To Whom It May Concern:

As discussed in Sanofi's previous communications regarding our 340B Program integrity initiative, Sanofi collects limited, de-identified claims data through 340B ESP TM, Second Sight Solutions' 340B compliance platform, for 340B-priced drugs dispensed by contract pharmacies. The minimal data sought allows Sanofi to identify 340B-priced claims and to eliminate duplicate discounts that originate from 340B contract pharmacy utilization. We write to confirm that Sanofi continues to operate our integrity initiative, which complies with applicable law, and to provide updates on our initiative's scope and implementation.

First, we note that our integrity initiative <u>includes only</u> the following categories of covered entities that have historically accounted for a significant share of contract pharmacy dispensing, and therefore duplicate discount risk, for Sanofi's products:

- Consolidated Health Center Programs (CH)
- Critical Access Hospitals (CAH)
- Disproportionate Share Hospitals (DSH)
- Rural Referral Centers (RRC)
- Sole Community Hospitals (SCH)

Other covered entity types need not register or provide the data we request.

Second, beginning on March 1, 2021, any 340B-covered entity that falls within one of the five (5) included covered entity categories listed above that does not have an in-house pharmacy location registered on the covered entity database as a shipping address or child site of the covered entity may designate a single contract pharmacy for this purpose. A qualifying covered entity may choose a single contract pharmacy for the covered entity and its child sites and Sanofi will provide 340B pricing in this circumstance, irrespective of whether the covered entity provides the data Sanofi requests.

In order to designate a contract pharmacy, a covered entity must first register at nttps://www.340besp.com/. After registering and logging in to its account, the covered entity may designate its single contract pharmacy in the Entity Profile tab. This designation will be made for the parent 340B ID and will apply to any child sites. Please note that a contract pharmacy must have an assigned HIN for the wholesaler to process 340B transactions for Sanofi drug products. Covered entities that designate a contract pharmacy without a HIN will be notified of this requirement and provided additional information on how to assign a HIN for their contract pharmacy.

For a covered entity's contract pharmacy designation to take effect on March 1, its contract pharmacy selection needs to be made by Monday, February 22. After February 22, please allow 10 business days for the designation to take effect. A covered entity may change its contract pharmacy designation once every twelve (12) months, or more often if the designated contract pharmacy is terminated from the HRSA OPAIS database.

Finally, we remind covered entities that they need not provide any information on physician-administered drugs.

We appreciate your cooperation in this initiative and value our relationship with you very much. Please contact Sanofi340BOperations@Sanofi.com if you have any questions about these matters.

Sincerely,

Gerald Gleeson

VP & Head, Sanofi US Market Access Shared Services