

# Sobi GRI index 2012

"Sobi's mission is to develop and deliver innovative therapies that improve the lives of patients.

In pursuing our mission, Sobi strives to ensure the highest levels of patient and product safety, research ethics, environmental protection and working conditions. We believe that, in order to achieve long-term sustainability and to effectively serve the patients who depend on us, we must always act in an open and responsible way in relation to our stakeholders."

Geoffrey McDonough  
President and CEO

PROFILE	CROSS-REFERENCE	REPORTED	COMMENT
<b>1. STRATEGY &amp; ANALYSIS</b>			
1.1 CEO statement		●	See above
1.2 Description of key impacts, risks and opportunities	10–16, 48–50	●	
<b>2. ORGANIZATIONAL PROFILE</b>			
2.1 Name of the organization	72	●	
2.2 Primary brands, products, and services	Inside the cover, 39	●	
2.3 Operational structure of the organization	Inside the cover, 96	●	
2.4 Location of organization's headquarters	72	●	
2.5 Countries where the organization operates	83	●	
2.6 Nature of ownership and legal form	72	●	
2.7 Markets	Inside the cover	●	
2.8 Scale of the organization	Inside the cover, 5, 46	●	
2.9 Significant changes during the reporting period	4	●	
2.10 Awards received during the reporting period		●	No awards received in the reporting period.
<b>3. REPORT PARAMETERS</b>			
<b>Report profile</b>			
3.1 Reporting period		●	Calendar year 2012
3.2 Date of most recent previous report		●	April 2012
3.3 Reporting cycle		●	Annual
3.4 Contact point for questions regarding the report	sobi.com	●	Ulf Lindquist, Risk Manager ulf.lindquist@sobi.com

## About this report

Sobi reports on an annual basis on its sustainability work. This is done as a part of Sobi's Annual Report. Sobi is applying level C in accordance with the GRI (Global Reporting Initiative) guidelines for sustainability reporting. The indicators presented below are all GRI core indicators for application level C, complemented by additional indicators deemed relevant for Sobi's operations or in other ways relevant for the understanding of Sobi's sustainability risks and opportunities. All cross references indicates where to find the information in Sobi's Annual Report 2012.

- = Fully reported
- = Partly reported
- = Not reported
- = Not relevant
- = GRI Core indicator

PROFILE	CROSS-REFERENCE	REPORTED	COMMENT
<b>Report scope and boundary</b>			
3.5 Process for defining report content		●	The content of this report is based on what Sobi has assessed to be the most material issues, given its business operations and their impact on the environment and the society. In addition the interests and concerns of Sobi's stakeholders have been taken into consideration. Sobi's intention is that the annual report and the GRI supplement together shall fulfil the information needs of the most prioritized stakeholders.
3.6 Boundary of the report		●	Environmental and employee indicators cover the Swedish operations (representing approximately 80% of Sobi's employees). Economic indicators cover the whole group.
3.7 Specific limitations on the scope or boundary of the report		●	A system for monitoring and reporting of environmental and employee data is developed for the Swedish operations (representing approximately 80% of Sobi's employees). During 2012 no system was in place to monitor environmental data within the European marketing organization.
3.8 Basis for reporting on joint ventures, subsidiaries, etc.	72–73	●	During 2012 Sobi was not part of any joint ventures.
3.9 Data measurement techniques and calculation principles		●	Data for energy, water, waste and flights are derived from invoicing from suppliers. Data for EHS incidents come from the internal incident reporting tool.
3.10 Explanation of the effect of any re-statements of information provided in earlier reports		–	There has been no re-statements of information since previous report.
3.11 Significant changes from previous reporting periods regarding scope, boundaries, etc.		–	There has been no changes regarding scope, boundaries etc since previous report.
3.12 Table identifying the location of the Standard Disclosures in the report	sobi.com	●	
3.13 Policy and current practice with regard to seeking external assurance for the report		–	This report has not been subject to external assurance.

PROFILE	CROSS-REFERENCE	REPORTED	COMMENT
<b>4. GOVERNANCE, COMMITMENTS &amp; ENGAGEMENT</b>			
<b>Governance</b>			
4.1 Governance structure of the organization	53	●	
4.2 The Chairman of the Board's role in the organization	54	●	
4.3 Independent and/or non-executive board members	54–55	●	
4.4 Mechanisms for shareholders and employees to provide recommendations to the board	54, 108	●	
4.5 Principles for compensation to senior executives	46–47	●	
4.6 Processes for avoiding conflicts of interests in the board	53–54	●	
4.7 Processes for determining the qualifications of board members	54	●	
4.8 Mission, values, Code of Conduct, etc.	10–11, 14, 50	●	
<b>Commitments to external initiatives</b>			
4.11 Explanation of how the precautionary principle is applied		●	Risk management is integrated with all strategic and operational work. There is a specific procedure for handling of hazardous chemicals which describes how to identify, assess and handle risks including the application of the precautionary principle in Article 15 of the Rio Principles.
4.12 Endorsement of external codes, principles or initiatives	13, 16	●	In clinical programs and trials, Sobi adheres to the ethical principles of the Declaration of Helsinki, developed by the World Medical Association (WMA). Also see SO3.
4.13 Memberships in associations	sobi.com	●	A list of membership in associations is available on www.sobi.com
<b>Stakeholder engagement</b>			
4.14 List of stakeholder groups		●	Sobi's most important stakeholders are patients, employees, investors, decision makers, and industry organizations.
4.15 Basis for identification and selection of stakeholders with whom to engage	10–12	●	
4.16 Approaches to stakeholder engagement	10–12	●	

INDICATOR	CROSS-REFERENCE	REPORTED	COMMENT
<b>5. ECONOMIC INDICATORS</b>			
<b>Economic performance</b>			
EC1 Direct economic value generated and distributed	62–67	●	
EC2 Risks and opportunities for the organization due to climate change		●	Sobi cannot foresee any direct financial or other implications for its operations caused by climate change. Sobi's own operations are not located in areas threatened by for example flooding or draught.
EC3 Coverage of the organization's defined benefit plan obligations	100–101	●	
EC4 Financial assistance received from government		●	Sobi has not received any financial assistance from the government during 2012.
<b>Market presence</b>			
EC6 Policy, practices, and proportion of spending on locally-based suppliers		●	
EC7 Local hiring and proportion of senior management hired from the local community		●	
<b>Indirect economic impact</b>			
EC8 Infrastructure investments and services provided for public purposes		●	
<b>6. ENVIRONMENTAL PERFORMANCE INDICATORS</b>			
<b>Materials</b>			
EN1 Materials used by weight or volume		●	In its production, Sobi is using a limited number of well-defined chemicals, of which the majority is not classified as hazardous. The chemical that was used most during 2012 was Sodium hydroxide (30 tons 25% NaOH solution; 3.7 tons NaOH pastilles). The annual consumption of all hazardous chemicals is reported to the supervising authority.
EN2 Percentage of recycled input materials		–	The Sodium hydroxide could theoretically be recycled; however, this is not compliant with legislation for the production of pharmaceuticals.
<b>Energy</b>			
EN3 Direct energy consumption by primary source		–	Sobi does not use any direct energy sources, only purchased electricity and district heating/cooling.
EN4 Indirect energy consumption by primary source	16	●	At the production facility in Stockholm (representing >80% of total energy use), mix of fuels for district heating consisted of 84% non-fossil fuels. For electricity, the corresponding figure is 100%.
EN5 Energy saved due to conservation and efficiency improvements	16	●	An energy management plan for the production facility in Stockholm (representing >80% of total energy use) has been finalized during 2012. Actions include heat/cooling recovery and optimizing operating times for heating and ventilation. The R&D facilities are located in a modern energy efficient building with automatic door closing for fume hoods.
EN7 Initiatives to reduce indirect energy consumption and results	16	●	Business related travel is a source of indirect energy use. According to Sobi's travel policy virtual meetings should substitute business trips whenever possible. All travel decisions should be in line with Sobi's Environmental Policy in such a way that greenhouse gas emissions are reduced.

INDICATOR	CROSS-REFERENCE	REPORTED	COMMENT
<b>Water</b>			
EN8 Total water withdrawal by source	16	●	A water management plan for the production facility in Stockholm (representing >95% of total water use) has been finalized during 2012. Actions include optimizing sample coolers for the clean steam.
EN10 Percentage and total volume of water recycled and reused		●	
<b>Biodiversity</b>			
EN11 Location/scope of land owned near protected areas/areas of biodiversity value		–	All of Sobi's facilities are located in central urban areas.
EN12 Impacts of products or operations on biodiversity		●	The major volume of Sobi's production and products are biopharmaceutical products and the use of biopharmaceutical products composed of amino acids, proteins and peptides has been considered to result in insignificant environmental impacts.
<b>Emissions, effluents &amp; waste</b>			
EN16 Direct and indirect greenhouse gas emissions		●	
EN17 Other relevant indirect greenhouse gas emissions	16	●	Emissions related to business travel.
EN18 Initiatives to reduce greenhouse gas emissions and results	16	●	Sobi has systems for virtual meetings in place, also see EN7.
EN19 Emissions of ozone-depleting substances		–	Sobi's operations does not generate any ozone-depleting emissions.
EN20 NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions		–	Sobi's operations does not generate any NO <sub>x</sub> , SO <sub>x</sub> or other significant emissions.
EN21 Total water discharge		●	The TOC (Total Organic Carbon) discharged from the production facility in Stockholm was 2.1 tons in 2012. When necessary, water is discharged via an on-site treatment facility for neutralization, before it is released to municipal sewer and waste water treatment plant. At the Umeå facility water discharges are not significant, hence monitoring is not required by authorities.
EN22 Waste by type and disposal method	16	●	
EN23 Number and volume of significant spills		●	During 2012 no significant spills occurred, however a minor spill of sodium hydroxide occurred in the Stockholm production facility and was reported to the supervisory authority and the waste water treatment plant. The incident had no impact on the environment or employees.
EN24 Weight of handled waste deemed hazardous	16	●	
<b>Products &amp; services</b>			
EN26 Initiatives to mitigate environmental impacts of products and services	15	–	The major volume of Sobi's production and products are biopharmaceutical products and the use of biopharmaceutical products composed of amino acids, proteins and peptides has been considered to result in insignificant environmental impacts.
EN27 Products sold and their packaging materials that are reclaimed	14	●	Sobi is working under the law "Ordinance of Producers' responsibilities for packaging". Sobi belongs to the REPA register, providing the company with access to the Swedish nationwide recycling system.

INDICATOR	CROSS-REFERENCE	REPORTED	COMMENT
<b>Compliance</b>			
EN28 Fines and/or non-monetary sanctions for non-compliance with environmental laws		●	During 2012 Sobi has not been subject to any fines or non-monetary sanctions for non-compliance with environmental laws and regulations.
<b>Transport</b>			
EN29 Environmental impact of transports		●	Sobi monitors and reports business travel by air. Sobi's products are high value/low volume products that do not require extensive transportation for their distribution.
<b>7. SOCIAL PERFORMANCE INDICATORS</b>			
<b>Employment</b>			
<b>Employees</b>			
LA1 Total workforce by employment type, contract and region	46, 83	●	
LA2 Rate of employee turnover by age group, gender and region	11	●	
<b>Labour/management relations</b>			
LA4 Percentage of employees covered by collective bargaining agreements		●	All employees in the Swedish operations (representing approximately 80% of Sobi's employees) are covered by collective bargaining agreements.
LA5 Minimum notice period(s) regarding operational changes		●	Sobi is applying the minimum notice period stipulated by the respective collective bargaining agreements. The length of the period varies depending on type of employment.
<b>Health &amp; safety</b>			
LA6 Percentage of total workforce represented in formal joint management-worker health and safety committees	15	●	
LA7 Rates of injury, occupational diseases, lost days, work related fatalities	16	●	During 2012 there were nine incidents resulting in minor injuries, none of which lead to lost time in terms of sick-leave.
LA8 Education, training, prevention and risk-control programs in place		–	Given the location of Sobi's operations, the exposure to serious diseases is relatively low and the access to public healthcare is good.
<b>Training &amp; education</b>			
LA10 Average hours of training per year per employee	10, 12	●	Training of Sobi personnel is continuously ongoing in all parts of the organization as part of the management responsibility in order to meet regulatory requirements as well as to ensure the best possible delivery of results. In fact, training of employees involved in GxP-activities such as in manufacturing, testing and distribution of pharmaceuticals is subject to third party monitoring by the relevant authority.
LA11 Programs for skills management and lifelong learning that support employees' career development	10	●	
LA12 Employees receiving regular performance and career development reviews	10	●	Performance and objectives reviews are performed for all employees in Sobi twice a year.
<b>Diversity &amp; equal opportunity</b>			
LA13 Composition of governance bodies and employees according to diversity indicators	11	●	
LA14 Ratio of basic salary of men to women		●	

INDICATOR	CROSS-REFERENCE	REPORTED	COMMENT
<b>Human rights</b>			
<b>Investment &amp; procurement practices</b>			
HR1 Investment agreements that include human rights clauses		●	
HR2 Suppliers that have undergone screening on human rights, and actions taken		●	
<b>Non-discrimination</b>			
HR4 Total number of incidents of discrimination and actions taken		●	During 2012 no case of discrimination has been brought to the attention of the company management.
<b>Freedom of association &amp; collective bargaining</b>			
HR5 Operations where freedom of association and collective bargaining may be at significant risk and actions taken		●	None of Sobi's own operations are located in markets where the right to exercise freedom of association and collective bargaining may be violated or at significant risk.
<b>Child labour</b>			
HR6 Operations identified as having significant risk for incidents of child labour and actions taken		●	None of Sobi's own operations are located in markets with significant risk for incidents of child labor.
<b>Forced &amp; compulsory labour</b>			
HR7 Operations identified as having significant risk for incidents of forced or compulsory labour and actions taken		●	None of Sobi's own operations are located in markets with significant risk for incidents of forced or compulsory labor.
<b>Society</b>			
<b>Community</b>			
SO1 Programs for evaluating the operation's impacts on communities		●	
<b>Corruption</b>			
SO2 Business units analyzed for risks related to corruption		●	
SO3 Employees trained in the organization's anti-corruption policies and procedures		●	In Sweden Sobi is member of LIF, the research-based pharmaceutical industry organization and follow their "The Ethical Rules for the Pharmaceutical Industry". These guidelines specifically includes provisions on anti-corruption. The Sobi European organization follows the European Federation of Pharmaceutical and Associations (EFPIA) rules and standards. The rules are consistent with the WHO code of ethics for marketing of pharmaceuticals. The Sobi US organization follows the Office of Inspector General, U.S. Department of Health & Human Services (OIG) and the Pharmaceutical Research and Manufacturers of America (PhRMA) rules and guidelines.
SO4 Actions taken in response to incidents of corruption		●	During 2012 no case of corruption involving Sobi's employees has been brought to the attention of the company management.
<b>Public policy</b>			
SO5 Participation in public policy development and lobbying	12	●	

INDICATOR	CROSS-REFERENCE	REPORTED	COMMENT
<b>Anti-competitive behaviour</b>			
SO7 Legal actions for anti-competitive behaviour		●	During 2012 Sobi has not been subject to any legal actions due to anti-competitive behaviour on behalf of the company.
<b>Compliance</b>			
SO8 Monetary value of fines for non-compliance with applicable laws		●	During 2012 Sobi has not been subject to any fines or non-monetary sanctions for non-compliance with laws or regulations.
<b>Product responsibility</b>			
<b>Customer health &amp; safety</b>			
PR1 Life cycle stages in which health and safety impacts of products and services are assessed	12-14	●	Medical drugs are subject to exceptionally strict requirements on product and patient safety. Hence, all of Sobi's marketed products are assessed for their health and safety impacts.
PR2 Incidents of non-compliance with regulations concerning health and safety impacts of products	14	●	During 2012 there has been no incidents of non-compliance with regulations concerning health and safety impacts of products.
<b>Product &amp; service labelling</b>			
PR3 Type of products and service information required by procedures, and percentage of products subject to such information requirements	12-13	●	Medical drugs are subject to exceptionally strict requirements of information and instructions on safe use and handling. Hence, all of Sobi's products are covered.
PR4 Incidents of non-compliance with regulations concerning product labelling		●	During 2012 there have been no incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling.
<b>Marketing communications</b>			
PR6 Programs for adherence to laws, standards and voluntary codes for marketing communications		●	Sobi strictly complies with the "Ethical rules for the pharmaceutical industry in Sweden", established by LIF, the Swedish association for research-based pharmaceutical industry. LIF are providing training to its member companies. Sobi has a Compliance officer responsible for assuring compliance with the rules. The Sobi European organization follows the European Federation of Pharmaceutical and Associations (EFPIA) rules and standards. The rules are consistent with the WHO code of ethics for marketing of pharmaceuticals.
PR7 Incidents of non-compliance with regulations concerning marketing communications		●	No incidents of non-compliance was reported during 2012.
<b>Customer privacy</b>			
PR8 Substantiated complaints regarding breaches of customer privacy		●	During 2012 there have been no complaints regarding breaches of customer privacy.
<b>Compliance</b>			
PR9 Monetary value of fines for non-compliance with regulations concerning the use of products and services		●	During 2012 Sobi has not been subject to any fines for non-compliance with regulations concerning the use of products and services.