

Key Performance Indicators of the Roche Group

Economic and business performance			
	2013	2012	2011
Sales (mCHF)	46,780	45,499	42,531
Research and development (mCHF) ¹	8,700	8,475	8,073
– Research and development as % of sales	18.6%	18.6%	19.0%
M&D costs (mCHF) ¹	8,241	8,392	7,967
– M&D as % of sales	17.6%	18.5%	18.7%
Operating profit (mCHF) ¹	17,904	17,160	15,149
– Operating profit margin	38.3%	37.7%	35.6%
Net financial income (mCHF) ¹	-1,699	-1,966*	-1,581
Net income (mCHF)	11,373	9,660*	9,544
Core earnings per share (CHF)	14.27	13.49*	12.30
Operating free cash flow	16,381	16,135*	13,733
– Operating free cash flow as % of sales	35.0%	35.5%*	32.3%
Net assets (mCHF)	21,241	16,750*	14,482
Net debt (mCHF)	6,708	10,599	15,566
Equity ratio	34%	26%	24%

* The income statement for 2012 was restated following accounting policy changes which were adopted in 2013.

¹ Core results exclude non-core items such as global restructuring charges and amortisation and impairment of goodwill and intangible assets.

Creating value for our shareholders and investors			
	2013	2012	2011
Dividend per share (CHF) ²	7.80	7.35*	6.80
Dividend (mCHF) ²	6,728	6,340*	5,865
– Dividend as % of sales	14.4%	13.9%*	13.8%
Payout ratio (dividend per share divided by core EPS)	55%	54%*	55%
Price of non-voting equity security (<i>Genussschein</i>) at 30 th of December (CHF)	249.20	184.00	159.20
Market capitalisation (CHF billion)	211	157	136
Total Shareholder Return (TSR) at 31 st of December	40%	20%	22%
Dow Jones Sustainability Indices	Leader	Leader	Leader

² For the year 2013 as proposed by the Board of Directors.

Creating value to patients, payers, healthcare professionals and institutions

	2013	2012	2011
Number of patients receiving treatment with innovative Roche medicines ³	21,000,000	18,000,000	21,000,000
Number of patients receiving Roche medicines that are now off-patent	146,000,000	n.a.	n.a.
Number of patients actively participating in clinical trials	339,350	326,642	354,075
Number of clinical trials sites	34,852	36,553	35,113
– Trial sites in low- and middle-income countries ⁴	1.5%	2%	3%
Number of clinical trials	2,184	2,280	2,336
Number of new molecular entities (NMEs) in clinical development	69	72	79
Number of major regulatory filings (Pharmaceuticals)	8	19	21
Number of major regulatory approvals received (Pharmaceuticals)	16	9	24
Number of countries where we do not file or enforce our patents	54	56	54

³ Top 25 selling products by revenue.

⁴ As defined by the World Bank, July 2013.

Commitment to our employees

	2013	2012	2011
Number of employees (full-time equivalent – FTE)	85,080	82,089	80,129
Growth in full-time equivalent employees	2,991	1,960	-524
Number of part-time employees	5,089	5,015	4,824
Total employees' remuneration (mCHF)	11,310	11,316*	10,300
– Total employees' remuneration as % of sales	24.2%	24.9%*	24.2%
Percentage of eligible employees purchased shares through Roche Connect	38%	38%	37%
Percentage of women in total workforce	48%	46%	46%
Percentage of women in key positions ⁵	20.7%	18.5%	18.0%
Percentage of women on the Board	14%	14%	14%
Percentage of women on the Corporate Executive Committee	18.2%	18.2%	16.7%
Employee total turnover rate (fluctuation)	8.3%	8.1%	10.1%
Average number of training hours per employee	29	27	26
Business ethics incidents reported	136	132	114
Roche Group SpeakUp Line cases	71	71	81

⁵ Top positions at corporate and operating Group level. In 2013, there were 435 key positions.

Commitment to our suppliers

	2013	2012	2011
Suppliers completed online Supplier Code of Conduct	3,000	500	0
Number of sustainability audits conducted with suppliers	164	115	77
Number of suppliers audited through PSCI	20	10	n.a.
Number of suppliers with critical issue or discontinued	2	1	0
Procurement spend with preferred suppliers (%) in direct spend	75%	n.a.	n.a.

Safety, health and environmental protection

	2013	2012	2011
Number of work-related fatalities	1	1	0
Roche accident rate	0.068	0.072	0.067
Occupational accidents	352	440	390
Occupational illnesses	129	147	141
Eco-efficiency Rate (x 1000) ⁶	0.339	0.565	0.538
Eco-balance (million impact points/employee) ⁷	6.44	6.45	6.88
Total energy consumption (TJ/year)	13,470	13,280	13,372
– Total energy consumption (TJ/year per mCHF sales)	0.288	0.292	0.314
Greenhouse gas emissions (tonnes CO ₂ equivalents)	1,010,274	1,003,970	1,023,521
– Greenhouse gas emissions (tonnes CO ₂ equivalents per mCHF sales)	21.6	22.06	24.23
NO _x emission to air (t/year)	277	254	222
SO ₂ emissions to air (t/year)	7	5	8
Volatile organic compounds emission (VOCs) (t/year)	114	122	124
Water consumption (million cubic meters per year)	3.5	3	3.3
– Water consumption (cubic meters per year per mCHF sales)	75.67	65.67	76.89
Organic matter discharged to water ways after treatment (t/year)	144	140	228
Heavy metals discharged to water ways after treatment (kg/year)	178	374	288
Chemical waste produced (t/year)	30,843	25,703	30,170
General waste produced (t/year)	22,063	26,346	24,121

⁶ The eco-efficiency rate is the ratio of sales to expenditure on environmental protection and environmental impact points.

⁷ The Roche eco-balance refers to the consumption of energy and resources and the pollution caused by a business activities. It thus describes the total environmental impact of our operations.

Contribution to society

	2013	2012	2011
Income taxes (mCHF)	3,679	3,429	2,895
– Income taxes as % of sales	7.9%	7.5%	6.8%
Community support by area:			
– Humanitarian and social projects	94%	92%	88%
– Science and education	2%	3%	4%
– Arts and culture	3%	4%	5%
– Community involvement	1%	1%	3%
Contributions to healthcare institutions (mCHF)	175	176	
– Education of patients and general public	7%	9%	7%
– Education of healthcare professionals	51%	48%	41%
– Research	42%	43%	52%
Contributions to patient organisations (mCHF)	33	36	
– Disease awareness and general education	58%	55%	36%
– Treatment adherence projects	10%	10%	45%
– Workshops, seminars and meetings	17%	16%	9%
– Educational grants	15%	19%	10%