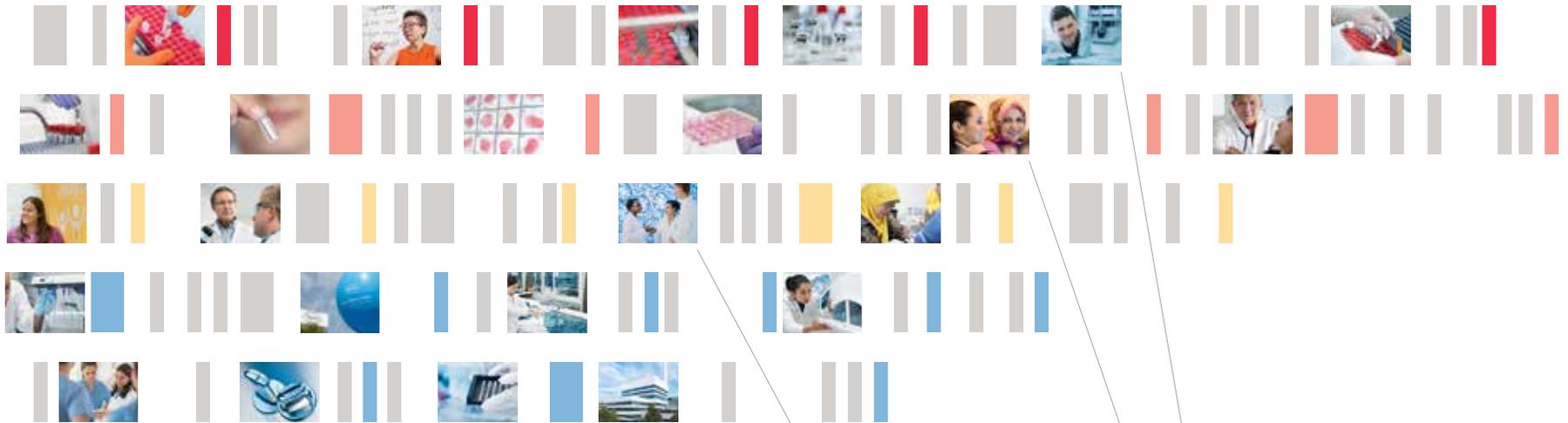




# Roche in Brief *2015*



**91,747**  
employees in over 100 countries

**# 1**  
in biotech, oncology, in vitro diagnostics  
and hospital market

**CHF 48.1 bn**  
in Group sales in 2015

**29**  
Roche medicines on the WHO Essential  
Medicines List

## Who we are

*Innovation: it's in our DNA. We have always worked across disciplines and geographies to drive scientific discovery and redefine what is possible to improve patients' lives.*

We are working on understanding how diseases differ down to the molecular level. So we can develop new tests and

medicines that prevent, diagnose and treat diseases that matter and bring them to the patients who need them. With our combined strengths in diagnostics and pharmaceuticals, our personalised healthcare strategy aims to fit the right treatment to the right patient.

As the world's largest biotech company, we develop breakthrough medicines,

improving the standard-of-care across oncology, immunology, infectious diseases, ophthalmology and neuroscience. We are also the world leader in the *in vitro* diagnostics business. This track record allows us to build lasting and meaningful partnerships across the world with research academia and public healthcare institutions.

The founding families continue to hold the majority stake in the company. This stability allows for a tradition of sustainable thinking, so we can learn from setbacks and focus on lasting value for patients and society. We remain dedicated to the highest standards of quality, safety and integrity. Our legacy is based on respect for the individual, as well as the communities and the world we live in.

## What we do

*We are a research-based, global healthcare company with combined strengths in pharmaceuticals and diagnostics.*

We develop, manufacture and deliver innovative medicines and diagnostic instruments and tests that help millions of patients globally. With a clear set of priorities, we aim to achieve sustainable growth and deliver value to all of our stakeholders.

We conducted a materiality analysis in 2014 at the corporate level amongst our key stakeholders to map out the most important topics related to these priorities.

As a result, we identified 21 material topics that stood out as highly relevant to us and to our key stakeholders, with a significant economic, environmental or social impact. These material topics are reflected in our business priorities and we have concrete actions related to them in our operational activities.\*

### *Focus on patients*



- Disease awareness and treatment education
- Patient organisation support
- Drug efficacy, safety and counterfeiting
- Biosimilar safety

### *Excellence in science*



- Product portfolio strategy
- Patent policies
- Data transparency on clinical trials

### *Personalised healthcare*



- R&D pipeline strategy and personalised healthcare

### *Access to healthcare*



- Sustainable healthcare
- Growth strategy in emerging and developed markets
- Pricing

### *Great workplace*



- Employee engagement and talent retention
- Compensation/benefits
- Leadership commitments
- Organisational effectiveness
- Executive compensation

### *Sustainable value*



- Environmental responsibility
- Compliance
- Occupational accidents
- Community engagement
- Supply chain management

\* For more information about our materiality process and outcomes, see [www.roche.com/materiality](http://www.roche.com/materiality)

# 2015 highlights

Partnership with **Foundation Medicine** on molecular information

US approval of **Lucentis** in diabetic retinopathy

FDA breakthrough therapy designation for **venetoclax** in two forms of leukemia

FDA breakthrough therapy designation for **Actemra** in systemic sclerosis

Launch of first Roche **PCR liquid biopsy test**

FDA clearance for **cobas flu A/B test** for use on our cobas Liat-System

Positive phase III results for **ocrelizumab** in two forms of multiple sclerosis

FDA approval for **cobas HBV, cobas HCV** and **cobas HCV viral load tests**

**Carbon Disclosure Project** recognition on climate change mitigation

US approval of **Alecensa** in a type of lung cancer



December

January

EU approval of **Avastin** in advanced cervical cancer

EU approval of **Perjeta** regimen in early breast cancer

FDA breakthrough therapy designation for **emicizumab (ACE910)** in hemophilia A

First national **HPV primary screening** tender won in Europe

Positive phase III results for **Gazyva/Gazyvaro** in a type of non-Hodgkin lymphoma and leukemia

FDA breakthrough therapy designation for **atezolizumab** in a type of lung cancer

Positive phase II results for **atezolizumab** in advanced bladder cancer

**Dow Jones Sustainability Indices** leader in healthcare for the 7<sup>th</sup> year running

US and EU approval of **Cotellic plus Zelboraf** in advanced melanoma

# Financial performance

In 2015, sales grew strongly across our two divisions. Pharmaceuticals Division sales increased by 5%,\* driven by oncology medicines Herceptin, Avastin and Perjeta as well as Esbriet for idiopathic pulmonary fibrosis. Diagnostics Division sales grew by 6%, driven primarily by immunodiagnostic products. This enabled us to post net income of CHF 9.1 billion, despite the substantial appreciation of the Swiss franc.

Thanks to our strong business performance we are able to further enhance our innovation capabilities and deliver healthcare solutions which make a difference in patients' lives.

CHF **48.1** billion  
Group sales  
+5% growth

CHF **17.5** billion  
core operating profit  
+5% growth

CHF **9.1** billion  
IFRS net income  
+4% growth

CHF **13.49** core earnings per share  
+7% growth\*\*

\* All growth rates are at constant exchange rates (average 2014). | \*\* Excluding the one-time benefit of CHF 428 million before tax related to the divestment of filgrastim rights in 2014.

CHF **37.3** billion  
Pharmaceuticals sales  
+5% growth

## Key growth-driving products in 2015 (CHF millions)

				
<b>Avastin</b> Oncology	<b>Herceptin</b> Oncology	<b>Perjeta</b> Oncology	<b>Kadcyla</b> Oncology	<b>Esbriet</b> Immunology
<b>6,684</b> +9%	<b>6,538</b> +10%	<b>1,445</b> +61%	<b>769</b> +51%	<b>563</b> +500%

CHF **10.8** billion  
Diagnostics sales  
+6% growth

## Sales of top selling products in 2015 (CHF millions)

				
<b>cobas e 602</b> Immunodiagnosics	<b>Accu-Chek Aviva Connect</b> Diabetes Care	<b>cobas c 502</b> Clinical chemistry	<b>Ventana HE 600</b> Tissue diagnostics	<b>cobas 8800</b> Virology
<b>3,019</b> +13%	<b>2,128</b> -3%	<b>1,591</b> +3%	<b>792</b> +12%	<b>584</b> +14%

# Innovation

## Research and development highlights

We made significant progress with our product pipeline, launching new medicines as well as diagnostics solutions. In 2015, we obtained five major approvals and four FDA breakthrough therapy designations on our medicines.

For our investigational medicine ocrelizumab, we announced strong data in both relapsing and primary progressive forms of multiple sclerosis. In addition, we presented promising results for our lead investigational cancer immunotherapy medicine atezolizumab in bladder and lung cancer. We also received EU and US approval for Cotellic plus Zelboraf to treat metastatic melanoma, and US approval for the cancer medicine Alecensa for a specific form of lung cancer.

**CHF 9.3 billion**  
Group investments in R&D  
19,4%\* of sales

**70** new molecular entities  
in clinical development

**4** FDA breakthrough therapy designations  
granted for Roche medicines in 2015

**324,380** patients  
participating in clinical trials

\* All growth rates are at constant exchange rates (average 2014).

In Diagnostics, we further extended our industry-leading product portfolio with seven test and eight instrument launches, including new cobas 6800 and cobas 8800 systems in Molecular Diagnostics and the Ventana HE 600 system in Tissue Diagnostics.

## Strategic partnerships to improve patient care

In January 2016, we announced a partnership with Flatiron Health, an industry leader in realworld oncology data. Building on the collaboration with Foundation Medicine, begun in 2015, this agreement is another important milestone to drive our leadership in personalised healthcare. Highquality healthcare data and advanced analytics will improve both the development of medicines and the quality of treatment decisions.

In 2015, we also acquired Ariosa Diagnostics, Signature Diagnostics, CAPP Medical and Kapa Biosystems, companies with strong expertise and technologies which will complement our activities aimed at building a next-generation sequencing portfolio.



# Sustainability

We run our business in a way that is ethical and aims to create long-term value for all stakeholders. We create value developing medical solutions and we aim for as many people to benefit from them as possible. We believe that our success lies in our ability to develop strategies where both industry and society benefit in a sustainable way.

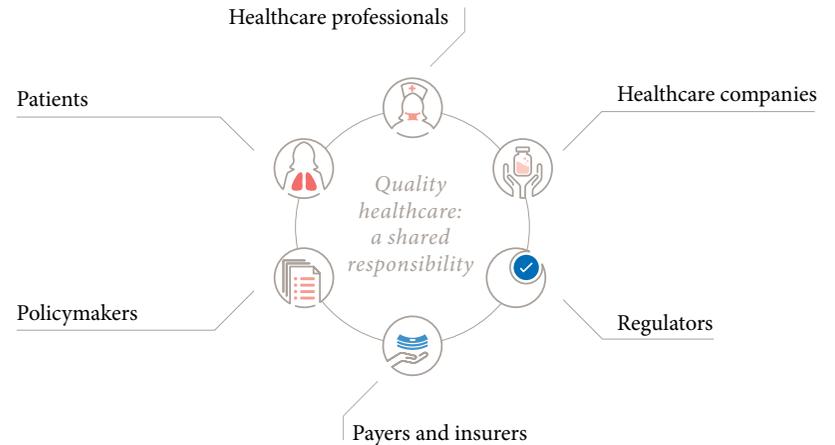
## 7 years running

Roche ranked as the most sustainable healthcare company by the Dow Jones Sustainability Indices

### Access to healthcare

Universal access to medical innovation and quality healthcare remains a global challenge. That challenge is complex and multifaceted. Healthcare resources and the demands on those resources vary widely from country to country, and even within countries. In some regions, the most sophisticated new medicines and diagnostic tests are readily available, whilst in others, the healthcare infrastructure is so limited that basic medical care is still a luxury.

Our aim is for every person who needs our products to be able to access and benefit from them. For this to happen, several conditions need to be in place, including disease awareness, adequate healthcare infrastructure and sufficient medical coverage. We are committed to working with our stakeholders to improve outcomes across the access spectrum.



The delivery of quality healthcare is complex and involves a number of stakeholders. We are working with partners at the local level to address the challenges and help establish sustainable solutions.

**25 million patients**  
treated with one of our top 25 selling medicines

**126 million patients**  
receiving Roche medicines that are now off-patent

**>7 million infants**  
have been HIV-tested through a Roche Diagnostics global access programme since 2002

**>40,000 patients**  
now have access to Herceptin through Roche's patient access programme in China

**People**

We are committed to cultivating a more diverse talent pipeline across generations, geographies and functional areas of expertise. We are aiming to increase the representation of key leaders with established and developing region experience and provide opportunities for our employees to work in different environments. We are also aiming to increase the representation of women in key leadership positions.

**23%** of women  
in key leadership positions

**1 in 5** key senior positions  
are led by people with both established and developing region experience

**Community engagement**

We are committed to sustainable philanthropic activities, which span community involvement, humanitarian projects, science, education, art and culture. Our goal is to establish long-term partnerships by focusing on projects that add lasting value to society.

Since 2003, Roche employees have continually raised money to support education programmes for HIV/AIDS orphaned children in Malawi by joining the annual Children’s Walk. Our commitment to Malawi spans over 12 years and has helped to support over 17,000 children in their education.

**19,000** employees  
raising about CHF 1.3 million for children in Malawi

**Environmental responsibility**

Our aim is to minimise our ecological footprint and to increase the use of renewable resources whilst continuing to expand our global business.

In 2015, we continued to improve our environmental performance, with significant progress in improving our energy efficiency. Several Roche sites invested in state-of-the-art and energy-efficient infrastructure, allowing us to reduce our environmental footprint and reduce costs.

Our efforts in optimising energy consumption and reducing volume of consumed water, as well as emissions to air and an increased headcount contributed to a decrease of our total environmental impact per employee by 3.6% compared to 2014.



*Recognised by CDP  
for our climate change mitigation strategy*

**15%** sustainable energy consumption  
on track with our 2020 goal of 20%



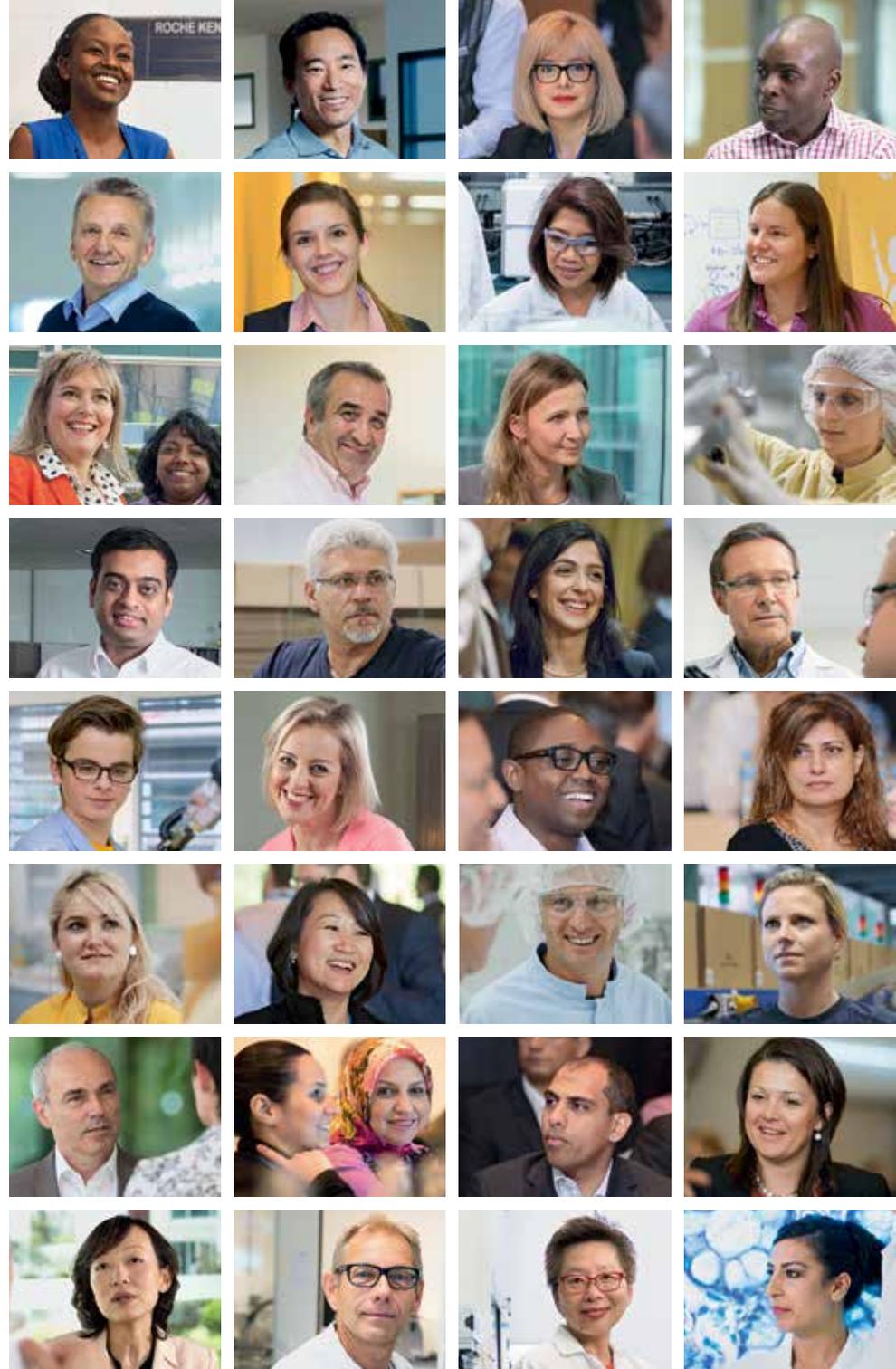
## *Doing now what patients need next*

*We believe it's urgent to deliver medical solutions right now—even as we develop innovations for the future. We are passionate about transforming patients' lives. We are courageous in both decision and action. And we believe that good business means a better world.*

*That is why we come to work each day. We commit ourselves to scientific rigour, unassailable ethics, and access to medical innovations for all. We do this today to build a better tomorrow.*

*We are proud of who we are, what we do, and how we do it. We are many, working as one across functions, across companies, and across the world.*

**We are Roche.**



## For more information

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### Key performance indicators 2015

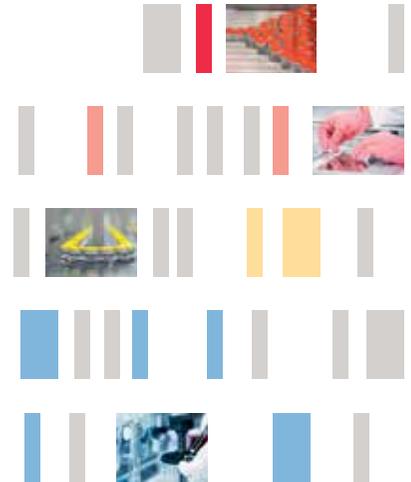
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