

Roche Position on Pricing

Expectations of Stakeholders

As one of the world's leading healthcare providers, Roche carries out its business activities in close collaboration with numerous stakeholders. Stakeholders ranging from the investment and financial community to shareholders, healthcare providers and payers, NGOs, patients and patient organizations as well as employees (hereinafter referred to as "Stakeholders") are demanding sustainable performance, transparency and social responsibility from pharmaceutical companies. On a global level Stakeholders expect and request that pharmaceutical companies provide transparent and consistent communication of its pricing principles.

Roche's Position

In consideration of the above mentioned expectations and requests Roche has set forth the relevant material guiding principles that are consistently applied within Roche Pharma Division and Roche Diagnostics Division as follows:

1. Roche's approach to pricing **strives to balance** business imperatives and our commitment to improving access to our treatments and services.
2. Roche assumes a **holistic approach** when setting the price of a new product and services; a number of elements are considered, among which – most importantly – the clinical and economic value of the product as compared to available treatment alternatives, the size and disease condition of the target population, the fit of the product in the treatment algorithm, the level of unmet medical need addressed, as well as past and future development and manufacturing investments.
3. In order to ensure a sustainable business model to Roche, product **prices must allow to generate financial returns** on extensive investments in innovation.
4. When bringing a product to market, Roche **determines the price in negotiations** with payers and providers taking into account the value provided in that specific local setting.
5. Roche is committed to **collaborate under best efforts** with payers and providers to expedite the product launch process of its products and services.



6. In order to respond to the social responsibility of **providing and improving access** to products and services especially in less affluent economies, Roche is assessing structure and feasibility of special pricing schemes.

Roche Position on Pricing was proposed by the Corporate Sustainability Committee and approved by the Corporate Executive Committee on September 9, 2008 the Roche Position on Pricing entered into force the same day. It was reviewed in May 2011.