

Responsibility for sustainable development

We are driven by a common ambition to build and expand our company, whose success is based on our ability to solve medical problems and help people achieve a better quality of life. We care about patients with rare diseases, their relatives, healthcare providers and healthcare payers. These diseases are often life-threatening or cause chronic disability and therefore have a severe impact on patients and their families. Treating patients with rare diseases and enabling them to work and earn a living is therefore important, not just for the involved individuals, but for society at large. By advocating sustainable development of our products and our operations we can ensure that our contribution to society can proceed and be broadened in pace with our growth.

Dialogue with the rest of the world

Our actions, products and services concern and affect people. Our decisions and actions are therefore based on ethical standards and a sense of responsibility consistent with the company's core values. In our dialog with patients, employees, decision-makers, industry organizations and other stakeholders we gain understanding for the questions about and expectations for our operations and how we can work to meet these expectations. The dialog with stakeholders serves as the foundation for those areas that we are proactively developing and improving from a sustainability perspective.

Workplace and employees

Common values

A healthy workplace where our employees have the opportunity to grow and work together to advance our business is essential to our success. Our professional conduct and our behavior in relation to each other, our patients and our investors can be summarized in our values commitment, innovation and focus on results. These values give us direction and a sense of community that drive us forward in our work with sustainable development.

→ **Commitment** We are driven by a common ambition to build and expand our company, whose success is based on our ability to solve medical problems and help people achieve a better quality of life. We care about patients with rare diseases, their relatives, healthcare providers and healthcare payers. We also care about each other and our partners, and we work closely with supervisory and other regulatory authorities. We are open and communicative.

→ **Innovation** We are not afraid to think outside the box and have the courage to try new paths. We provide novel treatments and solutions and we offer services beyond medicine. We find pathways to optimize the return on our investments. We value an open dialog and nurture diversity in experience, expertise and personalities.

→ **Focus on results** We will deliver our product candidates and new high-quality orphan drugs to those patients who need them. Based on this philosophy we will strive to achieve common goals where results and performance are encouraged and success is recognized.

Average number of employees

Group	2010	of which men	2009	of which men
Sweden	415	40%	403	41%
Denmark	12	17%	1	–
Finland	10	60%	2	100%
Norway	11	48%	2	100%
United Kingdom	8	73%	25	57%
France	9	33%	–	–
Germany	13	57%	–	–
Italy	8	43%	–	–
Spain	6	17%	–	–
Russia/Balticum	5	21%	–	–
Central Eastern Europe	11	38%	–	–
Total	508	40%	433	42%

Salaries and benefits

We will ensure that we hold the right core competencies. Good terms of employment are a prerequisite if we are to be able to recruit and retain qualified colleagues. All employees will have individual goals as part of the effort to achieve operational objectives and as part of their personal development. Competitive salaries and benefits are a prerequisite for us to be able to retain and recruit personnel.

Occupational health and safety

The physical and psychosocial work environment is of great importance for creating job satisfaction and motivation. We have a system to follow up any incidents that might occur, including regular monitoring and proposals for corrective measures to improve safety.

Health and wellness

We take a preventive approach to health and wellness by offering wellness programs to all employees. In 2010 sick leave within

the parent company was 1.9 percent of regular working hours.

Diversity and equal opportunity

We are an international company with operations in the Nordic region and Europe. In Sweden we are located in Stockholm and Umeå; 18 percent of employees work outside Sweden. As at December 31 we were 508 employees.

Safety and fire prevention

Sobi's safety policy aims to protect personnel, operations and property against undesirable events such as threats, theft, unlawful intrusion and other criminal actions. The company's policies and procedures for safety and fire protection are described and accessible to all employees on our Intranet.

Sobi also pursues active Loss Control, particularly within preventive fire protection and emergency planning. Evacuation exercises are held at least once a year in all buildings where Sobi conducts operations. As a key component in its systematic fire protection campaign the company also carries out internal controls twice a year. In all, 20 percent of Sobi's employees completed Defibrillation/CPR training (use of defibrillator). Defibrillators are accessible at all Sobi operations in Sweden for situations that require emergency care.

Product liability

Patient safety

Sobi continually analyzes and balances the risks and benefits of its products on the market and under development. During clinical trials patient safety is always in focus and human rights are respected at all times. Our employees are therefore tasked with ensuring compliance with both internal and external rules with respect to any clinical trials that Sobi sponsors.

Handling of adverse event reports

We have marketing authorization for a number of products in a number of markets and therefore have responsibility for gathering and processing safety information as well as reporting side effects to regulatory authorities under international rules and guidelines. This responsibility includes detection, assessment, understanding and prevention of adverse drug reactions and other drug related problems. The Drug Safety unit is tasked with capturing and analyzing signals to benefit the well-being and safety of patients. It is therefore crucial that Sobi has an efficient system and network for collection, marketing and communication of adverse effects. We learn about adverse drug events from sources such as patients, medical personnel, regulatory

authorities, product quality issues, scientific publications, business partners, and drug information and marketing functions. All employees are responsible for reporting any adverse effects of Sobi products that come to their attention.

Animal experiments

Sobi endeavors to reduce the number of tests conducted on animals, but an important part of Sobi's R&D involves testing the effect of successful compounds on laboratory animals, which is also a safety requirement by law. We therefore follow the three Rs – Replacement, Reduction and Refinement – in animal experiments. This means that we design animal experiments to ensure that we use the most appropriate laboratory animal model and can reduce the number of animals needed to obtain the necessary information. Nevertheless, drug development uses a large number of methods that are not based on laboratory animals. Our aspiration is to continue to develop in vitro methods to replace or reduce the number of laboratory animals.

Safe production of pharmaceutical proteins

In our Stockholm facility we produce the active ingredient for ReFacto AF® to meet the global need and in our Umeå facility we produce the pharmaceutical product Multiferon®

Other production is contracted out to external manufacturers. External production is handled by agreement to ensure supply and quality. The European (EMA) and American (FDA) drug regulatory authorities, as well as other authorities, regularly inspect the production facilities.

Safe purchasing procedures

Raw materials, other material, equipment and other services are purchased as stated in our procurement policy. The policy must ensure that all procurement and purchasing take place professionally and competitively, in accordance with Sobi's rules and other policies.

Role in the community

Customer contacts

In addition to the ethical norms of our industry, Sobi also applies its values in all contacts with different types of customers. We strive to be sensitive, accountable and problem solving-oriented, while being clear and honest in everything we do.

Clinical trials

Drug development is governed by the needs of patients, the healthcare system and society. It is therefore vital for us to have



good contacts with patients, patient organizations and regulatory authorities. As a key component in our social commitment, we participate in the debate about the long-term prospects for clinical research and help to influence public opinion. Discussions with doctors, patients and patient organizations help us gain a greater insight into the problems that individuals, large patient groups and society perceive to be important to correct. Sobi's project portfolio mainly consists of projects in clinical development.

How Sobi purchases and carries out its clinical trials is regulated in Standard Operating Procedures (SOP), which are formulated together with and maintained by our own Quality Assurance department (QA).

Information for patients, patient organizations and relatives

Learning that a child has a chronic or serious disease is overwhelming for both the child and the child's family. In addition, the care is often complicated. Let's use hemophilia as an illustrative example. Parents who learn that their son has hemophilia often have a great thirst for knowledge. Thanks to more effective and safer treatments, people with hemophilia today live longer. Sobi has initiated an extensive investment in education and information materials, for medical staff, patients and relatives. This is an example of how we help to improve patient care and simultaneously satisfy a need for information which may vary over time and from person to person.

Education for the healthcare team

Together with Swedish expert groups, we have produced several extensive training programs for healthcare providers who

treat patients with Sobi's products and equivalent alternatives. Several of the training programs are now certified by public health services. Such initiatives bring Sobi closer to the patients so we can listen to their daily needs.

External involvement and networking

We have a long-term strategy for the continued development of new drugs. A complete list of the patient organizations we support is available on our website www.sobi.com under the Patients & Public and Patient organizations tab.

Sobi is a member of European Biopharmaceutical Enterprises (EBE). EBE is an organization that represents biopharmaceutical firms in Europe and supports innovation and new opportunities within biotechnology. EBE also provides expertise during development of new regulatory requirements, provisions and standards relevant to biopharmaceuticals.

We also support the networks that contribute to the continued development of pharmaceuticals in Sweden. Sweden's Biotechnology Industry Organization, Sweden BIO, is a trade association tasked with successfully establishing and developing internationally competitive biotech companies in Sweden. Sobi was a founding member and has played an active role in the organization since its inception. Sobi also belongs to the Swedish Association of the Pharmaceutical Industry (LIF). LIF's task is to create good conditions for research and development of drugs in Sweden.

Responsibility for a better environment

Proactive environmental management is a natural part of our operations and is integrated with our occupational safety and

quality management initiatives. The company works according to an environmental management system based on the international standard ISO 14001, but is not certified. Sobi's management has adopted an environmental policy to further emphasize the importance of environmental management. The environmental policy is available on Sobi's web site at www.sobi.com/about-us/corporate-responsibility/environment.

We strive to fully comply with all environment-related laws and regulations. Our computerized management system links current legislation and rules to internal control documents and procedures. Sobi's production facilities in Stockholm and Umeå are licensed for hazardous operations in compliance with the Swedish Environmental Code, with wastewater management conditions. Compliance with the terms of the permit is reported annually in environmental reports prepared for the local licensing authorities.

Legislation is also on the agenda at Sobi's environment days, which are held once each quarter with representatives from the entire organization. The representatives (14 in 2010) summarize action plans for environmental management in cooperation with the responsible line managers, safety representatives and other employees. Systematic risk assessments, safety inspections, questionnaires, environment meetings, internal audits and other studies comprise the basis when preparing environmental management goals and plans, which are usually handled at the department level. Awareness of environmental issues among all personnel is crucial for successful environmental management. As of December 31, 2010, 72 percent of all employees in Sweden had completed a general environmental training program. The company offers continuing education and relevant environmental training is included as an item in the annual action plans. In 2010 the internal control documents/procedures for environmental management, waste management, chemical management, incident reporting and dangerous goods were revised. The company is working on adaptation to comply with REACH and CLP regulations and has reviewed procedures for chemical handling and the flow of MSDSs.

New environmentally friendly premises

In 2010 all operations in the Stockholm area, except for production of ReFacto®, moved to new premises within Karolinska Institutet's Sciences Park in Solna. Akademiska Hus is a leading Swedish property management company in terms of energy efficiency and climate optimization in buildings.

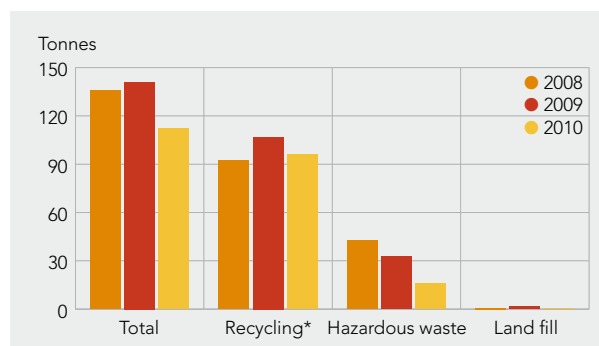
The environment was taken into account when choosing building materials and production methods. The heating system, including radiators and floor heating, is hydronic. All chemical-

based building materials were environmentally assessed; for example, only water-based paints were used.

Energy and resource consumption

Our operations with offices, laboratories and production facilities require a large amount of energy. In 2010 we intensified our efforts to reduce our energy and resource consumption and their environmental impact. Our total energy consumption in 2010 was 25 GWh and water consumption was 165,000 m³. The total amount of waste decreased in 2010 compared with 2009; please see the table Waste 2006 – 2010. Air emissions primarily come from travel, where flights account for emissions of 770 tons of carbon dioxide. The figures reported refer to the Swedish companies. We are working on improving our systems to be able to gather data from our subsidiaries and generally reduce our costs and thus even our environmental impact with respect to energy and resource consumption.

Waste disposal 2008-2010



***Included in recycling, %**

	2008	2009	2010
Combustible	48.3	53	42.6
Office stationary	9.3	10	9.3
Corrugated cardboard	6.5	10.8	11

IT and IS contribute to environmental system

Our functions Information Technology (IT) and Information Systems (IS) are responsible for controlling how IT and IS are managed within Sobi and for ensuring that the IT/IS strategy is consistent with the business strategy. Selection of services, solutions and systems are continually adapted and reviewed to achieve optimal quality and cost efficiency. IT and IS are regulated by a number of established policies and environmental concerns are an important share of the daily work.