

Intelligent method of provision

_Hiding food for the winter is only worthwhile if you can find it again. A single nutcracker can gather and hide over one hundred thousand pine nuts – in the winter, it unearths them again from under up to 130 cm of snow. However, despite its phenomenal memory, some nuts are forgotten, which incidentally contributes to the survival of the mountain forests.

SUSTAINABILITY AND SOCIAL RESPONSIBILITY

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Introduction

_In this section, Galenica describes its understanding of social and environmental responsibility and how it puts it into practice. Galenica pursues an integrated approach to sustainability, and believes that forward-looking and responsible actions contribute substantially to the company's long-term success and have an impact in all areas. The sustainability report therefore refers to various other sections of this Annual Report, particularly the section on corporate governance (see page 50), the section on human resources (see page 83), and the reporting of the business sectors (see page 17).

_In sustainability reporting Galenica complies with the principles of the Global Reporting Initiative (GRI3), insofar as they are relevant and feasible, in order to guarantee comparability of performance both inside and outside the company. This is an important requirement for continuous improvement. Galenica has decided not to have its sustainability reporting externally verified because it has always strived to provide a high level of transparency in this area.

_The present sustainability report and the 2010 Annual Report were reviewed and approved by the Board of Directors of Galenica Ltd. at its meeting on 17 February 2011.

Vision and goals

_Galenica is quality-conscious and has a long-term focus. This creates substantial added value for customers, employees, suppliers and investors as well as for the economy and society in general.

_Galenica's three primary sustainability goals are an essential part of its corporate culture:

- _Continually enhance the Group's value through a sustainable approach;
- _Encourage staff to act in a responsible and enterprising way;
- _Increase the efficiency of resource management, particularly in energy use.

_These three sustainability goals will remain valid for the next financial year. This confirms that these objectives are important for the company and correct in their focus. The sustainability goals not only represent a commitment to social responsibility; they also hold the key to enhancing competitiveness. Galenica is dedicated to putting these goals into action.

Code of Conduct

The Galenica Group's Code of Conduct defines the ethical rules and standards that need to be followed by all employees. Because the code explicitly addresses critical actions and refers to procedural instructions, it supports the gradual removal of taboos covering certain grey areas. Pragmatic approaches for avoiding potential misconduct, for example, are being developed at both the Galenica Group level and the level of individual companies.

The Pharma business sector introduced a self-learning tool which employees can use to test their knowledge of the Code of Conduct. The Galenica Group's Code of Conduct can be found at www.galenica.com.

Management approach and performance indicators

The Galenica Group's Sustainability Committee has proved to be an efficient structure. It is composed of one sustainability manager from each business sector and one representative from the Group level, who chairs the committee. The committee members make proposals to the Corporate Executive Committee on the Group-wide sustainability strategy. They are responsible for developing and implementing plans of action, monitoring achievement of goals, and reporting on sustainability issues in their respective business sectors. This structure ensures that sustainability is integrated into management processes and is understood and practised as an investment in long-term economic prosperity.

The Sustainability Committee met twice in the period under review, primarily to discuss energy efficiency and the use of resources, specific measures taken in its relevant areas of responsibility, as well as new targets per

business sector for 2011. These targets were set primarily with regard to resource optimisation and energy efficiency. GaleniCare put its main focus on making employees aware of the issue of sustainability.

In addition to these objectives, Galenica will continue to explore the opportunities and challenges of sustainability in the years to come. One challenge is to further reduce the Group's carbon footprint. At Vifor Pharma St. Gallen, efforts are underway to considerably reduce dependency on oil in the next few years, and to implement a systematic management process in the area of sustainability. Vifor Pharma Fribourg is planning further energy efficiency measures. OM Pharma agreed its CO₂ target with the Swiss federal government at the start of 2010.

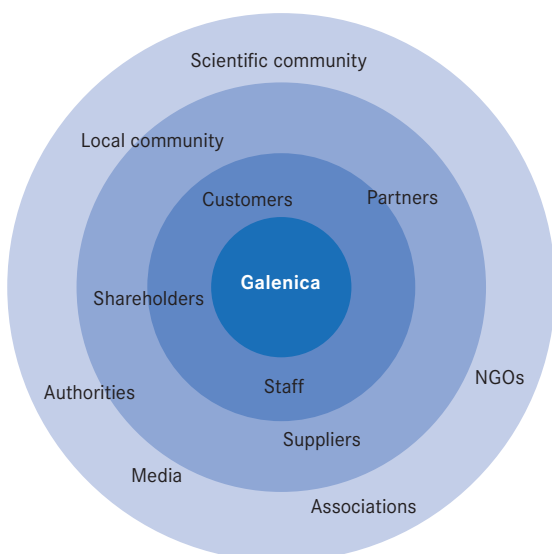
In future, Galenica will be strongly focused on integrating different social and institutional cultures, triggered by the company's growth within Switzerland and internationally.

Water footprint

Water is a vital resource that is becoming ever scarcer. This also affects companies, which must make an effort to protect these resources. Careful use of water is a local responsibility. Although Galenica does not manufacture in areas struggling with water shortages, it has always strived to use water carefully.

Stakeholders

Galenica's stakeholders include interest groups and organisations that directly or indirectly affect – or are affected by – the company's values, actions and ultimately its performance all along the value chain. Galenica has



The diagram shows the relevant stakeholder groups and the type of interaction with Galenica.

always maintained relationships with its direct stakeholders – customers, shareholders, business partners, suppliers and employees – that are distinguished by a high level of transparency, constructive dialogue and mutual respect. Dialogue and interaction with these stakeholders come about primarily through membership of professional groups, associations, civic interest groups and through contacts with universities and government agencies.

_An up-to-date overview of Galenica's various memberships of business and industry associations can be accessed at www.galenica.com.

Reporting scope, system limits and performance indicators

_The sustainability report covers all business sectors. Social performance indicators, however, are covered in the human resources section (see page 83). Since 2008, Galenica has been using a system for the uniform measurement of social indicators such as staff turnover. The acquisition of data and information for internal and external sustainability reporting is continually being systematised and improved.

_The reports reflect the data for the last five years, which allows for an informative multi-year comparison. It is only possible to make a partial comparison of the figures for the last five years due to the start up of the Niederbipp distribution centre and the closure of the centres in Zurich-Schlieren and Schönbühl in 2008. However, there were no further technical difficulties that had a relevant impact on energy and diesel consumption during the period under review. Customer returns and returns to suppliers were thus significantly reduced compared with the previous year.

_Galenica regularly reviews the informative value and quality of the indicators used, making adjustments or changes as needed. In 2010, data collected by Galexis and OM Pharma improved considerably and one figure was adjusted at OM Pharma. In addition, GaleniCare set up an internal electronic platform (Sharepoint) giving employees easier access to information and thus leading to greater transparency.

_Galenica makes sure that the Group and its companies, and its business partners, comply with international and national laws and standards, industry-specific standards, and good practices in connection with social, societal and environmental responsibility. The latter are also described in the principles of the Global Compact, a United Nations initiative (www.unglobalcompact.org). However, Galenica does not accept responsibility for the failure of suppliers and other business partners to comply with

these principles unless it is covered by a contractually defined cooperative arrangement.

_Data on the environmental performance indicators are collected in the Pharma and Logistics business sectors. These two sectors together accounted for around 58% of the total resource consumption or environmental impact of the Galenica Group in 2010. Energy and water consumption figures are also available for these two business sectors. In addition, the release and disposal of critical substances are also surveyed systematically.

_There are no comprehensive or systematic surveys for the Retail business sector since all of the pharmacies are leased or rented. Nonetheless, Galenica strives to operate these points of sale in an energy-efficient way. Some Amavita pharmacies were redesigned in 2010 to fit the uniform shop layout, and this included taking energy-efficiency measures into account on an ongoing basis. The existing Sun Store pharmacy concept is being retained by Galenica. The Sun Store pharmacies have been supplied directly by Galexis since 2009. This enables bundling of orders and reduces orders to third-party suppliers. During the period under review, 75% of products were obtained directly from Galexis. This led to an overall reduction in CO₂ emissions.

_Sun Store's sustainability measures are included in the sustainability report with effect from this year.

_The sustainability figures for OM Pharma, which was acquired in November 2009, will be taken into account from the 2011 reporting period.

Innovative processes

_The deep-freeze system installed in Niederbipp in 2009, in which special products are stored at up to -40° Celsius, has proven its value. These special products are delivered to customers via our distribution centres at Niederbipp and Lausanne.

_To support the integration of Globopharm in 2009, Alloga doubled its refrigeration capacity and brought a new automatic picking machine into operation. The picking stations of the picking machine are now at around 70% utilisation, and the reserve stations at around 75%. The proportion of picking lines processed by the automatic picking machine is 34%, which corresponds to 85% utilisation. Alloga is aiming to increase utilisation to 100% in 2011.

_The integration of Globopharm into Alloga led to improved storage utilisation and greater use of storage spaces.

_Vifor Pharma St. Gallen brought a new process manufacturing system for new products into operation, which is more energy efficient than the old system. A further ad-

vantage of the new system is that aqueous-based products can be produced, meaning that the use of solvents containing VOCs can be reduced.

_Furthermore, Vifor Pharma made changes to various process steps for the existing systems, which will reduce energy use by up to 30%.

_OM Pharma introduced systematic risk management in the reporting period, and systematised recording of environmental indicators.

Continuous improvement

_A company's sustainable growth requires not only foresight and a high level of innovative energy but also the will and particularly the ability to constantly review and adjust internal structures and processes as well as products and services. The determination to improve on an ongoing basis is supported by the conviction that the only strategy that will ensure that the Galenica Group continues to grow is a long-term strategy. A number of different programmes and projects in 2010 provide evidence of this high standard, which is central to Galenica's approach.

Monitoring and follow-up

_Alloga successfully passed the SGS audit in 2010 and was again certified ISO 9001:2008 compliant.

_The OM Pharma production facility in Portugal is certified ISO 9001:2008 and ISO 14001:2004 compliant. It is also fully compliant with Good Manufacturing Practice (GMP).

_The Vifor Pharma site in Fribourg is also ISO 9001 and ISO 13485 certified. The annual audit was successfully passed in June 2010. The site also has GMP certification for the manufacture of pharmaceutical products. This licence is reviewed every two years by Swissmedic; this audit took place at the end of 2010.

_Vifor Pharma Fribourg carried out the «Greenhouse» project from mid-2009 until the start of 2010. The aim of the project was to assess legal compliance with environment-relevant aspects according to ISO 14001, and to establish processes accordingly. However, ISO 14001 certification is not currently being sought. Ettingen successfully passed a Swissmedic audit in 2009, which is valid until 2011. Each service indicator (volume, adherence to deadlines, delivery compliance, etc.) is displayed monthly on the bulletin board.

_Logistics has a formal process management system focused strongly on the value creation process (supply chain management). Moreover, the transport processes are reviewed and optimised along the entire chain.

_Vifor Pharma St.Gallen is 100% compliant with Good Manufacturing Practice (GMP). The company places special emphasis on the CAPA concept (Corrective and Preventive Action System) for GMP. It monitors process and product quality, taking corrective measures where needed. Vifor Pharma St. Gallen also very successfully passed both recertification by Swissmedic and the inspection by the US Food and Drug Administration (FDA). «Delivery compliance» was introduced as a new key performance indicator (KPI) in 2009. This led to a considerable improvement in delivery compliance and internal awareness of the need to handle complaints and enquiries quickly. This KPI also indirectly measures customer satisfaction.

_All GaleniCare pharmacies are now linked to a quality system that not only meets, but generally exceeds, legal, technical and Group-wide requirements. The quality system was reviewed in all pharmacies in 2010 and is subject to a continuous optimisation process. Since 2010, all pharmacies have been reviewed by an internal auditor and improvements implemented directly. A total of 45 Amavita and 5 Coop Vitality pharmacies were audited this year.

_The Sun Store pharmacies are to be incorporated in the GaleniCare pharmacies' quality management system from 2011.

Environmental responsibility

_The criteria for ecological responsibility that were defined by the Sustainability Committee in 2007 were also applied in 2010. In the period under review, a significant contribution to Galenica's sustainable value enhancement was made once achieved in resource efficiency by:

- _defining and enforcing environmental criteria when purchasing or constructing new facilities or renovating existing ones; and
- _raising awareness among, and training of, employees in waste disposal and waste management.

Energy efficiency and greenhouse gas emissions

_Galenica strives to continuously improve energy efficiency while reducing greenhouse gas emissions.

_The Niederbipp distribution centre installed a gas heating system instead of an oil-based system. The energy mix has remained stable since the centre's start up in 2008. Internal control and regulation measures for building cooling and heating have reduced gas and power consumption. The building is well insulated, which means that even in winter the heating can be turned right down – not only at weekends and at night, but also during the daytime.

_The lighting automation system was improved as part of a comprehensive lighting concept. In certain rooms without motion sensors, the lights automatically go off between 10.00 p.m. and midnight to avoid constant lighting. Table lamps are now prohibited. The concept has so far proven effective. Individual desktop printers have

been replaced by multifunctional, centrally located printers unless data privacy issues require otherwise. Printing by the various departments has been under review since 2010 so that further improvement measures can be taken in this area as of 2011. When purchasing appliances, the energy certification is also taken into account. The majority of appliances purchased by building services have this certification.

_The elimination of the Schönbühl and Zurich-Schlieren sites has enabled Galaxis to streamline delivery services and enhance vehicle utilisation. Deliveries to Amavita pharmacies by Galaxis generally take place only twice per day. The utilisation efficiency of Galaxis delivery services has thus been further improved. A number of synergies were leveraged between Galaxis and Unione Farmaceutica Distribuzione regarding goods transport during the period under review. In order to reduce the number of trips between the Niederbipp and Barbengo logistics centres, the range is being reviewed and adapted accordingly. Moreover, the objective is to expand the delivery business and provide all customers in Ticino by Unione.

_OM Pharma opened a new building in November 2010, which houses a restaurant and conference rooms. This was built in line with the Minergie standard and equipped with solar panels to heat water. Rain water is also collected and used for irrigation.

_To raise employee awareness about energy and electricity conservation, Galaxis hosted «Idea Days» between November 2009 and the end of January 2010 on «Reducing consumption of raw materials and energy». These were initiated by the staff committee. A total of 160 ideas

Eco-efficiency 2006–2010

	2006	2007	2008	2009	2010	Compared to the previous year's figures in %			
						2006 and 2007	2006 and 2008	2006 and 2009	2006 and 2010
Energy consumption (MWh) per employee ¹⁾	24.7	20.5	21.1	24.1	23.8	82.9	85.5	97.1	96.3
Energy consumption (MWh) per CHF million value added	97.5	67.1	77.4	77.8	88.4	68.8	79.4	79.4	90.6
CO ₂ emissions (t) per employee ¹⁾	4.3	3.3	3.8	4.1	4.2	76.4	90.2	96.6	98.5
CO ₂ emissions (t) per CHF million value added	16.8	10.6	14.1	13.3	15.6	63.4	83.7	79.0	92.7
Water consumption (m ³) per employee ¹⁾	77.0	73.5	85.0	72.3	62.7	95.5	110.5	94.0	81.5
Water consumption (m ³) per CHF million value added	303.5	240.3	311.3	233.2	232.7	79.2	102.6	76.8	76.7
Non-hazardous waste (t) per employee ¹⁾	0.3	0.3	0.3	0.2	0.2	99.0	85.7	77.8	56.7
Non-hazardous waste (t) per CHF million value added	1.2	1.0	1.0	0.8	0.6	82.1	79.6	63.6	53.3
Hazardous waste (t) per employee ¹⁾	0.2	0.2	0.1	0.1	0.1	80.9	64.5	63.4	80.7
Hazardous waste (t) per CHF million value added	0.7	0.5	0.4	0.4	0.6	67.1	59.9	51.8	75.9

¹⁾ Number of employees of the business sectors Pharma and Logistics

were received. The aim was to draw up a binding Green Code of Conduct for all Galenix employees. The Code covers the topics «Workplace», «Transport» and «Buildings/Infrastructure» and came into force on 1 July 2010. The Code of Conduct serves to actively involve employees and is intended to help reduce consumption of raw materials and energy. Since summer 2009, all new employees also receive a copy of Galenica's waste guidelines.

_The feasibility of all of the ideas submitted at the Idea Days on environmental performance is currently being assessed by the process owners.

_Galenix launched «round table» discussions with selected employees from operations in August 2010. At these, meetings process improvements and the implementation of any measures in various areas, such as «Safety in the workplace», are discussed. The round tables are chaired by a process management representative, with technical support from the responsible member of management.

_Vifor Pharma Fribourg has received district heating since 2009. The electricity supply to the buildings was renewed in 2010. To enable optimisation of energy efficiency from 2011/2012, meters were installed.

_Vifor Pharma Fribourg also brought a new cooling machine into operation in April 2010. This led to a 25% reduction in electricity consumption and enabled the air-conditioned area to be expanded by one-fifth. The heat exchanger at the site for the production of liquid products was also optimised. Energy consumption at the site therefore only increased by 16% despite a 28% increase in products manufactured.

_The change in the control system for the steam generator resulted in lower gas consumption.

_Through a poster campaign, Vifor Pharma Fribourg employees were made aware of how to correctly dispose of waste and how to save energy. Protecting employees' health is also a key issue.

_Vifor Pharma St.Gallen replaced a cooling machine in 2010, cutting electricity consumption by 25%. The insulation for hot and cold water pipes was overhauled in 2009, which significantly reduced energy loss. Electricity is saved through increased use of motion sensors for lighting and ventilation. Following an external audit, the outside area is now better lit. This has led to a minimal increase in energy consumption. On the other hand, the introduction of a sophisticated air compressor system resulted in 18% lower energy consumption in this area. To educate employees about resource consumption and energy efficiency, Production publishes internal reports on its consumption figures each month. Thanks to greater employee awareness, problems and faults (such as dripping taps) are reported and resolved immediately. Employees have also submitted ideas for potential savings. These have helped to reduce water volumes in the purification steps by more than 10,000 litres per year.

_Furthermore, Vifor Pharma St.Gallen introduced the Quality and Efficiency KPIs for power systems during the period under review. The indicators are meant to motivate facility managers to exploit the improvement potential.

_OM Pharma replaced the separate laboratory air conditioning systems with a centralised one, which uses heat recovered from the laboratory exhaust systems. It also improved waste disposal and drew up measures for noise protection in the refrigeration systems.

Energy consumption

Using public transport

_The taxi service between the bus stop and the company site operated by Vifor Pharma St.Gallen since 2009 is actively used by employees.

_In Niederbipp, the bus timetable has been adjusted to better meet the needs of employees and residents.

_Galaxis signed the purchase agreement for the land to be used for the planned station on the Niederbipp-Oensingen narrow gauge railway in 2010. The new station will start operation end 2011. The Green Code of Conduct also encourages Galaxis employees to use public transport and/or organise car pools.

_Vifor Pharma in Ettingen and Fribourg built new covered bicycle racks for their employees.

_All employees of the entire Galenica Group who frequently travel for business are provided with a Half-Fare travelcard.

Energy consumption

_In the period under review, the Galenica Group consumed a total of 41,360 MWh of energy. Total energy consumption in 2010 was 20.2% higher than five years ago and over 3.4% lower than in the prior year. From 2006 to 2010, value added increased by about 32.5%. The relative consumption of resources, which is calculated from the ratio of absolute energy consumption to value added (EBITDA plus personnel costs) and is used as a measure for efficiency monitoring, was thus reduced by 9.6% from 2006 to 2010.

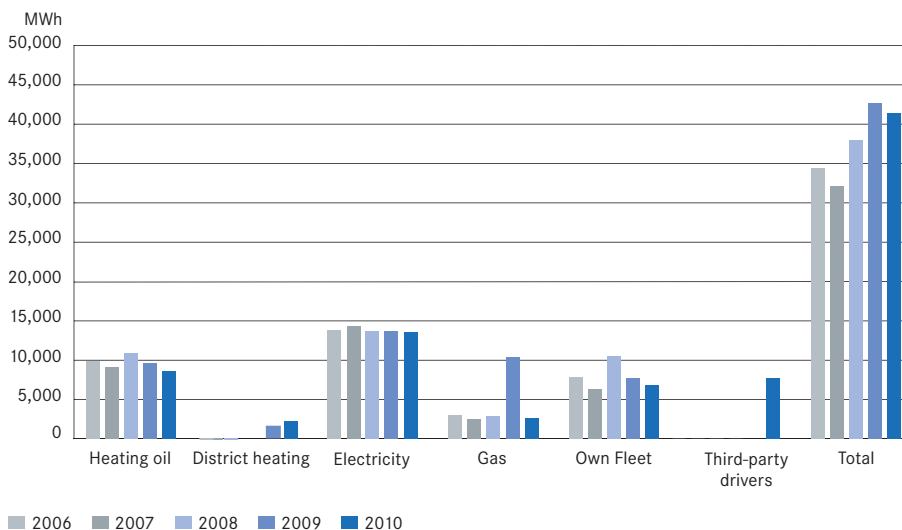
_Fuel consumption. The percentage of petroleum fuels consumed decreased by 10.4% from 2009 to 2010. Galenica remains committed to reducing its dependency on petroleum by making greater use of renewable energies, natural gas and heat recovery/district heating. It will continually enhance energy efficiency, specifically based on planned remediation measures. Through the use of heat from the waste incineration plant in Fribourg, Vifor Pharma Fribourg reduced its petroleum consumption by 90%.

_Vifor Pharma St.Gallen's petroleum consumption remained unchanged.

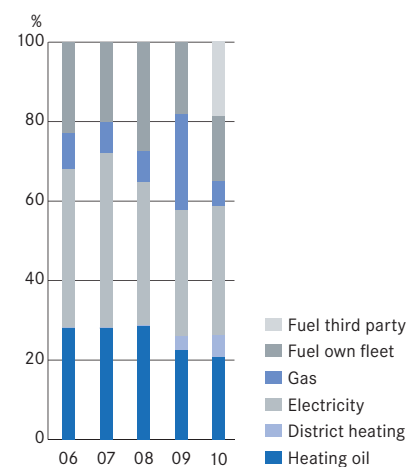
_Vehicle fuel consumption. As a result of consolidating the two former distribution centres (Schönbühl and Schlieren) in Niederbipp, the regional distribution routes and schedules had to be adjusted. Galaxis senior management has decided to await further developments in vehicle engine systems before purchasing delivery trucks fuelled by alternative sources of power. Until then, the company will continue to use diesel trucks with particle filters. However, Galaxis and the Group have purchased some passenger cars that are powered by alternative sources: hybrid vehicles and alternatively fuelled vehicles (E85 ethanol).

_Power consumption. Wherever possible, GaleniCare has installed motion sensors. During the period under review, part of GaleniCare installed modern workstations equipped with flatscreen monitors. These are helping to

Energy consumption 2006–2010



Energy mix 2006–2010



significantly lower energy consumption in this area. Vifor Pharma St. Gallen built a new, more efficient server room which consumes considerably less electricity. The power consumption could be reduced since it is not only cooled down by electric refrigerating machines (accounting for about 45% of the electricity consumption of a server room) like the existing server rooms, but – as long as climate conditions permit – with fresh air.

Emission of greenhouse gases and air pollutants

_Carbon dioxide emissions resulting from the consumption of energy from various energy sources are calculated using internationally recognised emissions measures. Starting 2010, Galenix has been collecting the emission data of third party deliveries of Galenix and Alloga (see chart Energy Consumption «Fleet: third-party driver»). These data were integrated into the present calculation. A comparison with previous years is therefore limited.

_In 2010, Galenica released a total of 7,283 tonnes of carbon dioxide (CO₂), including third-party drivers, an increase of 28% compared with the previous year or 17.4% more than the five-year average.

_Compared with 2006, carbon dioxide emissions per unit of added value dropped by 7.3%.

_Vehicles. In 2010, Galenix maintained a customer-delivery fleet of approximately 100 vehicles, which are normally replaced every six years. Seven replacement vehicles which were acquired during the period under review meet the Euro 5 emission standard. Some 80% of the vehicles meet the Euro 4 or Euro 5 emission standard. A further four

vehicles also meet the Enhanced Environmentally-Friendly Vehicle (EEV) standard in addition to Euro 5. The voluntary EEV standard is currently the most demanding European exhaust emissions standard, with even stricter limits than Euro 5. This means even lower emissions of pollutants; for example, particulate matter emissions are around 30% lower without increased fuel consumption.

_Galenix carried out special training with its drivers, which led to a significant reduction in the average fuel consumption of the vehicle fleet.

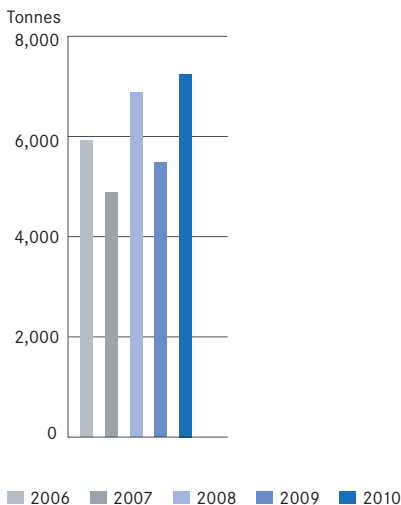
_Since 2006, only diesel vehicles with particle filters have been purchased, which has reduced harmful soot in exhaust emissions by up to 95%. When purchasing new vehicles in the future, Galenix will aim to introduce only vehicles with the latest exhaust technologies.

_GaleniCare uses only category A light vehicles for home delivery service.

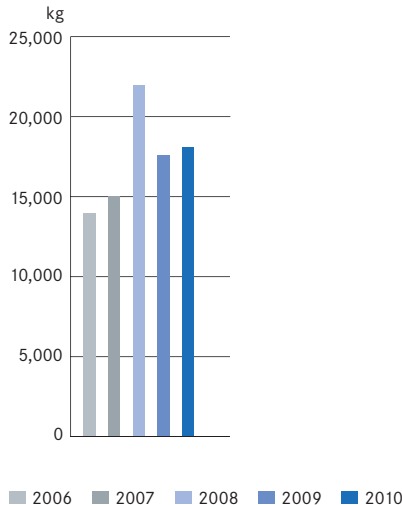
_Alloga has transport agreements with PostLogistics and Marti Logistik. Both contractual partners work for Alloga throughout the year. All the vehicles used comply with the Euro 5 emission standard.

_VOCs. Galenica has been collecting emission data for volatile organic compounds (VOCs) systematically since 2007, although the substances and products that contain VOCs or release them during processing are only used in small quantities. In the period under review, the company paid the required fee on 18.2 tonnes of VOCs. These VOCs consisted of substances emitted into the atmosphere or disposed of in solid form.

Carbon dioxide emissions 2006–2010



VOC emissions 2006–2010



Water consumption

_Galenica consumed 108,874 m³ of water in the year under review. On a Group-wide basis, water consumption was around 15.2% lower than the previous year and 1.8% higher than in 2006. Water management efficiency, which is calculated as water consumption per unit of value added, improved by 23.3% from 2006 to 2010. Compared with the previous year there was no change.

_Due to the relocation of the Zurich-Schlieren and Schönbühl logistics centres to Niederbipp at the end of 2008, Galexis does not have fully representative figures for 2006–2010. The consolidation of the centres, however, has led to a 43% decrease in water consumption of Galexis compared with 2008.

_Vifor Pharma St.Gallen has made greater use of spring water rather than drinking water for production and cooling, which has proven very effective.

_Vifor Pharma Fribourg replaced a tap-water-operated cooling machine with one that uses compressors in early 2009. Water consumption dropped by nearly 13% in 2009 thanks to this process. Consumption stabilised in 2010 compared with the prior year. A new purified water system will be operational in 2011, with the goal of decreasing water consumption by 25%.

Waste and recycling

_In 2010, Galenica generated 303 tonnes of non-hazardous waste and 259 tonnes of hazardous waste, which consisted primarily of returned outdated medicines. Compared with the five-year average, the total amount of

waste decreased by 12.9%. This is equivalent to a year-on-year decrease of about 8.4% overall, with the amount of hazardous waste increasing by 24.5% and the amount of non-hazardous waste decreasing by around 25.4%.

_The Retail business sector ordered recyclable carry bags with the new 2009 Corporate Design.

_The Logistics business sector throws away a large volume of packaging materials, especially cardboard. In 2010, a total volume of 863.3 tonnes of cardboard were disposed of, 8.5% more than in the previous year, which is due to the start up of the new distribution centre in Niederbipp.

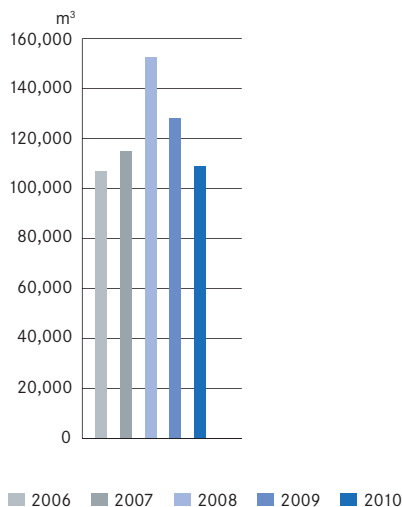
_Per unit of value added, non-hazardous waste has decreased by 46.4% since 2006, and hazardous waste by 24.1%.

_Hazardous waste. Galenica accepts returns of outdated medicines except for cytostatics, which require a special permit to be returned. However, Galenica has a list of companies that take these medicines back and provides the list to its customers.

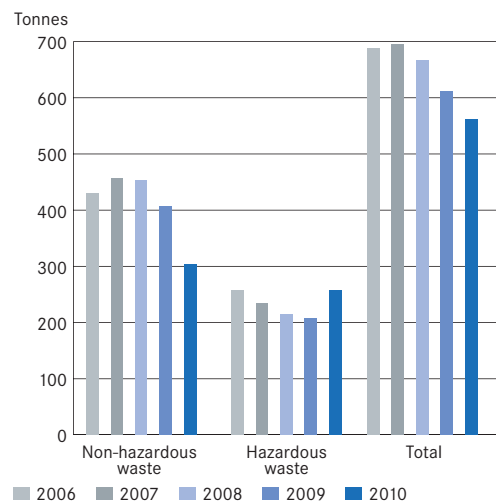
New statutory provisions

_No new statutory provisions for hazardous waste management in industry and commerce were enacted in 2010. The new Alcohol Law comes into effect from 2011. However, this has no implications for Galenica. Pursuant to the new ordinance on the reduction of risks when handling certain particularly dangerous substances, preparations and objects (Ordinance on Risk Reduction related to

Water consumption 2006–2010



Waste 2006–2010



Environmental performance indicators

Production unit	GRI3 ¹⁾	Unit	2010	2009
Materials used	EN ²⁾			
Energy				
Direct energy consumption categorised by: Primary energy sources	EN3			
_Electricity		MWh	13,506	13,661
_Heating oil		MWh	8,619	9,622
_Gas		MWh	2,549	10,363
_District heating		MWh	2,179	1,455
_Fuel: own fleet		MWh	6,775	7,705
_Fuel: third-party driver		MWh	7,731	
Energy saved from environmentally-conscious use and enhanced efficiency	EN5			
_Process optimisation			qualitative	qualitative
_Exchange and retrofitting of plants and installations			qualitative	qualitative
_Changes in employee behaviour			qualitative	qualitative
Water				
Total water consumption	EN8	m ³	108,874	128,347
_Share in % and total volume of reclaimed and reused water	EN10	%	–	–
Biodiversity				
Location and size of property near or in protected areas	EN11	ha	–	–
Emissions, wastewater and waste				
Total direct and indirect greenhouse gas emissions by weight	EN16			
_CO ₂		t	7,283	5,679
Emissions of ozone-depleting materials by weight	EN19			
_VOCs		kg	18,118	17,594
Total wastewater discharges by type and location of discharge	EN21	l	–	–
Total waste weight by type and disposal method	EN22	t		
_Non-hazardous waste		t	303	406
_Hazardous waste		t	259	208
Products and services				
Initiatives to minimise the environmental impact of products and services and the extent of their impact	EN26		qualitative	qualitative
Percentage of purchased products for which the associated packaging material was taken back, broken down by category	EN27		qualitative	qualitative
Legal compliance				
Monetary value of significant fines and total number of non-monetary penalties due to violation of environmental regulations	EN28	CHF	–	–

¹⁾ GRI: Global Reporting Initiative

²⁾ EN: European Norm

Chemical Products, ORRChem), the production of new HCFCs has been prohibited since 1 January 2010. However, existing HCFCs may continue to be reused and used in existing systems until 31 December 2014.

Damaging environmental incidents

_In the year under review, the Galenica Group did not have any specific environmental incidents. This is partly due to Galenica's highly developed safety culture.

Compliance

_No fines were imposed on any company in the Galenica Group during 2010 for failing to comply with statutory environmental regulations.

Social responsibility

_Galenica's employees are the primary focus of its corporate social responsibility. Thanks to their commitment, motivation and willingness to achieve above-average performance, Galenica has been able to expand its leading position in the healthcare market. It is therefore a matter of special concern for Galenica to support the involvement and strengths of its workforce.

Human Resources

_A separate section of the annual report is dedicated to human resources (see page 83).

Donation to Swiss Solidarity

_Galenica made a donation to the victims of the earthquake in Haiti. Employees from all companies also organised their own fundraising campaign. The Galenica Group decided to match the amount raised by employees. Thus, an additional amount could be donated to Swiss Solidarity.

Swiss Aids Care International

_Galenica, a company committed to good health, supports the Swiss Aids Care International foundation. In 2003, the foundation built a clinic for AIDS patients in Harare, Zimbabwe, under the direction of Professor Ruedi Lüthy. The clinic in Harare provides free comprehensive medical and psychosocial treatment for HIV+ children and adults. Specially trained native nurses care for the patients under the supervision of two physicians. The operation receives one-third of its funding from the Swiss Agency for Development and Cooperation (DEZA) and additional support from the private and governmental spheres and from non-governmental organisations (NGOs).

Agua Viva – the small aid organisation for children

_Galenica aims to help people who are disadvantaged and dependent on the help of others. In 2010, Galenica again provided financial support to the «Agua Viva, the small aid organisation for children» project.

_Agua Viva helps children in need in Brazil and arranges sponsorship for children from the deprived areas of the cities of Olinda and Paulista. The sponsorship makes it possible to provide a child with basic nutrition. A portion of the contributions is put in a pool that is used to finance medical treatment and medication. In Olinda, the association offers an information and contact point for all sponsored children and their relatives via the «Oficina Agua Viva». Here, the children receive food and are given the opportunity to attend daily lessons. Agua Viva also organises vocational and part-time courses as well as traineeships for children and adolescents from socially disadvantaged backgrounds and offers, via the Oficina, a contact point for people from the region who are in need of help.