

Report by the board of directors of Swedish Orphan Biovitrum AB (publ) on the Compensation & Benefits committee's evaluation of remuneration to senior management

According to the Swedish Corporate Governance Code, the board of directors shall establish a remuneration committee, whose task is to prepare the Board's decisions in matters concerning remuneration principles, remuneration and other employment terms for the senior management, to monitor and evaluate existing, and during the year completed, programs for variable remuneration to the senior management, to monitor and evaluate the application of the guidelines for remuneration to the senior management that the Annual General Meeting by law decides upon, as well as the current remuneration structures and levels of remuneration in the company.

Swedish Orphan Biovitrum's Compensation & Benefits committee

The board of directors of Swedish Orphan Biovitrum has established a Compensation & Benefits committee, consisting of three Board members: Bo Jesper Hansen (Chairman), Hans GCP Schikan and Helena Saxon. Hans GCP Schikan and Helena Saxon are independent in relation to the senior management. [The Company's director of Human Resources](#) serves as secretary of the committee, but is not a member.

The Compensation & Benefits committee's work

The Compensation & Benefits committee has held five meetings during 2011 at which all three members were present. At these meetings the committee discussed and followed up on the [annual salary revision and bonuses for the CEO and senior management](#). The committee has also presented proposals for nominations to and allocations in the long-term incentive program, as well as proposal regarding guidelines for remuneration to the senior management. Proposal regarding guidelines for remuneration to the senior management will be presented to the Annual General Meeting in April 2012, for the approval of the shareholders.

The Compensation & Benefits committee's evaluation and assessment

The Compensation & Benefits committee has in its work considered that Swedish Orphan Biovitrum shall maintain the remuneration levels and terms of employment necessary to recruit and retain a management with good level of competence and the capacity to reach determined goals and that the overall principle shall be for the salary and other remuneration to senior management in Swedish Orphan Biovitrum to be on market terms.

In its assessment, the Compensation & Benefits committee has found that existing, and during the year completed, long term incentive programs are complex and that certain amendments should be made for the proposed new program to be in line with the current Sobi strategy. In general, the Compensation & Benefits Committee has found that the remuneration structures and levels of compensation in Swedish Orphan Biovitrum are appropriate. This is also true for other conditions of employment for the senior management. The Compensation & Benefits committee has further concluded that the

compensation paid to the senior management has been in accordance with the guidelines established by the Annual General Meeting. The application of the guidelines regarding remuneration to the senior management has thus been correct.

Stockholm in March 2012

Swedish Orphan Biovitrum AB (publ)

The Board of Directors