

## REWARDING OUR EMPLOYEES FOR VALUE CREATION

Our compensation model has been instrumental in furthering a culture of loyal and motivated employees with an entrepreneurial spirit.

We award equity-based pay at time of hire to all full-time employees to ensure that when we deliver for patients and for shareholders, everyone shares in the potential upside growth. We also offer a comprehensive annual stock option program for which all levels of employees are eligible. This provides a very real sense of ownership of our mission and gives our people the opportunity to invest in our future.

In addition to compensation through salary, bonuses and equity, employees can also earn recognition for their meaningful contributions to our company's success through Regeneron's Recognition & Reward Program (R3). The R3 system was developed by our employees and allows for social recognition of a job well done and monetary recognition or points awards to recognize contributions that go 'above and beyond.' Employees can redeem their points for an extensive selection of merchandise, gift cards, experiences and tickets.

**1,400**  
of our employees  
participate in  
wellbeing  
activities



# BUILDING A CULTURE TO SUPPORT SCIENTIFIC EXCELLENCE

## INCLUSIVE BENEFITS AND FAMILY SUPPORT

Regeneron offers a broad range of benefits for our employees and their families that are designed to support all aspects of wellbeing for our people. These include:

### Maternity and paternity leave policy

We offer comprehensive maternity benefits exceeding statutory requirements, including paid leave for up to 12 weeks. Our Gift Bags for Babies program supports our maternity leave policies by providing assorted essentials for moms, dads and little ones.

New parent responsibilities don't stop when work begins, so we've tried to remove any barriers that might hamper the transition back to work. Returning moms have access to Mothers' Rooms for nursing, which are conveniently located across all our buildings.

We began offering paid paternity leave in 2015 and extended the length of this leave in 2016. We make further time available, if required, in the form of Paid Time Off (PTO) and employee leave programs.

### Care for children and the elderly

We offer a range of childcare programs through Bright Horizons childcare centers and a range of elderly care packages.

### PTO, sick bank and short-term disability enhancements

We aim to provide our employees with as much flexibility as possible when it comes to using their PTO allowances. Employees can carry forward 15 days of PTO into the next year.

### Family planning

We offer support for those starting a family. We have increased the annual infertility benefit available through our medical plan to \$20,000 a year. Our extended infertility treatment includes same-sex partner coverage beyond state and federal requirements.

### Flexible work schedule

When possible, our managers work with our employees to accommodate a more flexible work schedule.

### Education reimbursement plan

We provide financial support to employees who want to advance their academic training and earn advanced degrees. We reimburse up to \$10,000 a year for tuition and books, with employees receiving an additional bonus when they graduate. Regeneron also supports employees who join the company with student loan debt by paying with up to \$6,000 towards eligible loans.

### Onsite amenities and services

We have onsite gyms at our large campus locations, run seminars on desk yoga and provide onsite massage services to support wellness at work. Regeneron's work spaces also offer barista and smoothie bars, free Weight Watchers meetings, farmers markets and recreation areas.



# OUR RESPONSIBLE BUSINESS

Conducting our business responsibly is an essential element in our philosophy of doing well by doing good. It involves acting ethically and with personal integrity in all of our dealings, and focusing on doing the right thing for patients in every operational and business decision that we make.

Our industry is subject to complex laws and regulations, as well as important ethical obligations. We can only continue to meet patients' unmet medical needs if we demonstrate responsibility and integrity in everything we do. This means that how we achieve our results as a business is as important as the results themselves.

To ensure compliance with these complex laws and regulations, employees are provided with tools and training to help them understand the rules and our responsibilities under them. We have new-hire and annual online training programs to educate our employees on compliance, and our policies are also available online.

**“ Integrity means a commitment to doing the right thing, as a company and as individuals, and operating in a responsible and ethical manner, every day with all of our stakeholders. Doing the right thing may not always be easy. But in the long run, acting ethically and with integrity is essential to the safety of our patients and to our business success. ”**

Leonard S. Schleifer, MD, PhD  
President and Chief Executive Officer



## OUR COMPLIANCE PROGRAM

Regeneron's compliance program follows the seven key elements that have been outlined by the Office of Inspector General of the Department of Health and Human Services:

- 1 Designated Compliance Officer and Compliance Committee
- 2 Written policies and procedures
- 3 Effective training and education
- 4 Effective lines of communication
- 5 Internal monitoring and auditing
- 6 Enforcement of standards through well-publicized disciplinary guidelines
- 7 Prompt response to problems with corrective action

We adhere to sound quality principles in our operations, manufacturing and distribution. This includes activities in our research laboratories, IOPS facilities and distribution centers. We comply with Good Laboratory Practices, Good Manufacturing Practices and Good Clinical Practice, and also all relevant environmental, labor and securities laws.

# OUR RESPONSIBLE BUSINESS

## GOVERNANCE

Regeneron's Chief Compliance Officer leads our compliance program. The Chief Compliance Officer is responsible for consistent interpretation of the principles of our Code of Business Conduct and Ethics, and for Regeneron, our suppliers, vendors and contractors adhering to all applicable laws, regulations and company policies. The Chief Compliance Officer also has overall responsibility for developing policies and procedures that align with applicable healthcare laws and regulations.

The Chief Compliance Officer chairs the Compliance Committee, which consists of senior leaders of Regeneron's major functions and meets regularly. In addition, the Chief Compliance Officer provides periodic reports to the Corporate Governance and Compliance Committee of the Board of Directors.

## CODE OF BUSINESS CONDUCT

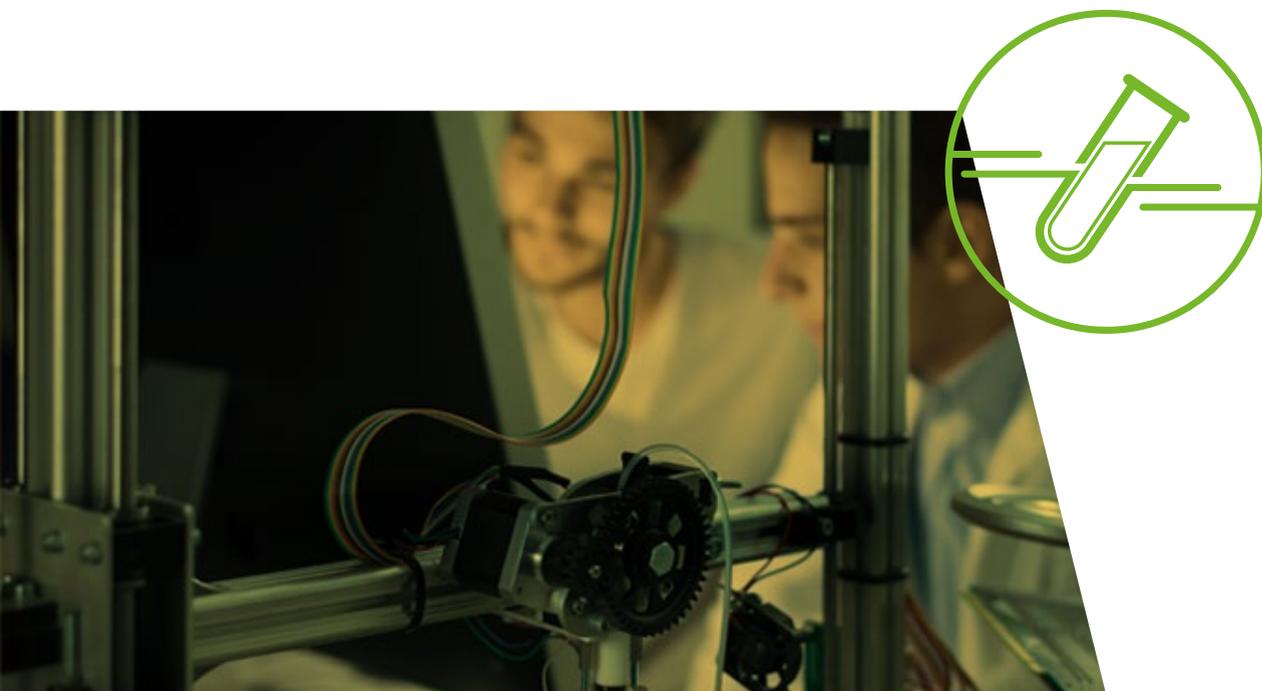
Our reputation and our commitment to patients relies on every individual conducting business ethically and legally, and adhering to the high standards that we set for ourselves. Our Code of Business Conduct and Ethics (the Code) clearly sets out our expectations for all employees, third-party contractors, vendors and suppliers, to ensure that we are always acting in accordance with applicable laws and regulations. The full code is available on our website: [https://www.regeneron.com/sites/default/files/Code\\_of\\_Business\\_Conduct\\_and\\_Ethics.pdf](https://www.regeneron.com/sites/default/files/Code_of_Business_Conduct_and_Ethics.pdf).

Regeneron also adopts several voluntary "Codes" issued by trade organizations such as the Pharmaceutical Research and Manufacturers of America, including its "Code on Interactions with Healthcare Professionals" (PhRMA Code). This code requires that Regeneron adhere to certain ethical principles when dealing with the healthcare profession. It addresses items such as providing meals, entertainment, grants and consulting arrangements.

## ANTI-BRIBERY AND CORRUPTION

Our anti-bribery and corruption policy provides guidance to all employees, vendors, suppliers and contractors regarding compliance with anti-bribery and anti-corruption laws. These include the U.S. Foreign Corrupt Practices Act ("FCPA") and the U.K. Bribery Act ("UKBA"), as well as other applicable local laws and regulations.

We require anyone acting on Regeneron's behalf to understand and comply with the policy, with any breach or failure to report a violation resulting in disciplinary action, up to and including termination of employment.



# OUR RESPONSIBLE BUSINESS

## RESPONSIBLE SALES AND MARKETING

Regeneron is committed to complying with all laws, regulations and industry standards governing the advertising and promotion of our products. Our policy is that all promotional materials and communications must be:

- » Consistent with the product labeling (i.e., not off-label)
- » Accurate and not misleading
- » Fairly balanced for both the benefits and risks
- » Approved by headquarters review committee
- » Substantiated and scientifically sound

We believe that healthcare professionals should only prescribe Regeneron products when their use is clinically appropriate. We have a policy setting out the responsibilities of our employees, contingent workforce and vendors, when communicating with the healthcare community. We require anyone working for Regeneron to document any dealings with healthcare practitioners and any materials they leave with them.



# OUR RESPONSIBLE BUSINESS

## GLOBAL CODE ON INTERACTIONS WITH HEALTHCARE PROFESSIONALS

It is critical that relationships between patients and healthcare professionals are not compromised by the collaboration between those parties and Regeneron. Regeneron has adopted a Global Code on Interactions with Healthcare Professionals, including marketing, sales, medical and research and development activities. The full code is available on our website at:

[https://www.regeneron.com/sites/default/files/Code\\_On\\_Global\\_Interactions.pdf](https://www.regeneron.com/sites/default/files/Code_On_Global_Interactions.pdf).

## NON-RETALIATION AND OPEN DOOR POLICY

Regeneron is committed to a culture where employees feel comfortable raising concerns without fear of retaliation. We have an open door policy and we encourage people to raise any concerns or questions they may have with their supervisor or manager, or by contacting the Chief HR Officer or Chief Compliance Officer. People can make anonymous reports through our EthicsPoint hotline (877-RGN-ETHX) or website <http://regeneron.ethicspoint.com/media/en/gui/20640/index.html>. We have non-retaliation policies, confidentiality policies and mechanisms to ensure anonymity, which protect Regeneron employees who report concerns in good faith.

## GLOBAL TRANSPARENCY

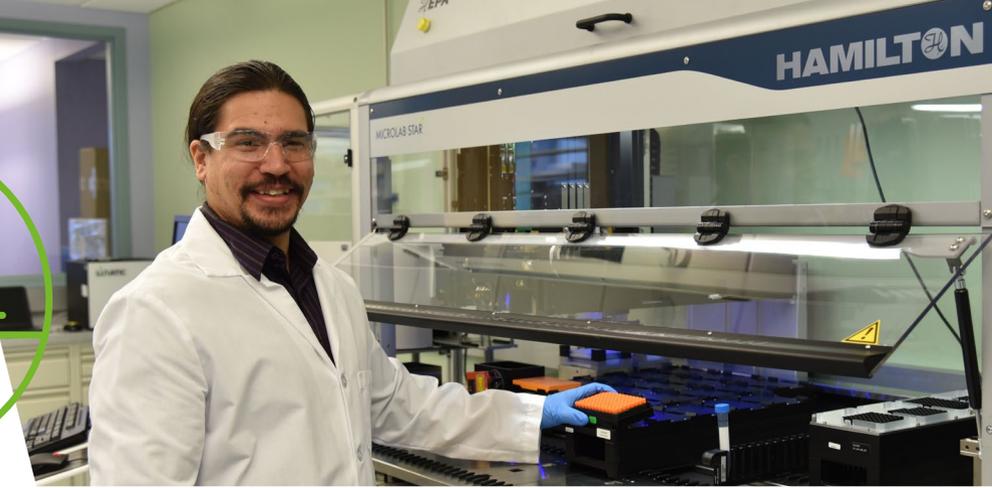
There are several laws and regulations that require pharmaceutical manufacturers to track and report payments and other transfers of value to healthcare professionals. These laws and regulations include, but are not limited to, the U.S. Physician Payments Sunshine Act (“Sunshine Act”), U.S. state laws, the Loi Bertrand or “French Sunshine Act,” and the Irish Pharmaceutical Healthcare Association Disclosure Code.

Many U.S. states have also adopted disclosure policies to ensure transparency when it comes to interactions between pharmaceutical companies and the healthcare community. These laws and policies help inform the public about how the medical community and Regeneron work together to deliver safe and effective therapies. Public reporting also helps patients to make more informed healthcare decisions.

Regeneron is committed to full and accurate compliance with all relevant transparency laws and policies on the part of our employees, contractors and vendors. We are proud of the work we do to improve patient care; accurate and timely public reporting of interactions with healthcare professionals and healthcare organizations reflects our commitment to patients.



# OUR RESPONSIBLE BUSINESS



## RESPONSIBLE SUPPLY CHAIN

Regeneron is committed to conducting all operations in accordance with the highest ethical and moral standards, and this includes the supply chain. Our compliance program directly applies to all types of supplier relationships as well as our internal operations. We take responsibility for ensuring that our vendors, contract manufacturers and business partners all act with the same standards of integrity as Regeneron, and we utilize many of the tools designed for our compliance program to ensure we meet that responsibility.

Our procurement function regularly evaluates suppliers against criteria including financial performance and compliance with applicable laws and regulations. Given the nature of our business, this risk-based supplier assessment concentrates on the provision of goods and services that meet or exceed Good Manufacturing Practice and comply with other regulatory requirements.

We include clauses in all of our procurement agreements and purchase order terms verifying that suppliers adhere to all local and international laws, including laws regarding human rights and labor practices. Our direct suppliers also represent in their quality agreements that they will manufacture product in accordance with Good Manufacturing Practice regulations and in compliance with all applicable laws, which include prohibitions on forced labor and human trafficking.

Our Vendor Code reflects the biopharmaceutical industry's expectations for sustainable performance, and is aligned both with Regeneron's standards and with the Pharmaceutical Industry Principles for Responsible Supply Chain Management. It applies to any organization or individual dealing with Regeneron, including entities that provide a product or service to us, or on our behalf.

The Vendor Code sets out expectations for ethical practices on issues such as business integrity and fair competition, animal welfare, clinical trials, privacy, transparency and reporting. We require vendors to uphold the human rights of workers in accordance with International Labor Organization ("ILO") conventions and applicable laws, treating them with dignity and respect. This includes requirements regarding freely chosen employment, elimination of child labor, non-discrimination, wages, benefits and working hours, and freedom of association. The Vendor Code also sets out our expectations for compliance with health and safety in line with OHSAS 18001 and environmental responsibility in line with ISO 14001 Environmental Management Systems standard and ISO 50000 Energy Management Systems standard. You can find full details of our Vendor Code on the Regeneron website.

We encourage vendors to report any concerns they have, or any suspicion of illegal activities connected to their work with our business. Regeneron will review the concerns and respond to them appropriately. Vendors may raise compliance concerns through our EthicsPoint website or the Regeneron Hotline (877-RGN-ETHX).

### Supplier diversity

As a federal contractor, Regeneron is required to maintain an acceptable subcontracting plan for diversity in our supply chain. This includes specific dollar and percentage goals for subcontracting to small businesses, HUBZone small businesses, small disadvantaged businesses, women-owned small businesses, veteran-owned small businesses and service-disabled veteran-owned small businesses. This plan is a condition of contracts being awarded and is updated annually. Regeneron submits our Summary Subcontract Report (SSR) and Year-End Small Disadvantaged Business Report (SDB) on an annual basis.

# OUR RESPONSIBLE BUSINESS

## ETHICAL CLINICAL TRIALS

We register our clinical trials and disclose our trial results on publicly accessible registries, such as [www.clinicaltrials.gov](http://www.clinicaltrials.gov). This is in accordance with the U.S. Food and Drug Administration Amendments Act of 2007 (FDAAA) and the Final Rule, EU 2001/20/EC, Article 57(2) of Regulation (EC) No 726/2004 and Article 41 of Regulation (EC) No 1901/2006.

We disclose all hypothesis-testing and confirmatory clinical trial results, regardless of the outcome, in accordance with applicable regulations. Regeneron is committed to timely disclosure by submitting the primary findings within a year of data analysis being completed.

In 2017, Regeneron's clinical studies were inspected by regulatory authorities on three occasions and none of these inspections resulted in any fines or penalties.

We are in the process of developing a comprehensive clinical trial transparency, data sharing and disclosure program.

## ENSURING QUALITY AND SAFETY

Patient safety is one of Regeneron's top priorities. Our business and our capacity to help patients with unmet medical needs, depend on providing safe, high-quality products that people can trust. We're proud that to date, we have never had a product recall. We have the responsibility to report safety information to the FDA and other regulatory authorities appropriately and in a timely fashion, and we are ethically and legally obligated to track and report any adverse events or product quality complaints associated with our products.

Our IOPS organization strives to deliver innovative and safe products that meet or exceed our customer expectations. IOPS also strives to foster a culture of trust, teamwork, transparency and respect with the goal of continuously improving quality. Our IOPS Quality System Master Plan conforms with the applicable requirements of the Code of Federal Regulations. All IOPS employees are required to complete quality assurance training, which is reviewed annually by our Technical Training department.



# ENVIRONMENTAL STEWARDSHIP AND RESPONSIBLE GROWTH

At Regeneron, we believe that our commitment to making the world healthier through life-transforming medicines should be aligned with a commitment to a healthy environment. We therefore strive to integrate environmental sustainability into all aspects of our business.

As we continue developing innovative medicines and growing our team, we remain mindful of our environmental impact and ways we can reasonably decrease our footprint. At Regeneron, every individual is held accountable for complying with our environmental strategies.

We promote energy conservation by metering our water and energy use, which allows us to monitor consumption and pinpoint areas for improvement. We also encourage sustainable employee transportation, including carpooling, bicycling and public transportation. We support reduced paper consumption, recycling and waste reduction through education and centrally-located receptacles, and consider sustainability efforts when selecting our vendors and suppliers.

We invest in renewable energy to offset our environmental footprint, and we track our greenhouse gas emissions and electric and water usage to help us identify ways to operate more efficiently as we expand. We are committed to reducing our overall energy use by optimizing the performance of our current buildings and using innovative strategies as we design new spaces. We begin by designing toward applicable building certification programs, with a target to reduce energy use by 20 percent and water consumption by 30 percent when we renovate properties. We aim to prioritize renewable and recycled materials when selecting building components and furniture, and we maximize indoor air quality through low-emitting building materials, paints and furniture. We also partner with local government and communities to support green practices and develop standards.

In 2013, we created five-year sustainability goals for four major focus areas: carbon, waste, hazardous chemical waste and electricity. Since 2013, the company has grown significantly, adding one new site in the U.S. and two others in Ireland. These new sites are included in the data published in this report. With less than a year remaining, we are on track to meet our five-year goals. We will publish our next set of goals in 2019.

## FIVE-YEAR GOALS\*



### Carbon

By 2018, we will reduce our greenhouse gas emissions per employee by 30%



### Waste

By 2018, we will divert 90% of our waste from landfill



### Hazardous chemical waste

By 2018, we will reduce hazardous chemical waste by 60% per lab employee



### Electricity

By 2018, we will reduce our electricity consumption per employee by 10%

## PROGRESS



### On track

We reduced our greenhouse gas emissions per employee by 24%



### Achieved

We diverted 94% of our waste from landfill, reaching our goal



### On track

We reduced hazardous chemical waste by 47% per lab employee



### On track

We reduced our consumption per employee by 5%

\*Carbon and Electricity baselines are reported based on the original Carbon Disclosure Project (CDP) reporting year; 2013 noted above corresponds to June 2013 – May 2014 reporting year

# ENVIRONMENTAL STEWARDSHIP AND RESPONSIBLE GROWTH

## REPORTING OUR IMPACTS

### Carbon emissions

Implementing strategies to reduce our carbon emissions and energy usage are primary goals in our sustainability strategy. For the past five years, we have established reduction goals across several environmental metrics to quantify and reduce our impact on the environment across our U.S. sites. As we have acquired new sites, we have introduced responsible practices globally in order to continue to achieve our reduction goals.

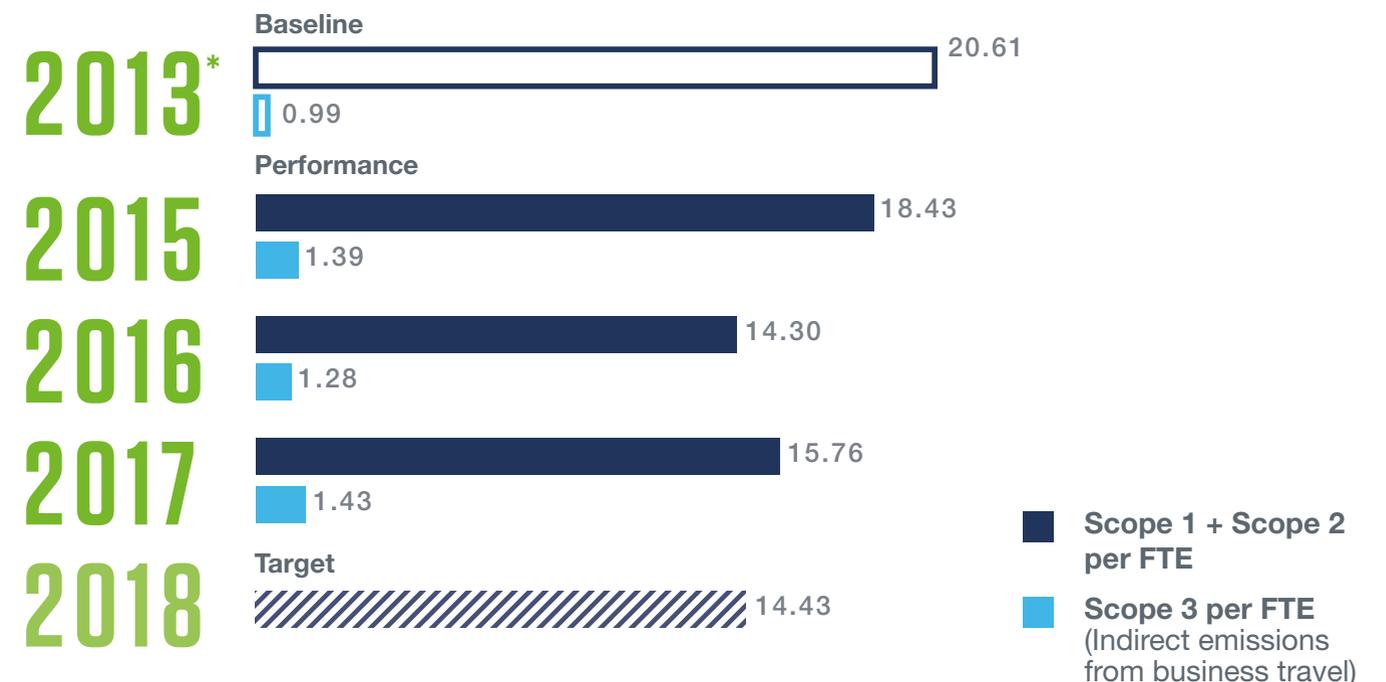
We use international standards from the World Resources Institute (WRI), World Business Council for Sustainable Development (WBCSD) and the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard to calculate our emissions. We report our results publicly each year.

GHG emissions are delineated into three different scopes. **Scope 1** refers to all our direct GHG emissions. **Scope 2** refers to indirect GHG emissions from consumption of purchased electricity, heat or steam. **Scope 3** indicates other indirect emissions, such as those resulting from the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by Regeneron, waste generated in operations and electricity-related activities not covered in **Scope 2**. Due to the complexity of measuring emissions that are not within our control, we currently report only the **Scope 3** emissions from business travel in this Responsibility Report.

As our operations have expanded both domestically and internationally, we are disclosing data for three newly added sites in 2017. Our intensity-based goals are calculated per employee. We attribute the increase in our impact in these areas to the fact that we have expanded our sites to a greater extent than we have grown our headcount. Nevertheless, we still anticipate meeting our five-year goals on time. In calculating our impacts, we use

an operational control boundary for all sites, including two new sites in Ireland and our new office space in Sleepy Hollow, New York. We engage a third-party firm to verify the accuracy of our reporting of **Scope 1** and **Scope 2** carbon emissions. Our **Scope 2** electricity calculations are location-based.

The following data are intensity based. Each item reflects the metric tons of carbon dioxide equivalent (CO<sub>2</sub>e) units per employee. Our 5-year goal is based on **Scope 1** and **Scope 2** per full-time employee emissions that are within our direct control.



### On track

In 2017, we reduced our greenhouse gas emissions per employee by 24 percent compared to the 2013 baseline.

\*Carbon and Electricity baselines are reported based on the original Carbon Disclosure Project (CDP) reporting year; 2013 noted above corresponds to June 2013 – May 2014 reporting year

# ENVIRONMENTAL STEWARDSHIP AND RESPONSIBLE GROWTH

## ENERGY MANAGEMENT

In 2017, our Research and Development headquarters in Tarrytown, New York, engaged in a Strategic Energy Management pilot program with the New York Research and Development Authority (NYSERDA). This year-long program, which will be completed in August 2018, involved the creation of a baseline energy model based on our current practices, an energy audit to identify potential energy savings and communications to engage employees in our efforts.

As a result of the program, we have implemented numerous projects such as auditing steam traps, restoring and improving our building envelopes, maximizing the energy savings through our lighting control system and reducing heat loss in our mechanical heating systems at our R&D campus.

We have installed energy sub-meters at most of our sites, which are controlled through a central energy management system. In addition, our manufacturing site in Limerick, Ireland conducted an energy efficiency audit and has created a charter for various projects. We are incorporating energy efficiency considerations into plans for the expansion of the Limerick site. Together, our program initiatives have resulted in a reduction in energy usage and increased employee awareness of energy-saving opportunities across our properties.

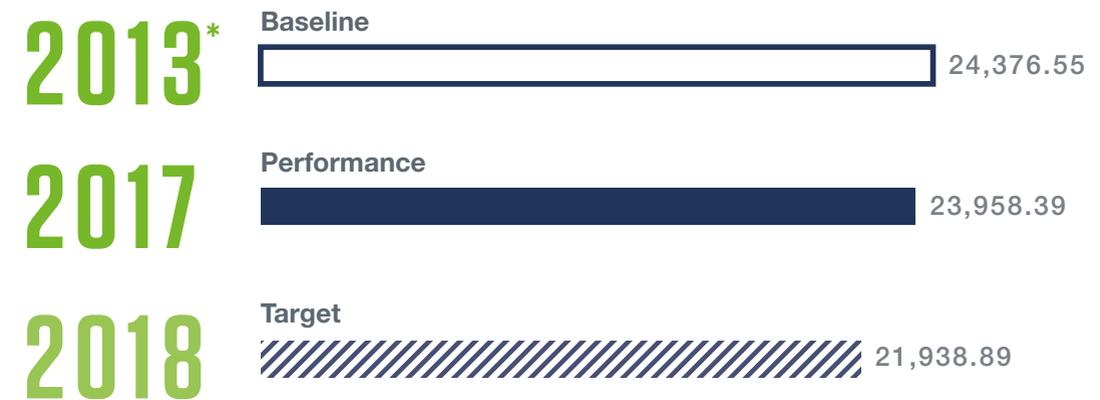
In May 2017, we completed the construction of a second net-zero solar garage at our campus in Rensselaer. This garage has 600 parking spots, a 106 kW solar rooftop and electric car charging stations. We also installed a one MW solar rooftop at our newly purchased site in Sleepy Hollow, which covers 64 percent of the roof area and produces one MW of energy.

In 2016, we began the design of a solid oxide fuel cell to power a newly renovated building at our Tarrytown headquarters. When construction is complete in 2018, this

cleaner energy system is expected to reduce our carbon footprint, supply 100 percent of the peak power required to operate the building and redistribute any excess power to the rest of the campus. As our company continues to expand, we will explore new opportunities for renewable and clean energy.

As part of our renovations program, we completed audits on exterior lighting and have converted all of our parking lot lighting to LEDs in all of our locations in Westchester County. We have expanded our advanced lighting control system to cover these lighting upgrade projects.

### Our electricity consumption per employee (kWh) - location-based



### On track

We reduced our consumption per employee by five percent compared to the 2013 baseline.

\*Carbon and Electricity baselines are reported based on the original Carbon Disclosure Project (CDP) reporting year; 2013 noted above corresponds to June 2013 – May 2014 reporting year

# ENVIRONMENTAL STEWARDSHIP AND RESPONSIBLE GROWTH

## SUSTAINABLE TRANSPORTATION PROGRAMS

In 2017, we continued to promote sustainable transportation through our company Rideshare portal. We partnered with 511NY Rideshare to create a customized website for our employees. This site provides information on vehicle and bike routes, train schedules, traffic conditions, transportation for emergencies, Park & Ride locations and other commuting resources. Membership of the Rideshare portal has increased by 25 percent in the past year, and more employees are carpooling, vanpooling, biking, walking or taking the train to work. Regeneron also provides free shuttles from train stations to work sites as an incentive to commute by train.

We also encourage sustainable transportation through electric vehicle charging stations, which are free for employees to use. We currently have 13 charging stations across three sites, with plans to install more this year.



# ENVIRONMENTAL STEWARDSHIP AND RESPONSIBLE GROWTH

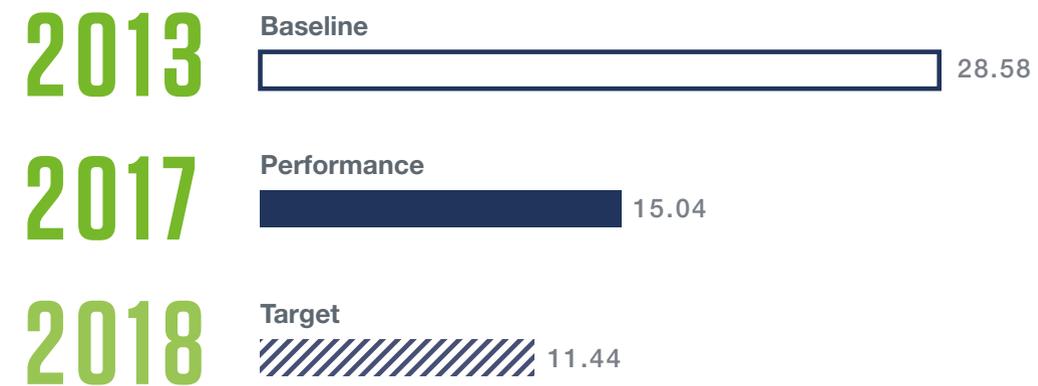
## WASTE MANAGEMENT

Our manufacturing site in Limerick, Ireland has achieved zero-waste-to-landfill status. All non-hazardous waste is reused, recycled, composted or converted to energy. We are proud to report that 94 percent of our waste from all sites avoids landfill, achieving our 2018 target ahead of schedule. We are working towards our goal of all sites being zero-waste-to-landfill by 2020. As our company continues to grow, we utilize waste collection guidelines from the newest version of LEED, or Leadership in Energy and Environmental Design, the most widely used green building rating system in the world. Across all of our sites, we recycled 1,868 tons, composted 156 tons and converted 4,240 tons of waste to energy in 2017, through initiatives including a color-coded waste system, battery and aerosol recycling and a coffee pod and K-Cup recycling program.

### Hazardous chemical waste

At Regeneron, our Environmental Health & Safety team educates all of our employees about safe handling and disposal of hazardous chemical waste. This is done through extensive online and in-person training. We carefully track all waste from our labs, and continually seek ways to reduce waste and minimize our impact on the environment. This includes exploring options for bulk chemical storage at our sites.

### Hazardous chemical waste generated per lab employee (lb)



### On track

We reduced hazardous chemical waste by 47 percent per lab employee compared to the 2013 baseline.



We diverted 94% of our waste from landfill, exceeding our goal of 90%

# ENVIRONMENTAL STEWARDSHIP AND RESPONSIBLE GROWTH

## WATER MANAGEMENT

To track our water consumption, we have completed metering installations at five of our sites, with the sixth site to be completed by mid-year 2018. We set a goal for 100 percent company-wide sub-metering by 2018 and expect to meet this goal for our new properties added in 2017, as well as for our existing properties. We have rainwater harvesting systems at three of our sites, and our corporate design standards for major renovations prioritize these as a feature of our buildings.

## LAND CONSERVATION AND GREEN SPACES

We aim to preserve the environment around us by utilizing existing building structures whenever feasible, rather than pursuing new construction. We re-plant mature trees, which allows us to maintain our carbon sink and reduce atmospheric carbon. In this way, we can expand in a responsible way by conserving natural ecosystems and maintaining habitats for local species.

At all of our sites, we have designated green spaces for our employees, and we seek to create green roofs on our buildings whenever possible. These provide a number of benefits, such as reducing storm water

runoff, decreasing noise pollution, mitigating the urban heat island effect and conserving energy. We have established three green roofs on buildings, with our most recent in Rensselaer in 2017. We also restored a “forever wild” portion of the Rensselaer property, consisting of 23 acres of walking paths and a nature preserve.

Our Limerick site recently became a member of the All-Ireland Pollinator Plan (2015-2020), an action plan supported by more than 68 governmental and non-governmental organizations across Ireland. This is an important initiative to help preserve bee species in Ireland at a time when nearly a third of these species are threatened with extinction. Regeneron employees are planting pollinator-friendly foliage, installing bee hotels and raising awareness in the workplace and the larger community to support this initiative.



# ENVIRONMENTAL STEWARDSHIP AND RESPONSIBLE GROWTH

## OUR 2018 ENVIRONMENTAL COMMITMENTS

We continued to make significant progress towards our goals during 2017, and we will continue to pursue new opportunities to minimize our environmental footprint:

### PARKSMART

Achieve Parksmart certification for the parking garage at our R&D campus

### MICROGRID

Incorporate microgrid technology into master planning efforts for our R&D campus

### TEAM

Create a Global Green Team

### LEED

Achieve LEED certification on at least one of our newly renovated buildings

### CAR-SHARE

Establish a formal car-share program

### GLOBAL GOALS

Update our sustainability goals to incorporate all sites globally



Responsibility Strategy Focus Area 3

# BUILD A BETTER FUTURE



# INVESTING IN THE NEXT GENERATION OF SCIENTIFIC INNOVATORS

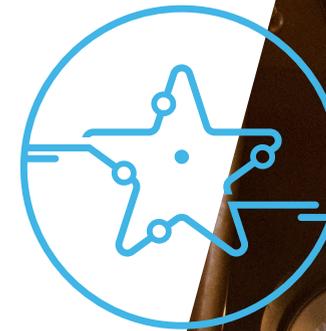
Our commitment to the future of science extends well beyond our labs. Regeneron is a long-standing supporter of science education and makes major philanthropic investments to inspire future innovators.

Support for STEM education is at the heart of our corporate citizenship efforts, and represented over 96 percent of Regeneron's corporate philanthropic investment globally in 2017. We believe that when the best and brightest minds pursue science, society advances. Part of our strategy involves elevating the public's understanding of science and science education, and the need to prioritize investing in it.

We work to ensure a continuous and more diversified pool of scientific talent by supporting student pathways to science research. Through our outreach and equity programs, we partner with STEM organizations on a local and national level. Our approach is to nurture, challenge and reward high-potential students while bridging opportunity gaps for students historically underrepresented in the sciences. We also offer internships, mentorships and post-doctoral programs, seeking out opportunities for our employees to get involved in these efforts.

“ We want scientists to be the next generation's heroes and to develop a pipeline of talent, starting at a young age. ”

George D. Yancopoulos, MD, PhD  
President and Chief Scientific Officer



# INVESTING IN THE NEXT GENERATION OF SCIENTIFIC INNOVATORS

## » **Regeneron STEM Institute**

We partnered with Yonkers Partners in Education (YPIE) to launch the Regeneron STEM Institute, a three-year program which aims to provide students with a solid foundation in science research and inspire them to pursue a STEM career. Yonkers is a diverse and underserved population. Our \$75,000 grant will help to fund experiences, which students may not otherwise have—such as conducting their own research alongside mentors at Regeneron’s labs.

## » **High School Science Research Mentorship Program**

For nearly 20 years, our High School Science Research Mentorship Program has offered two-year, immersive, scientist-led, laboratory research experiences to hundreds of high school students. Our scientists contribute their time to participate as mentors, supporting 20 children in 2017. Following a competitive application and interview process, students are paired with Regeneron scientists to design, develop and present science projects.

## » **BioBus platinum sponsorship and curriculum development**

Since 2010, Regeneron has provided more than \$250,000 in sponsorship to BioBus, a community mobile science lab aboard a green 1974 public transit bus. BioBus brings hands-on science research and discovery experiences to over 200,000 students at public schools in New York State.

Regeneron’s support of BioBus has directly enabled 9,321 students to take part in introductory scientific discovery programs aboard the mobile labs, delivering over 7,000 student contact hours through more than 20 schools visits. BioBus also offers after-school and summer in-depth science exploration programs, and fosters interest in science careers through internships. In addition to funding support, Regeneron scientists have volunteered to help guide the BioBus strategy, develop curriculum and teach aboard the BioBus.

## » **STEM Teaching Fellowship**

Regeneron has partnered with the STEM Leadership Center and its collaborators, NASA Endeavor and Columbia University, to offer a competitive fellowship opportunity for local science educators in New York State.

Now in its fourth year, this ground-breaking 16-month teacher training program combines graduate-level coursework with a two-week laboratory research mentorship at Regeneron, where teachers complete a research project with Regeneron scientists. The teachers earn a STEM Leadership Certificate from Teachers College of Columbia University and a Certificate of Completion from Regeneron.

“ **Regeneron is supporting science teachers in ways that have never been done before and in doing so, is providing a model of corporate citizenship for other education stakeholders to emulate.** ”

Lawrence Perretto  
Executive Director of the STEM Leadership Center

# REGENERON SCIENCE TALENT SEARCH

Regeneron is the title sponsor of the Science Talent Search (STS), the nation's oldest and most prestigious high school science and math competition. The 76 year-old competition, first conducted in partnership with Westinghouse, then with Intel (1998-2016), is a program of the Society for Science & the Public. Both of our top leaders, Len and George, participated in STS as students, so we know first-hand what it means to promising young scientists.

Each year, approximately 1,800 high school seniors enter the Regeneron STS. From that pool of students, 300 are selected as Regeneron STS Scholars. Forty finalists receive an all-expenses-paid trip to Washington, D.C., where they compete in a rigorous judging process for \$1.8 million in awards, with a top prize of \$250,000. Indrani Das, 17, of Oradell, New Jersey, won the top award in the 2017 competition for her study of a possible approach to treating the death of neurons due to brain injury or neurodegenerative disease. Eight finalists have interned at Regeneron and we are offering opportunities for these talented students to explore careers in science.

Our hope is that the Regeneron STS will continue to support, challenge and reward the brightest young minds in science research. To that end, our company has committed \$10 million a year for 10 years, doubling the number of awards given to students. Of this contribution, \$3 million of our annual commitment supports equity and outreach programs with the goal of bridging gaps for students historically underrepresented in the sciences.



# LEADING IN CIVIC INVOLVEMENT

During 2017, 56% of Regeneron's employees worldwide volunteered their time

We believe in giving back through strategic investments and the power our employees' diverse talents and expertise to make a difference in the community; in particular to underserved groups. A few highlights of our work include:

## REGENERON GIVING IN 2017



**\$14,103,921**

donated in corporate-level philanthropy grants, not including medical grants and matched funds



**96%**

of corporate philanthropy grants invested in STEM education



**15,935**

volunteer hours contributed by our employees to 107 different community organizations



**\$747,057**

donated through Matching Gift Program



**913**

organizations supported by our employees through the Matching Gift Program

# LEADING IN CIVIC INVOLVEMENT

## LEVERAGING OUR DIVERSE TALENTS TO SERVE THE COMMUNITY

### » Mentoring Bronx teens

Regeneron's Finance Team mentors tenth-graders in an underserved neighborhood of the Bronx, New York, as part of an eight-month college and career readiness project. The project was facilitated by PENCIL, which fosters partnerships between businesses and schools to prepare students for college and career success. PENCIL facilitated monthly workshops with a focus on soft skills such as networking, resume-building, personal brand and professional communication. Students also had the opportunity to visit Regeneron headquarters in Tarrytown and learn more about various careers in science and technology.

### » Using Data 4 Good

Regeneron's Data 4 Good pilot program, which launched in 2017, helps non-profit organizations diagnose pain points related to their data collection systems and processes, and offers recommendations for improvement. The program was developed in partnership with the Taproot Foundation, a leader in pro-bono service, and leverages Regeneron employees'

problem-solving, data management, and analysis skills. In 2017, 20 Regeneron volunteers supported four non-profits through this program.

### » Community investment

During 2017, Regeneron donated \$14,103,921 in corporate philanthropy to local and national non-profits in the U.S. and Ireland, not including medical grants and matched funds. The vast majority of our employees' donations go to local community organizations, health and human services initiatives, and colleges and universities. Over 96 percent of our corporate philanthropy grants were invested in STEM education.

Regeneron matches our employees' donations to eligible charitable organizations in the U.S., dollar for dollar up to \$5,000 per employee, through the Regeneron Matching Gift Program. In 2017, the Matching Gift Program helped double the impact of employees, donating \$747,057 to 913 organizations.

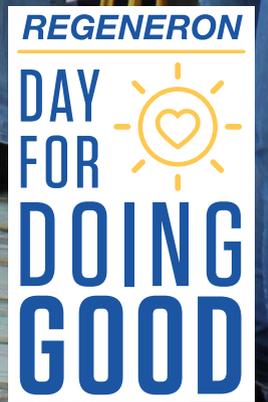


# MAKING TIME FOR DOING GOOD

Regeneron's employee giving programs encourage our people to get involved in volunteering projects year-round that reflect their individual passions and provide opportunities to build their skills through pro-bono work. Our employee giving and volunteering portal offers inspiration through a list of available opportunities, helping our employees to find like-minded fellow volunteers who share the same passions and inviting them to post photos about their experiences giving back.

Building on our commitment to our communities and opportunities for our employees to give back, we held our first global Day for Doing Good in 2017. This provided employees at all of our sites around the world with an opportunity to volunteer in their communities together and support the causes that mean most to them, without having to use their paid time off allowance.

**3,400+**  
colleagues participated  
in the first Day for  
Doing Good, logging  
over 10,000 hours



# SUPPORTING ECONOMIC DEVELOPMENT

In addition to supporting science education and strong, sustainable communities, Regeneron delivers significant benefits to communities through the economic impact of our business.

This section summarizes our key economic impacts in New York State and Ireland, based on an assessment we carried out in 2016. We are in the process of updating our assessment, which will be published in 2018.

Regeneron directly employed 4,776 people in New York State, as of December 31, 2016, adding \$1.2 billion to the economy through the compensation paid to our employees. Our operations and one-time expenditures contributed \$9.6 billion in economic activity, indirectly supporting 19,000 additional jobs, paying \$2.4 billion in wages.

Our economic contribution to New York State is significant. We added over 2,900 jobs in the state between 2011 and 2016. In recent years, we have also invested more than \$200 million to expand our operations in Rensselaer County.

Regeneron's ongoing operations and one-time expenditures generated the following aggregate economic and fiscal impact in 2016.



# SUPPORTING ECONOMIC DEVELOPMENT

## REGENERON LIMERICK

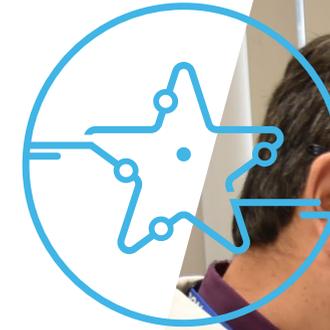
Regeneron's 400,000 square-foot IOPS facility in Limerick, Ireland, is the largest-scale bulk biologics production facility in Ireland and one of the largest in Europe. It currently employs close to 700 people.

The facility became operational in 2015 and manufactures a broad range of biopharmaceuticals for patients worldwide, including approved therapeutic proteins and those involved in clinical studies. In October 2017, we announced expansion plans for the facility that will involve an additional \$100 million investment, bringing total investment to \$750 million and expanding the number of people employed at the site to 800.

Our continued recruitment for our Limerick site is creating opportunities for more high-end specialist jobs in commercial manufacturing, process sciences, quality assurance and control, and various support functions for scientists, chemists and technicians. It has also created valuable opportunities for women in STEM, with women comprising 42 percent of Regeneron Ireland's workforce.

“ I really enjoy it. The best thing about it is there is so much variety. Every day is different. You might have a plan for the day and when you arrive in the morning, you find out you'll be working on something completely different. Besides that, there are so many opportunities to move into different areas throughout your career. ”

Siobhán Lee  
Project Engineer, Regeneron, Limerick



# LOOKING AHEAD

A lot has changed since the founding of Regeneron 30 years ago, but our dedication to our core mission has never wavered. We remain steadfast in our commitment to using the power of science to bring new medicines to patients ... over and over again.

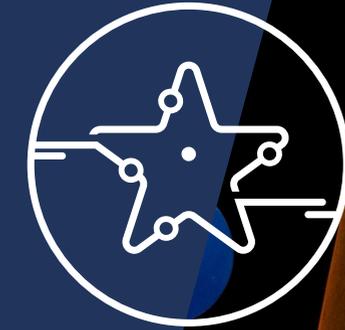
Looking ahead, we will continue to advance a leading pipeline of medicines for people in need, and develop and refine new technologies that can improve and expedite the drug development process. We will reinforce our efforts to attract and retain the best talent, maintaining Regeneron's reputation as a great place to work. We will continue to pursue new opportunities to minimize our environmental footprint. To ensure we remain well-positioned for sustainable, long-term growth, we will help grow the next generation of scientific contributors through STEM initiatives that reward and inspire promising young minds.

Our commitment to doing well by doing good remains central to our approach to responsibility. During 2018, we will aim to identify opportunities for Regeneron to make the greatest positive impact on communities through our three focus areas:

- » Improve the lives of people with serious disease
- » Foster a culture of integrity and operational excellence
- » Build a better future

We will engage external stakeholders to hear their views on what role Regeneron should play in addressing the world's most pressing challenges. We will finalize our materiality assessment, pinpointing the issues that matter most to all stakeholders and the business. Armed with these insights, we will develop strategic goals for each focus area and an implementation plan to measure our progress. As we advance our approach to managing our responsibility program, we will establish a Responsibility Committee composed of key business leaders to ensure accountability for our responsibility goals and metrics.

We believe that integrity and transparency are essential elements of responsible growth, and both principles must continue to underpin our efforts. With our refreshed strategic focus, we will enhance our disclosure and strengthen our external engagement. We look forward to sharing updates as we move forward.



# FORWARD-LOOKING STATEMENTS

This Responsibility Report includes forward-looking statements that involve risks and uncertainties relating to future events and the future performance of Regeneron Pharmaceuticals, Inc. (where applicable, together with its subsidiaries, “Regeneron” or the “Company”), and actual events or results may differ materially from these forward-looking statements. Words such as “anticipate,” “expect,” “intend,” “plan,” “believe,” “seek,” “estimate,” variations of such words, and similar expressions are intended to identify such forward-looking statements, although not all forward-looking statements contain these identifying words. These statements concern, and these risks and uncertainties include, among others, the nature, timing, and possible success and therapeutic applications of Regeneron’s products, product candidates, and research and clinical programs now underway or planned, including without limitation EYLEA® (afibercept) Injection, DUPIXENT® (dupilumab) Injection, PRALUENT® (alirocumab) Injection, KEVZARA® (sarilumab) Injection, cemiplimab, fasinumab, and evinacumab; the likelihood and timing of achieving any of Regeneron’s anticipated clinical development milestones; unforeseen safety issues resulting from the administration of products and product candidates in patients, including serious complications or side effects in connection with the use of Regeneron’s product candidates in clinical trials; the likelihood and timing of possible regulatory approval and commercial launch of Regeneron’s late-stage product candidates and new indications for marketed products, including without limitation EYLEA, DUPIXENT, PRALUENT, KEVZARA, cemiplimab, fasinumab, and evinacumab; the extent to which the results from the research and development programs conducted by Regeneron or its collaborators may be replicated in other studies and lead to therapeutic applications; ongoing regulatory obligations and oversight impacting Regeneron’s marketed products (such as EYLEA, DUPIXENT, PRALUENT, and KEVZARA), research and clinical programs, and business, including those relating to patient privacy; determinations by regulatory and administrative governmental authorities which may delay or restrict Regeneron’s

ability to continue to develop or commercialize Regeneron’s products and product candidates; competing drugs and product candidates that may be superior to Regeneron’s products and product candidates; uncertainty of market acceptance and commercial success of Regeneron’s products and product candidates; the ability of Regeneron to manufacture and manage supply chains for multiple products and product candidates; the ability of Regeneron’s collaborators, suppliers, or other third parties to perform filling, finishing, packaging, labeling, distribution, and other steps related to Regeneron’s products and product candidates; coverage and reimbursement determinations by third-party payers, including Medicare and Medicaid; unanticipated expenses; the costs of developing, producing, and selling products; the ability of Regeneron to meet any of its financial projections or guidance, and changes to the assumptions underlying those projections or guidance; the potential for any license or collaboration agreement, including Regeneron’s agreements with Sanofi, Bayer, and Teva Pharmaceutical Industries Ltd. (or their respective affiliated companies, as applicable), to be cancelled or terminated without any further product success; and risks associated with intellectual property of others and pending or future litigation relating thereto, including without limitation the patent litigation proceedings relating to PRALUENT, the ultimate outcome of any such litigation proceedings, and the impact any of the foregoing may have on Regeneron’s business, prospects, operating results, and financial condition. A more complete description of these and other material risks can be found in Regeneron’s filings with the U.S. Securities and Exchange Commission, including its Form 10-K for the fiscal year ended December 31, 2017, including in the section thereof captioned “Item 1A. Risk Factors.” Any forward-looking statements are made based on management’s current beliefs and judgment, and the reader is cautioned not to rely on any forward-looking statements made by Regeneron. Regeneron does not undertake any obligation to update publicly any forward-looking statement, whether as a result of new information, future events, or otherwise.

***REGENERON***  
*science to medicine*®