

ZymoGenetics, Inc.  
Corporate Compliance Program

(Posted pursuant to California Health & Safety Code § 119402)

ZymoGenetics is committed to ethical business conduct and to compliance with applicable laws. In order to help ensure that we meet these standards, ZymoGenetics has established a corporate compliance program designed in accordance with the “Compliance Program Guidance for Pharmaceutical Manufacturers,” published by the Office of Inspector General, U.S. Department of Health and Human Services (the “OIG Guidance”), and has organized its Program around the seven elements identified in the OIG Guidance.

We have designed our Corporate Compliance Program (the “Program”) with the purpose of supporting ethical conduct and preventing and detecting violations of law or company policy. As the OIG Guidance recognizes, however, the implementation of a compliance program cannot guarantee that improper employee conduct will be eliminated completely. Nonetheless, ZymoGenetics expects its employees to comply with our Code of Conduct, and the various policies established in support of the Code. In the event that ZymoGenetics becomes aware of violations of law or company policy, we will investigate the matter and, where appropriate, take disciplinary action and implement appropriate corrective measures to prevent future violations.

Described below are the fundamental elements of ZymoGenetics’ Corporate Compliance Program. The OIG Guidance calls for manufacturers to tailor their compliance programs to the characteristics of the company, and accordingly, we have tailored our Program to fit the unique environment of our company and our current business circumstances. Moreover, recognizing that compliance programs are dynamic, we will regularly review and enhance our Program to address the needs of our evolving business.

Consistent with the OIG Guidance, ZymoGenetics’ corporate compliance program includes:

- Written standards of conduct, policies, and practices that emphasize the company’s commitment to compliance and set forth the ethical and compliance principles applicable to all employees. Among other policies and standards, ZymoGenetics has adopted the Code on Interactions with Healthcare Professionals created by the Pharmaceutical Research and Manufacturers of America (“PhRMA Code”) as company policy applicable to all employees. ZymoGenetics has updated its policies to reflect the revised PhRMA Code which took effect January 1, 2009.
- A Corporate Compliance Officer and Compliance Committee charged with the responsibility for operating and overseeing the Program and with authority to report directly to the board of directors and the company’s president and chief executive officer.
- Regular education and training for employees as appropriate to their job functions.

- Lines of communication between the Corporate Compliance Officer and all employees, including mechanisms to receive complaints and ask questions (including a confidential toll-free hotline).
- Policies and practices to protect the identity of employees who report suspected misconduct or non-compliance and prohibit retaliation against these employees.
- Use of appropriate techniques to monitor compliance and identify and address risks.
- Prompt investigation of apparent misconduct and implementation of appropriate corrective action, which may include disciplinary action and other measures designed to prevent recurrence of identified problems.

In compliance with the California Health & Safety Code § 119402, ZymoGenetics has established an annual spending limit of \$3000 for specified promotional activities directed toward California healthcare professionals. This limit is a *maximum* expenditure and does not represent a spending “goal” or an average.

### **Annual Declaration for California**

Based on our good faith understanding of the statutory requirements, ZymoGenetics believes that its Corporate Compliance Program meets the requirements of Chapter 8, Part 15, Division 104 of the California Health and Safety Code (§§ 119400-119402). ZymoGenetics further believes that, to the best of its knowledge, it complies with its Corporate Compliance Program in all material respects. This declaration is made as of July 1, 2009.

Copies of this description of ZymoGenetics’ Corporate Compliance Program and Declaration may be printed from our website or may be obtained by calling 800-775-6686.