



SUSTAINABILITY

SUSTAINABLE QUALITY

38 / ENSURING THE SUSTAINABILITY
OF OUR BUSINESS

SUSTAINABILITY

CORPORATE RESPONSIBILITY

WE AIM TO IMPROVE LIVES BY PROVIDING PATIENTS
WITH BETTER ACCESS TO HIGH-QUALITY,
COST-EFFECTIVE MEDICINES IN KEY THERAPEUTIC AREAS

The table below lists some examples of key initiatives in 2011 across our major
CR impact areas and links these initiatives to our strategic goals.

2011 HIGHLIGHTS

	<i>Strengthening</i> our leading position in the MENA region	<i>Developing</i> our global product range in growing therapeutic areas	<i>Extending</i> our reach and diversity through partnerships	<i>Increasing</i> the scale of our speciality Injectables business	<i>Leveraging</i> our expertise and capacity in the US market	<i>Building</i> on our world-class manufacturing and API sourcing capabilities
<i>Patients</i>	Provided patients across MENA with an extensive portfolio of 537 compounds in 1,323 dosage forms	Launched imatinib, a leading treatment for breast cancer, in Jordan	Enhanced our pipeline of innovative cancer treatments through an agreement with Aeterna Zentaris to market perifosine in the MENA region	Expanded our global portfolio of affordable injectable products to 169 compounds in 308 dosage forms and strengths	Increased market share of written oral prescriptions by offering cost-effective, differentiated products like our dye-free amoxicillin suspension	Ensured delivery of quality products through adherence to the highest standards of manufacturing
<i>People</i>	Implemented our continuous education programme, funding 25 employees for Bachelors and Masters degrees	Leveraged our expertise in treating diabetes, heart disease and cancer through employee awareness programmes	Strengthened the capabilities of our 1,700 strong sales and marketing team through training	Successfully managed the integration of more than 700 new employees into our US operations	Transferred skills and expertise from our European operations to the US through the relocation of key operational and quality managers	Developed employees technical skills and expertise through our contract manufacturing partnerships
<i>Community</i>	Donated much needed medicines to Libya including anti-infective, cardiovascular and diabetes products	Raised awareness by sponsoring anti-obesity and breast cancer campaigns	Agreed to bring new treatment for iron deficiency to MENA through partnership with Vifor Pharma for Ferinject®	Addressed critical short supply issues in the US by providing much needed injectable products	Raised money to fund breast cancer treatment and research in the US	Provided funding to develop an industrial pharmaceuticals faculty at Yarmouk University in Jordan
<i>Environment</i>	Renewed environmental management systems (EMS) certification of the (ISO) 14001:2004 in Hikma's units in Jordan and Egypt	Expanded facilities in all regions in order to meet global demand for our products while complying with local and international environmental standards	Continued regular training of employees on sustainability and environmental matters	Inaugurated a new lyophilisation plant in Portugal, completed to a high environmental standard	Committed to increasing recycling of bottles, cans, cardboard and paper at our US operations	Collected GRI data from our manufacturing facilities worldwide to analyse energy usage
<i>Business Ethics</i>	Engaged The Good Corporation to audit our operations in Jordan and Saudi Arabia	Worked with ministries of health in MENA to ensure the dissemination of accurate information regarding the contraindications of Actos®, an important in-licensed diabetes treatment	Won the Hermes Transparency in Governance Award for "Best FTSE 250 Audit Report"	Engaged The Good Corporation to audit our operations in Portugal and the US	Re-educated staff in the US on our Code of Conduct	Utilised Supplier Audit Questionnaire to assess supplier's business practices

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ADDRESSING MAJOR HEALTH ISSUES

SINCE THE COMPANY WAS FOUNDED, HIKMA HAS BEEN PROVIDING PATIENTS WITH HIGH QUALITY, AFFORDABLE MEDICINES

As a leading manufacturer of generic pharmaceuticals, we are in a position to help address the health issues affecting patients in the markets in which we operate. Given our origins in MENA, and the regions relatively young population, anti-infectives have dominated our product portfolio for many years. As our business has grown, our anti-infective product offering has expanded in range, complexity and market coverage. Hikma is now a key supplier of oral and injectable cephalosporins and oral penicillins across the MENA, Europe and the US markets.

As we have expanded our geographic footprint and sought to meet the changing needs of patients in our local markets, we have also grown our product portfolio in other therapeutic areas. As of the end of 2011, our global product portfolio of 667 molecules in 1,598 dosage strengths and forms included products in the cardiovascular, oncology, CNS, respiratory and pain therapeutic areas, to name a few.

In recent years, we have seen significant changes in patient needs in the MENA region. As life expectancy increases and lifestyles change, patients are increasingly being treated for chronic illnesses. The incidence of heart disease and diabetes has risen dramatically. Through our own in-house development and through partnering with licensors, we are working to address these health issues by bringing new treatments to market. We are also working to raise awareness of many of these illnesses in our local communities. Through internal and external awareness days and targeted marketing campaigns, we are sharing our expertise in order to help prevent, detect and treat these chronic diseases.

Across all our markets, we are working to fight the increasing incidence of cancer. Our manufacturing facility in Germany, which is dedicated to the production of cytotoxic oncology injectables, is now approved for production for the US, Europe and MENA. We are also producing high quality oral

oncology products at a dedicated facility in Jordan. Our global oncology product portfolio is growing, we are increasing our penetration of the European oncology market, we have begun launching our first cancer products in the MENA region and have received our first oncology approval in the US.

Through charitable contributions, we are also looking to help prevent and treat some of world's most challenging health issues. Since 2010 we have contributed to the Global Fund to fight AIDS, Tuberculosis and Malaria, which works to fight these diseases.

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PATIENTS

PATIENTS AROUND THE WORLD SEEK SAFE AND EFFECTIVE MEDICINES AT AFFORDABLE PRICES

Hikma quality

Delivering high quality products to our patients starts with embedding quality in our manufacturing process. Our Corporate Compliance Department works to ensure that all Hikma sites abide by the local regulations of the MENA region, Europe and the US and that we harmonise quality across our businesses through adherence to international GMPs (Good Manufacturing Practices). This commitment to quality extends to our employees, who undertake regular training to ensure they are working to the highest possible standards.

These efforts are supported throughout the year with workshops, such as Managing Deviations in Compliance with the Latest Regulatory Guidelines held in November 2011, in which employees from across Hikma's worldwide operations joined specialists from major pharmaceutical companies and regulatory bodies to share insights on best practice.

Pharmacovigilance

Through our robust commitment to pharmacovigilance, we ensure that we remain focused on patients' safety. Our Medical Affairs department manages a pharmacovigilance system for the collection, collation, and evaluation of adverse drug reactions and the implementation of effective corrective and preventive actions.

In 2011, the Medical Affairs department implemented our pharmacovigilance system in some of our MENA countries and engaged SGD Consulting LTD to assess our pharmacovigilance activities and recommend strategies to improve efficiency and productivity.

Information and patient education

In 2011, our excellence in pharmacovigilance enabled us to manage the impact of concerns that arose with respect to one of our leading in-licensed products, Actos®, a treatment for Type 2 Diabetes. Our pharmacovigilance team worked closely with our licensing partner Takeda, a Japanese research-based pharmaceutical company, and regulatory bodies in the MENA region, doctors, pharmacists and other stakeholders to ensure the dissemination of accurate information regarding the contraindications of this product.



Clinical research

Making sure that doctors and patients are confident in the efficacy of Hikma products is critical to their success in the market. To achieve this, we work with medical institutions, regulatory authorities, and clinical research organisations (CROs), through our Medical Affairs department, to develop and conduct clinical and pharmaco-epidemiology studies. The studies support our marketed products and help in the development of our product pipeline across growing therapeutic areas (i.e. oncology, central nervous system, diabetes, and respiratory system).

Our clinical research related activities during the year included participation in the Jordan FDA-Clinical Investigation Training Program in December 2011. As part of this, Hikma arranged post-marketing surveillance studies in various key therapeutic areas, including oncology, and assisted in the management of medical trials.

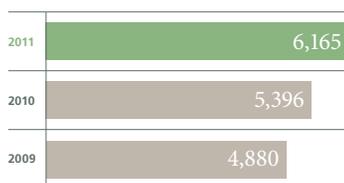
Security of supply

Ensuring the availability of our medicines is critical to both fulfilling patients' needs and delivering on our corporate performance objectives. Critical supply shortages hit the US market, particularly for injectable products, in 2011. Our US operation responded by accelerating the production of affected drugs and by working closely with the FDA's drug shortage staff to anticipate and mitigate the effects of drug shortages on patients.

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PEOPLE

WE FOCUS ON CONTINUOUSLY DEVELOPING AND NURTURING OUR WORKFORCE. WE BELIEVE THAT SUSTAINING OUR PEOPLE'S GROWTH IS CRITICAL FOR THE SUCCESS OF OUR BUSINESS



NUMBER OF HIKMA EMPLOYEES

+ 14.3%

“Hikma employees come from different countries, different nationalities, different religions, and both genders but they all have one identity and one nationality in common: they are Hikma.”

—
Quote by the founder of Hikma,
Samih Darwazah

The average monthly number of employees in 2011 reached 6,165, a rise of 14.3% from 2010 and 145% since the company became publicly listed on the London Stock Exchange in 2005.

Equal opportunities, diversity & inclusion

We believe in the equal treatment of employees and do not condone favouritism or inequality in any shape or form. We do not discriminate based on a person's race, religious creed, age, sex, marital status, nationality, present or past history of mental or physical disability or any other factors not related to a person's ability to function at his or her a job as stated in the Company's Equal Treatment of Employees & Harassments Policy and Procedure.

Across our business, we provide excellent opportunities for young people to develop key skills and experience. In 2011, 58% of our workforce was under the age of 30.

In 2011, women comprised 28% of Hikma's total workforce. In certain jurisdictions however, women made up a much larger percentage of the workforce. In Portugal, for example, we employed 235 women, or 75% of total employees.

Communication

As we continue to grow, we are keen to maintain Hikma's culture of openness and transparency. Through communication initiatives, we make sure that key messages are relayed across the Group and employees

are consistently engaged in an active dialogue. Initiatives include bi-annual management briefings, the publication of our internal quarterly magazine "Zamaleh", "Ask Your CEO" events, and Hikma's "open-door" policy.

Reward and recognition

Significant progress has been made in the development of our remuneration programme for the Group. With the support of the Hay Group and other international consultancy firms, we are working to optimise employee compensation, benefits and working conditions and to implement customised grading and performance measurement systems. Our employees benefit from an employee savings fund, share-based LTIP and MIP incentive programmes, medical and life insurance and bonus schemes, where applicable.

Health and safety

The delivery of quality products is not possible without ensuring the health and wellbeing of our employees. We are committed to providing a safe working environment for our employees in which health and safety policies are developed, consistently applied, enforced and updated to protect employees from avoidable injuries.

In 2011, we focused on the continuous improvement of our Health and Safety policies and achieved a group-wide implementation of OHSAS ISO 18001, the occupational health



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HIKMA'S DAY AGAINST BREAST CANCER

Events and activities focused on awareness, early detection and health screening

and safety management system. Training sessions on occupational health and safety were regularly conducted during the year, with specialised training for plant operators.

Health awareness

Our commitment to ensuring the health and well being of our employees extends to internally sponsored health awareness campaigns aimed at raising awareness of major health issues among our employees. Through these campaigns, we provide employees with information on different diseases, particularly where we have expertise in specific therapeutic areas. Sessions are also provided on nutrition and healthy lifestyle management. In 2011, these events included Hikma's Day against Breast Cancer, Hikma's World Heart Day and Hikma's Anti-Obesity Campaign.

Learning and development

We are committed to building employees' skills and experiences and to creating employment opportunities that will enhance overall career development. Through programmes such as Hikma's Continuing

Education Scheme, we offer full funding for qualified employees to pursue higher education. Through management rotation plans, we offer exposure to different parts of our business and the opportunity to build a diverse range of skills and experience.

Managing change and restructuring

Acquisitions form an important part of Hikma's growth strategy, but can be disruptive to employees. We conscientiously manage any necessary HR changes and consider employees' interests carefully throughout the acquisition process, while establishing clear communication plans to ensure a smooth transition. At the same time, we aim to integrate new employees while preserving Hikma's strong culture. Following the acquisition of Baxter's Multi-Source Injectables business in 2011, our HR teams supported the integration process by implementing new HR systems, augmenting rewards and benefits and encouraging employee engagement.

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"YOU ARE HIKMA" CAMPAIGN

Raising awareness regarding health, safety, and the environment at Hikma and in the broader community



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COMMUNITY

HIKMA IS COMMITTED TO BENEFITING THE COMMUNITIES IN WHICH IT WORKS. THROUGH COMMUNITY ENGAGEMENT AND HEALTH AWARENESS CAMPAIGNS, WE ADDRESS LOCAL AND GLOBAL HEALTH ISSUES



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HIKMA'S ANTI-OBESITY CAMPAIGN

Awareness campaign and
obesity screening

We collaborate with community groups to support public policies that promote economic and social development, within the context of each of the local cultures in which we operate.

Investing in local pharmaceutical markets

Over the years we have built strong local businesses, which directly support and contribute to the local communities in which we operate. We have invested in best-in-class facilities, employed local staff and invested in their training and development.

In 2011, our strong commitment to the MENA region was demonstrated by our investment of around \$220 million in local business and facilities, including acquisitions of pharmaceutical businesses in Morocco and Sudan. These investments will enhance and ensure the delivery of high quality affordable medicines to patients in our key MENA markets.

Addressing local health issues

As life expectancy in the region is increasing and lifestyles are changing, we are seeing a shift in demand from anti-infectives to treatments for chronic ailments like heart

disease, diabetes and cancer. Across all of our MENA markets, we focus on offering products that reflect the needs of the local patient population. In 2011, for example, we launched Imatinib in Jordan. Imatinib is an important medicine for the treatment of breast cancer and presents a high quality, affordable alternative to the originator. We also signed a commercialisation and licensing agreement with Aeterna Zentaris, an oncology drug development company, for a leading colorectal cancer product in phase III clinical trials. These efforts are part of our continuing focus on developing a significant oncology portfolio for the region.

Hikma's Global Volunteering Day

Every April, employees participate in Hikma's Global Volunteering Day. Employees from the Group's businesses worldwide take part by volunteering in their communities. Activities include donating blood, cleaning and painting hospitals and grounds, spending time with patients, entertaining children and organising awareness campaigns and lectures for Hikma employees.



Development and education

Our commitment to our local communities extends to education. Across our businesses, we provide support to local students and institutions. In 2011, funding was provided for developing an industrial pharmaceuticals faculty at Yarmouk University, and renovation to the department of pharmacy at the University of Jordan. In addition, we cooperated with institutions to exchange scientific and practical know how, conducted joint research projects and attended scientific fora and symposia.

donation team that oversaw the delivery of supplies at Gaza borders. We also collaborated with the Jordanian Hashemite Charity Organization in donating medical products and supplies to alleviate the suffering of people in Gaza.

Our US business donated anti-infectives to Health and Harmony's ASRI clinic in Indonesia, in collaboration with the AmeriCares Medical Outreach Program.

Other contributions during the year included in-kind donations of medicinal products to Somalia and Libya.



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HIKMA'S WORLD HEART DAY

Raising public awareness about heart diseases and prevention in conjunction with the World Heart Federation's World Heart Day