

# **Roche Guidelines on Dealing with Suppliers and Service Providers**

## **1. Objective**

Roche's success depends on its commitment to high standards of performance, sustainability and corporate responsibility in all its activities. Roche is also committed to apply these principles in its dealings with its key suppliers and service providers. These Guidelines apply to suppliers or service providers who provide a particular product or specific service for Roche and do this under a special contract (hereinafter referred to as "Key Business Partners")<sup>1</sup>. The objective of these Guidelines is to set forth the principles that Roche applies in dealing with Key Business Partners and to clarify the terms and conditions that apply for Roche engagements with its Key Business Partners. Although Roche cannot take responsibility for activities undertaken by its Key Business Partners, Roche wants them to apply and comply with applicable laws, regulations and contractual terms as well as with the social responsibility principles as set forth in the Roche Corporate Principles.

## **2. Principles**

- All dealings by Roche with its Key Business Partners are executed on the basis of high quality of the requested product(s) and service(s), competitive prices and best suitability.
- Key Business Partners with e.g. ISO or similar accepted certifications or with a sustainability commitment comparable to Roche shall be preferred Key Business Partners of Roche.
- Roche seeks to establish, consistent with Roche's contracting policies and procedures, mutually beneficial, long-term relationships with its Key Business Partners that are based on mutual trust and transparency.
- Key Business Partners' business behaviour has to be in compliance with all applicable international, national and local laws and contractual terms, as well as with generally accepted standards, including but not limited to, provisions relating to sustainability, e.g., child work, forced labor, safety, protection of environment, anti-bribery and protection of human rights. Roche expects from its Key Business Partners that within the sphere of their influence they act in the sense of sustainable development in a socially responsible and ethical way.

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<sup>1</sup> Suppliers or service providers providing commodities or usual services which they commonly also provide to a broad range of other customers are not covered by these Guidelines.

- Neither the right to carry out inspection(s) or audits by Roche nor any inspections or audits which Roche carried out lead to any co-responsibility on the part of Roche, nor do they release the Key Business Partners in any form from their responsibility to ensure compliance with applicable laws, regulations and contractual terms as well as the social responsibility principles set forth above.
- The principles, as listed above, shall be likewise applicable to subcontractors, in case Key Business Partners subcontract parts of their contractual obligations to subcontractors.

### **3. Key Business Partners' Responsibility**

- Roche's Key Business Partners shall adhere to the principles as set forth in these Guidelines and shall be contractually bound to these principles.
- Roche's Key Business Partners are solely responsible for all their activities and behaviour.

### **4. Roche Contributions and Requests**

- **Standards:** As a Group that operates around the globe, Roche is committed to comply with all applicable local, national and international laws as well as to adhere to high ethical standards. Roche expects its Key business Partners to adhere to the same standards.
- **Due Diligence:** Before entering into a new business engagement, Roche will assess the potential new business partner by studying publicly available information about its potential new business partner. If necessary, according to Roche's risk assessment (e.g., in the area of S&E), Roche will perform a due diligence on the premises of the potential new business partner to get first hand assurance about its suitability, quality and credibility.
- **Contractual Terms:** All terms and conditions that oblige Roche's Key Business Partners to behave in compliance with applicable laws, regulations and contractual terms as well as with the social responsibility principles set forth above shall be part of the contracts.
- **Reporting:** Roche's Key Business Partners shall be contractually bound to report to Roche any event and incident that could seriously infringe applicable laws, regulations and contractual terms (including any subcontracting) as well as the social responsibility principles set forth above.

- **Monitoring:** Roche monitors how its Key Business Partners act and behave in business. If necessary, according to Roche's risk assessment, Roche will execute inspections and audits. Roche's corresponding audit and inspection rights must be regulated by contract.
- **Roche Employees Contribution:** If Roche employees become aware that the principles set forth in these Guidelines are violated, they should immediately bring this to the attention of their line manager, the local compliance function or the Roche Compliance Officer. The responsible Roche Manager will take the steps necessary to remedy the situation. No Roche employee will be disadvantaged if he or she reports a violation or requests strict application of the principles set forth in these Guidelines.
- **Sanctions:** In case a Key Business Partner does not behave in compliance with applicable laws, regulations and contractual terms as well as with the social responsibility principles set forth above, Roche will request remedy of any abuse; furthermore, Roche will take and request appropriate measures, including, as *ultimo ratio*, termination of any co-operation with unqualified business partner(s).

## 5. Implementation

- All Roche companies and divisions have to ensure that the principles set forth in these Guidelines are implemented as part of their local supply chain practices. The Roche companies and divisions will adopt these Guidelines consistent with local requirements and laws.
- The Compliance Officer, Internal Audit and Corporate Law will monitor the implementation of these Guidelines.

## 6. Entry into Force

The Corporate Executive Committee adopted these Guidelines on October 13, 2004 and they entered into force the same day.