

MINUTES

**of the 97th Annual General Meeting
of the Shareholders of ROCHE HOLDING LTD, Basel
held at 10.30 a.m. on 3 March 2015
at the Convention Centre, Basel Trade Fair Complex, Basel**

(Translation from the German Original)

The Chairman of the Board, Dr Christoph Franz, opened the meeting at 10.30 a.m. and took the chair.

The Chairman was joined on the podium by the following members of the Corporate Executive Committee: Dr Severin Schwan, Ms Silvia Ayyoubi, Mr Roland Diggelmann, Dr Alan Hippe, Dr Gottlieb Keller and Mr Daniel O'Day.

Also present from the Board of Directors were: Mr André Hoffmann (Vice Chairman), Prof. Pius Baschera, Prof. Sir John I. Bell, Mr Paul Bulcke, Dame DeAnne Julius, Dr Andreas Oeri, Mr Peter R. Voser and Prof. Beatrice Weder di Mauro.

Mr Bernard Poussot and Prof. Richard P. Lifton, both nominated for election as new members of the Board (item 5 on the agenda), were also present.

The Chairman stated that timely notice of the 2015 meeting had been given and made reference to the public notice of the meeting published on two dates, 6 and 9 February 2015, in the Swiss Official Gazette of Commerce (*Schweizerisches Handelsamtsblatt*) and to the announcement that had appeared in the daily newspapers and the financial press. The Chairman also noted that no requests had been received from shareholders to include additional items on the meeting agenda.

The Chairman then stated that Messrs Ian Starkey and François Rouiller were present on behalf of the Statutory Auditors, KPMG AG.

BDO AG, the firm elected at the Annual General Meeting of Shareholders on 4 March 2014 to serve as independent proxy, was represented at the meeting by Mr Marc Schaffner.

The Chairman designated

as secretary: Mr René Kissling, Secretary to the Board Committees

as tellers: Mr Donald Sulzer, Credit Suisse AG, Zurich

Mr Peter Guntlin, UBS AG, Zurich

Mr Werner Meier, UBS AG, Basel

Mr Peter Nussbaumer

Mr Philippe G. Pillonel, UBS AG, Zurich

Mr Anton Schaub

Mr Pascal Toussaint, Basler Kantonalbank, Basel

Mr Kevin Weber, Univest AG, Basel

The Chairman designated Mr Donald Sulzer as head teller.

The Chairman stated that the minutes of the 2014 Annual General Meeting (AGM) were available on the internet and that next year's AGM was scheduled to take place on Tuesday 1 March 2016.

He then called attention to the following procedural details:

- Only shares of those shareholders whose admission cards had been collected and recorded at the door would be registered as “present” and “represented”.
- In accordance with the Articles of Incorporation, resolutions and elections voted on at the meeting would be carried as follows and were not subject to any quorum requirements:
 - o Resolutions of the General Meeting on items 1 and 3 would be passed by an absolute majority of votes represented.
 - o Approvals by the General Meeting regarding the Board of Directors’ and Corporate Executive Committee’s remuneration (items 2.1, 2.2, 6 and 7) and resolutions regarding the appropriation of available earnings, particularly votes to determine the dividend (item 4), would require an absolute majority of the votes cast, with abstentions from these votes not counting as votes cast.
 - o Elections (items 5.1-5.16, 8 and 9) would be carried by an absolute majority of the votes cast, with abstentions not counting as votes cast.
- Elections and other votes would be conducted electronically.

Having explained the electronic voting system, the Chairman conducted a test ballot.

The Chairman commenced his address to the shareholders by summarising the 2014 results and events during the year. He reported on the impressions he had gained during his visits to Roche sites in all the major markets and reviewed last year's Group results. The Chairman went on to discuss Roche's dividend record and the proposed dividend for the 2014 financial year, before emphasising the importance of Roche continuing to advance its strategic course as a driver of innovation within the healthcare industry. He stressed not only the significance of investments in research and development but also the need to continue tapping into external innovation. The Chairman underlined that investment decisions in Switzerland depended on attractive economic and political framework conditions before going on to discuss changes in the Board of Directors and the Corporate Executive Committee (address by Dr C. Franz, Chairman of the Board of Directors, see

http://www.roche.com/about_roche/corporate_governance/annual_general_meetings.htm).

The Chairman then invited Dr Severin Schwan, CEO of the Roche Group, to speak. In his address, Dr Schwan reported in detail on the 2014 financial results and the outlook for the current fiscal year. He also informed the meeting on how Roche was working to deliver new treatments and what this progress meant for patients. He used a specific example in the area of cancer to illustrate this point (address by Dr S. Schwan, Chief Executive Officer, see

http://www.roche.com/about_roche/corporate_governance/annual_general_meetings.htm).

Based on the attendance list, the Chairman then noted that 801 shareholders or their proxies were present, representing 139,119,157 shares or votes. This is equivalent to 86.9% of the Company's total share capital. The aforementioned shares, each with a nominal value of CHF 1.00, were represented as follows:

- Shareholders:	136,492,915 shares
- Independent proxy BDO AG:	2,626,242 shares

69,559,579 shares were required for an absolute majority.

It was additionally noted that no shares held by the Company or its subsidiaries were represented at the meeting.

The AGM then proceeded to the items of business listed in the published agenda.

Item 1: Approval of the Annual Report, Annual Financial Statements and Consolidated Financial Statements for 2014

1.1 Approval of the Annual Report, Annual Financial Statements and Consolidated Financial Statements for 2014

The Chairman stated that Roche's Annual Report, comprising a business report and two sets of financial statements, had been published and that it had been made available on schedule for inspection at the Company's registered offices. In addition, copies of the report had been mailed to shareholders on request. The separately bound Finance Report, which forms part of the Annual Report, includes the Report of the Statutory Auditor on page 157. In response to a request for comment, Messrs Ian Starkey and François Rouiller, representing the Statutory Auditor, had already informed the Chairman prior to the meeting that they had nothing to add to their written report. The Finance Report also includes the Report of the Statutory Auditor on the consolidated financial statements on page 134.

The Chairman invited the shareholders to discuss the report, the financial statements or other items on the agenda.

The Chairman invited **Mr Hermann Struchen** from Zurich to take the floor.

Mr Struchen congratulated the Chairman on the results for 2014, expressed his delight at the proposed dividend increase and inquired as to the date of the Open House for Roche's Building 1 high-rise.

The Chairman thanked Mr Struchen for his positive comments on the business results and passed the latter's vote of appreciation on to the Corporate Executive Committee. The Chairman remarked that Building 1 first had to be completed and occupied before shareholders could be given further information and a date, but that this would most likely be possible at the next AGM in 2016.

The Chairman then invited **Mr Rudolf Meyer, President of Actares**, from Zurich, to take the floor.

As he did at last year's AGM, Mr Meyer singled Roche out among other major Swiss groups and praised the Company for the exemplary and exhaustive record that the 2014 AGM minutes provided of the questions and answers raised. He also praised Roche's policy of archiving minutes in the Internet for a period of several years.

He again expressed his thanks for the personal, constructive discussion he had had with Roche on the topic of clinical trials subsequent to the previous AGM, an exchange which, he remarked, had helped to promote mutual understanding and clear up misconceptions. He added that he welcomed this transparency as a basis for further dialogue.

Mr Meyer went on to address the subject of medicine pricing. He referred to certain medicines having reached the boundaries of affordability, a growing lack of understanding on the part of the public for the high price of medicines, and the need to provide explanations. Mr Meyer also complained about the confusion surrounding the justification and defence of high prices when submissions are made for inclusion on the list of reimbursable medicines, which suggested a certain leeway in terms of pricing.

Mr Meyer mentioned a written reply from Roche to Actares, in which Roche pointed out that pricing was determined on a very individual basis, depending on economic region, country and numerous other factors. While he criticised a lack of information on how medicine prices break down in terms of profits earned and again stressed the need for explanations, he emphasised that Actares was not against ethically justifiable and legitimate profits.

Mr Meyer explained Actares's desire for Roche to provide more transparent information on the principles and procedures governing pricing in the different countries and regions, especially for the most expensive medicines. He added that information on the proportion of sales needed to cover the fixed costs of a medicine as well as a breakdown of the costs that went into marketing, distribution, legal fees and lobbying would be useful in terms of public opinion and Roche's image. Actares took the view that this level of transparency would promote an understanding about how prices are determined and also lend discussions with the regulatory authorities greater objectivity.

Mr Meyer also criticised Roche's decision to have Perjeta taken off the specialities list in Switzerland in response to demands from the Federal Office of Public Health (FOPH) for a price reduction. He remarked that this did not serve the interest of patients who urgently needed this medicine and that although the uniqueness of the product meant that Roche could afford to take the step it had taken, it was not conducive to enhancing the Company's good reputation. Mr Meyer inquired about the state of proceedings regarding Perjeta in Switzerland.

He also expressed Actares's disappointment at the fact that none of the candidates proposed under item 5 for first-time election to the Board were women, which reduced the percentage of women accordingly. This also applied to the composition of the Corporate Executive Committee

and was especially relevant given that the overall percentage of women at Roche was 48% and 39% in management.

Concluding his comments, Mr Meyer repeated Actares's questions:

- What are the principles underlying the above-mentioned practice of pricing medicines on a country-by-country basis, above all in Europe and Switzerland?
- What share of the sales price of a medicine goes into R&D, marketing, distribution and lobbying and how high is the profit margin?
- What is the state of proceedings regarding Perjeta in Switzerland?
- What measures are being taken and what are Roche's targets as regards increasing the percentage of women on the Board of Directors and the Corporate Executive Committee?

Mr Meyer thanked the Chairman for his attention.

The Chairman thanked Mr Meyer for his remarks and questions and for his praise of Roche's transparent minuting of AGMs.

Addressing first the questions on the percentage of women at Roche and its stance on positive action for women, he stressed that the Company was excellently positioned, with female employees holding 39% of management positions. He also referred to the rise in the percentage of women in the top 100 positions over the last five years, pointing out that the current 22% proportion of women was more than twice the Corporate Executive Committee's targeted 30% increase against the then baseline of 13%. The Chairman emphasised that it was the Corporate Executive Committee's declared aim to increase the percentage of women by a further 30% in the next five years, while at the same time stating that Roche regarded ability as the primary criterion for filling a role.

Highlighting the fact that Roche was on the right path, he endorsed endeavours to find suitable women candidates for the Board as well, provided above all else that they satisfied the required professional profile. Despite rigorous efforts, this had not been possible at the present point in time since the women candidates who had been identified and contacted were, regrettably, currently unavailable as things stood.

The Chairman moved on to discuss the *issue of medicine prices* that Mr Meyer had alluded to. He began by underlining Roche's efforts to secure access to medicines for all patients who needed them, which was not only a question of the price of medicines, but more importantly, also a question of access to healthcare provision. He emphasised that access to the healthcare system was not the job of the pharmaceutical industry alone, but was also the responsibility of all

stakeholders, including in particular governments, insurers, hospitals and physicians. Furthermore, he remarked that there was no global solution to the question of access, and that it needed to be addressed country by country according to local healthcare system structures. In 2014, he added, Roche had undertaken efforts to develop a special strategy for the individual countries that was aimed at finding ways to improve patients' access to medicines.

The Chairman explained that innovation was the sole route to developing medicines and making them available. He made reference to the World Health Organization (WHO) list of essential medicines, which contained 24 active pharmaceutical ingredients from Roche, of which only two were patent-protected. In other words, 22 of these active pharmaceutical ingredients could be made available to 150 million people each year at very low prices. He also stressed that Roche was endeavouring to facilitate access to special oncology medicines by developing new forms of administration (for instance, subcutaneous instead of intravenous) that did not require the kind of specialised treatment centres which in less developed countries in particular were either unavailable or only offered an inadequate outreach.

He also addressed the question of the affordability of medicines, which – if beyond the patient's means – should ultimately be covered by healthcare insurers or the healthcare system. Entitlement to access for all patients would not be achieved via standard prices but via differentiated pricing. He reminded the meeting that in the least developed countries (as per UN definition) and low-income countries (World Bank definition) Roche neither filed patent applications nor enforced existing patents, adding that Roche encouraged the governments of various nations to set up their own production sites for active pharmaceutical ingredients, with know-how support from Roche. In developed countries with strong purchasing power, patient support programmes (e.g. in the USA) were one way to help simplify access to medicines. He mentioned that Roche was also working to give breast cancer patients in less developed nations access to Herceptin, citing Roche's cooperation with the Cancer Foundation of China as a case in point.

The Chairman went on to explain that readier access to medicines could also be achieved by improving healthcare infrastructures, illustrating this point with Roche's long-standing support for the two Phelophepa mobile health trains that bring healthcare professionals, laboratories and medicines to patients in South Africa.

He added that access to healthcare also meant improving preventive patient care by sensitising people to health risks and prevention programmes, and demonstrated this point with the Roche-funded mobile mammography units that provided free breast screening to 250,000 women in the Middle East last year.

He closed his remarks with the observation that the issue of responsibility for healthcare provision was one that would be taken very seriously over the coming years, and Roche would endeavour to address and contribute to it appropriately. He also put the cost of medicines into perspective by explaining that total medicine expenditure in Switzerland, including hospitals, accounted for approximately 15% of the country's healthcare spending. Accordingly, any discussion of medicine prices should be seen in the context of cutting costs in the healthcare sector as part of the system as a whole.

The Chairman gave the floor to Dr Schwan for further comments relating to Switzerland.

Addressing the specific questions on pricing with particular reference to Switzerland, **Dr Schwan** began by stating that in his view, there was no objectively correct price for medicines, since there was ultimately no objective formula for answering such fundamental questions as what human life or one more year of quality life is worth. He stressed the need for a socially balanced pricing system involving the various stakeholder groups and singled out Switzerland's Federal Drug Commission as a good example, since it includes representatives of all stakeholder groups (physicians, patients, health insurance providers, the industry and the authorities [FOPH]). Commenting on the Federal Drug Commission's pricing policy, he emphasised that as well as considering the efficacy of a medicine (assessment of prolongation and enhanced quality of life), it also looked at prices in comparable European countries, and this had led to a massive reduction in medicine prices in Switzerland over the past few years.

Elaborating on the Chairman's remarks, Dr Schwan put into context the 15% of total healthcare spending attributable to medicines by explaining that healthcare spending represented 10% of the country's total value creation, which in turn meant that approximately 1% of aggregate value added was spent on medicines in Switzerland. He also pointed out that in Switzerland, more money was spent on phone calls than on medicines.

Regarding a breakdown of cost structures, he referred to the Annual Report for details of the costs of production, R&D, marketing, distribution, etc., stressing at the same time that Roche spends more on R&D than on marketing.

Dr Schwan then provided an update on Perjeta, underlining that it was available to patients in Switzerland even though negotiations with the FOPH were still ongoing. He added that, regardless of this, health insurance providers were paying reimbursements for Perjeta, even though it had not yet been officially included on the list of reimbursable medicines. Referring to the constructive discussions that had been held with Actares on the topic of clinical trials, Dr Schwan invited Actares to Roche for a further-reaching dialogue on the question of medicine pricing.

The Chairman then invited **Councillor Toby Simon, UK Local Authority Pension Fund Forum (LAPFF)** to take the floor.

Councillor Simon represents the UK Local Authority Pension Fund Forum (LAPFF), which has assets totalling GBP 150 billion, including significant investments in Roche shares. He expressed institutional investors' dissatisfaction over Roche's corporate structure, particularly the low free float of Roche shares, and over the "predominance" of Roche non-voting equity securities (with their inherent exclusion of ownership rights and insufficient means to influence compensation policy). He asked the Board whether it, in conjunction with the majority shareholders, had considered developing a corporate structure better suited to the needs of the 21st century.

The Chairman thanked Councillor Simon for his remarks and at the same time pointed out that the ratio between shares and non-voting equity securities at Roche had evolved over many decades and that despite entitling holders to a dividend, non-voting equity securities are not part of the share capital. He added that it was also made very transparent to holders of non-voting equity securities that in acquiring them, they participated in the Company's earnings, just as shareholders did, but without enjoying voting rights at General Meetings. He explained that it was by all means possible as a shareholder to have a direct stake in the share capital and that, insofar, there was currently no reason to change the Company's capital structure.

The Chairman invited **Mr Kemal Özkan, IndustriALL Global Union**, from Geneva to address the meeting.

Mr Özkan introduced IndustriALL Global Union as an international union federation representing over 50 million workers in more than 142 countries, including Roche employees.

He congratulated the Chairman on the excellent results and stressed the significance that Roche's innovativeness and commitment to social responsibility have for all stakeholder groups. He welcomed the recognition and appreciation expressed by the CEO for the achievements of Roche's 88,000 employees.

Referring to the Roche Supplier Code of Conduct, Mr Özkan reported on an ongoing case involving a Roche supplier in Turkey, Deva Holdings. He went on to explain that Deva Holdings did not recognise unions or respect workers' rights, nor did it treat all employees with dignity and respect, which in turn called compliance with the Supplier Code into question. Mr Özkan appealed to Roche to take more responsibility and step up efforts to restore and resolve the situation in accordance with both the Supplier Code and the revised OECD Guidelines for

Multinational Enterprises, which would serve to enhance Roche's credibility as well as its reputation.

He closed by asking the Chairman about management's position on suppliers, about concrete plans to remedy the present situation in Turkey and about management's willingness to engage in open, constructive and transparent dialogue with the unions.

The Chairman thanked Mr Özkan for raising the matter of this dispute over union representation with one of the suppliers in Turkey and stressed that Roche had very clear guidelines on dealing with suppliers and on what was expected of them in terms of sustainable business practices. Underscoring that suppliers were bound by contractual commitments and also that Roche audited suppliers' compliance with the stipulated requirements, he stressed that unsatisfactory findings had led to Roche's having to terminate certain supplier relationships in 2014. The Chairman confirmed Roche's readiness to maintain a dialogue with the unions and then invited Dr Schwan to respond to the case in question.

Dr Schwan commented that on learning of the accusations levelled against the supplier in Turkey, Roche had contacted them and discussed the allegations. As Roche had already informed IndustriALL in the course of discussions and in writing, the supplier had fiercely rejected the accusations. He added that since this was a matter of one party's word against the other and the case had also been brought before a Turkish industrial tribunal, Roche would have to wait for the latter's findings to be able to draw the right conclusions.

The Chairman thanked Dr Schwan for his remarks and invited **Mr Peter Wild** from Worb to speak.

Directing his comments on item 2.1 to the bonuses for the Corporate Executive Committee, Mr Wild praised Roche's decision to hold a vote on bonuses after the results for the previous financial year had been made known. He said this was in contrast to numerous other companies, which had cited legal uncertainty surrounding labour agreements as justification for opting for a prospective budget vote. Mr Wild asked how Roche had resolved this supposed problem. He also remarked on the concrete bonuses paid the previous year, pointing out that the CHF 1.3 million (at the market value of the shares allocated) bonus received by CEO Dr Schwan represented approx. 10% of his total remuneration of CHF 12 million. Mr Wild added that at least this relatively small percentage was intended to be genuinely variable and in line with the Company's short-term performance. Criticising the proposed total amount of CHF 10 million in Corporate Executive Committee bonuses being put to the vote, which was equivalent to about one

quarter of their total remuneration, Mr Wild stated that all members of the Corporate Executive Committee were to be paid higher bonuses for 2014 than for 2013. He said the reasoning behind this was not apparent to shareholders, since earnings were weaker than the year before and there were problems with the pipeline, in connection with which he cited negative headlines in the media. Speaking out against the practice of disregarding extraordinary costs that were frequently attributable to earlier management decisions, i.e. calculating bonuses on the basis of core results, Mr Wild appealed to the meeting to accordingly reject the proposed bonuses.

The Chairman thanked Mr Wild for his remarks on bonus structuring and variable remuneration for the Corporate Executive Committee. He began his response by stating that it was common practice throughout the pharmaceutical industry to present results not only in IFRS form but also so as to reflect core business. He explained that this was to enable shareholders to assess the quality of current underlying business irrespective of special exceptional factors. In defence of linking bonuses to core business results, the Chairman asserted that today's Corporate Executive Committee should not be disadvantaged, for instance, due to the previous year's amortisation of intangible assets, whose valuation relates to assets dating back to an acquisition in 2006. He also referred to the development of bonuses as shown on page 136 of the Annual Report, revealing a significant decrease for 2013 versus 2012. The Chairman explained that the slight increase in bonuses for 2014 was to reflect the solid headway made by the Company in terms of core results, remarking that the bonuses were for the large part still below the level for 2012.

The Chairman then gave the floor to **Mr Peter Brunner** from Pfeffingen.

Mr Brunner, a long-serving employee, began by praising Roche as a very good, social-minded and competent employer. He raised the suggestion of doing more to share information, attract young people, develop aspiring talents and accompany young employees on their vocational path. Special events could be organised to identify, nurture and support future talents.

The Chairman thanked Mr Brunner for his justified proposal. After highlighting the different activities Roche organised for employees' children and welcoming the suggestion of greater dialogue with scientists and others, the Chairman invited Dr Schwan to provide more concrete details.

Dr Schwan stressed the importance of this matter as well as the need to recruit and train qualified employees and promote dialogue. Citing the training centre at Kaiseraugst as an

example, he pressed home the point that Roche is one of the main trainers of apprentices in the region. He mentioned that the centre regularly staged events designed to introduce children and young adults to the natural sciences and the world of Roche. Dr Schwan remarked that he was happy to take up the suggestions as a way of improving and intensifying contact wherever possible.

As there were no further questions, the Chairman expressed his thanks and proceeded to the votes.

The AGM approved the **Annual Report, Annual Financial Statements and Consolidated Financial Statements for 2014** by a vote of 138,165,419 (99.32%) in favour, 26,561 opposed and 922,818 abstentions.

Item 2: Approval of the total amount of bonuses for the Corporate Executive Committee and the total amount of bonuses of the Chairman of the Board of Directors retired in 2014 and the current Chairman of the Board of Directors for 2014

2.1 Approval of the total amount of bonuses for the Corporate Executive Committee for 2014

Referring to the 2014 Annual Report (page 163 [for the total amount], page 159 [for the CEO in the form of shares blocked for 10 years] and page 160 [for the Corporate Executive Committee]), the Chairman invited shareholders' comments on the approval of a total of CHF 10,440,136 in bonuses (excluding mandatory employer's contributions to AHV/IV/ALV) for the Corporate Executive Committee for 2014. One request to speak was made.

The Chairman therefore invited **Mr Peter Wild** from Worb to speak.

Mr Wild requested a response to his previous question concerning legal uncertainty surrounding labour agreements with the Corporate Executive Committee in the context of retrospective votes on their bonuses.

The Chairman explained that no special provisions had been written into the existing labour agreements with members of the Corporate Executive Committee. He emphasised that if such a

problem did actually arise in future, it would be resolved in direct discussion with the members of the Corporate Executive Committee, noting that this was not a critical matter which Roche would be unable to handle.

The Chairman then called for a vote to approve the total amount of bonuses for the Corporate Executive Committee for 2014.

The AGM approved **a total of CHF 10,440,136 (excluding mandatory employer's contributions to AHV/IV/ALV) in bonuses for the Corporate Executive Committee for 2014** by 137,861,191 votes in favour (99.75%) and 344,935 opposed.

2.2 Approval of the total amount of bonuses for the Chairman of the Board of Directors retired in 2014, Dr Franz B. Humer, and for the current Chairman of the Board of Directors, Dr Christoph Franz, for 2014

For this agenda item, the Chairman handed the chair to Mr André Hoffmann, Vice-Chairman of the Board of Directors and Chairman of the Remuneration Committee.

Referring to the 2014 Annual Report, he commenced by emphasising that the remuneration for Dr Franz disclosed at the AGM in 2014 and the employer's contributions to the pension scheme as part of the prospectively approved total remuneration of the Board of Directors had been honoured. Mr Hoffmann underlined his own support for the payment of a bonus to Dr Franz in recognition of his significant personal contribution to the Company's overall success in 2014, the bonus being in addition to the salary and pension fund contributions. He also remarked that there were no plans to adjust Dr Franz's salary in the 2015 financial year and that any proposal for a bonus payment for the 2015 financial year would be put to the AGM in 2016 for approval.

Referring to page 148 of the 2014 Annual Report, he then called for a vote to approve the total of CHF 3,350,340 in bonuses in the form of shares blocked for 10 years (excluding mandatory employer's contributions to AHV/IV/ALV) for the Chairman of the Board of Directors retired in 2014, Dr Franz B. Humer, and for the current Chairman of the Board of Directors, Dr Christoph Franz, for 2014.

The AGM approved **the bonuses for the Chairmen of the Board of Directors for 2014** by 138,534,770 votes in favour (99.69%) and 437,627 opposed.

Item 3: Ratification of the Board of Directors' actions

The Chairman stated that the Directors and other persons who had been involved in directing or managing the Company's affairs were not entitled to vote on this item.

He invited shareholders' comments on ratification of the Directors' actions. There were no requests to speak.

As there were no questions, the Chairman called for a vote to ratify the Board of Directors' actions.

The AGM **ratified the actions** of the Board of Directors by a vote of 116,008,199 (99.84%) in favour, 28,417 opposed and 164,501 abstentions. With 116,201,117 votes entitled to vote on this item, 58,100,559 votes were required for an absolute majority.

Item 4: Vote on the appropriation of available earnings

The Chairman moved that the AGM approve the following proposal for the appropriation of available earnings, as published on page 156 of the Finance Report volume of Roche's 2014 Annual Report:

Available earnings:

Net profit for 2014	CHF 6,749,466,316
Balance brought forward from previous year	<u>CHF 1,016,879,671</u>
Total available earnings	CHF 7,766,345,987

Appropriation of available earnings:

Distribution of a dividend of CHF 8.00 gross per share and non-voting equity security	CHF 6,900,501,600
Transfer to free reserve	<u>CHF -</u>
Total appropriation of available earnings	CHF 6,900,501,600
To be carried forward on this account	CHF 865,844,387

As there were no questions, the Chairman called for a vote to approve the motion on the appropriation of available earnings.

The AGM approved the **motion on the appropriation of available earnings** by a vote of 139,030,806 in favour (100.00%) and 786 opposed.

The Chairman informed the AGM that the dividend would be payable, free of charges, to a safekeeping or other bank account, *from Tuesday, 10 March 2015*, on presentation of coupon # 14 at any Swiss branch of UBS AG.

Item 5 Board of Directors elections, election of the members of the Board of Directors, the Chairman of the Board of Directors and the members of the Remuneration Committee

The Chairman prefaced the votes by explaining that, in accordance with the Articles of Incorporation, the Chairman of the Board of Directors, all Directors and also the members of the Remuneration Committee were each to be elected for a term of office of one year. He added that all current Directors had declared in writing to the AGM that they would serve if elected. The Chairman moved on behalf of the Board of Directors that the AGM elect all proposed Directors.

He also introduced Mr Bernard Poussot and Prof. Richard P. Lifton, who had been nominated for election as new members of the Board.

He invited shareholders' comments on the election. There were no requests to speak.

Mr André Hoffmann then took the chair while the AGM voted on the Chairman's re-election as well as his re-election as a member of the Remuneration Committee.

In the first vote, the AGM elected **Dr Christoph Franz** to the Board of Directors as Chairman for a term of office of one year ending at the ordinary AGM in 2016 by a vote of 138,937,175 (99.98%) in favour and 28,954 opposed.

In the second vote, the AGM elected **Dr Christoph Franz** to the Remuneration Committee for a term of office of one year ending at the ordinary AGM in 2016 by a vote of 138,765,374 (99.88%) in favour and 166,593 opposed.

Mr Hoffmann congratulated Dr Franz on his re-election and handed the chair back to him.

The Chairman then put forward the names of each of the proposed Directors for a separate vote by electronic ballot.

In the third vote, the AGM elected **Mr André Hoffmann** to the Board of Directors for a term of office of one year ending at the ordinary AGM in 2016 by a vote of 138,988,258 (99.99%) in favour and 7,991 opposed.

In the fourth vote, the AGM elected **Mr André Hoffmann** to the Remuneration Committee for a term of office of one year ending at the ordinary AGM in 2016 by a vote of 138,817,843 (99.90%) in favour and 132,593 opposed.

In the fifth vote, the AGM elected **Prof. Pius Baschera** to the Board of Directors for a term of office of one year ending at the ordinary AGM in 2016 by a vote of 138,918,158 (99.99%) in favour and 13,651 opposed.

In the sixth vote, the AGM elected **Prof. Sir John Bell** to the Board of Directors for a term of office of one year ending at the ordinary AGM in 2016 by a vote of 138,876,822 (99.98%) in favour and 32,156 opposed.

In the seventh vote, the AGM elected **Mr Paul Bulcke** to the Board of Directors for a term of office of one year ending at the ordinary AGM in 2016 by a vote of 138,923,163 (99.96%) in favour and 53,659 opposed.

In the eighth vote, the AGM elected **Dame DeAnne Julius** to the Board of Directors for a term of office of one year ending at the ordinary AGM in 2016 by a vote of 138,920,768 (99.95%) in favour and 68,758 opposed.

In the ninth vote, the AGM elected **Dr Andreas Oeri** to the Board of Directors for a term of office of one year ending at the ordinary AGM in 2016 by a vote of 138,979,556 (99.99%) in favour and 14,523 opposed.

In the tenth vote, the AGM elected **Dr Severin Schwan** to the Board of Directors for a term of office of one year ending at the ordinary AGM in 2016 by a vote of 138,973,459 (99.99%) in favour and 18,610 opposed.

In the eleventh vote, the AGM elected **Mr Peter R. Voser** to the Board of Directors for a term of office of one year ending at the ordinary AGM in 2016 by a vote of 138,934,436 (99.97%) in favour and 35,211 opposed.

In the twelfth vote, the AGM elected **Mr Peter R. Voser** to the Remuneration Committee for a term of office of one year ending at the ordinary AGM in 2016 by a vote of 138,917,311 (99.96%) in favour and 51,489 opposed.

In the thirteenth vote, the AGM elected **Prof. B. Weder di Mauro** to the Board of Directors for a term of office of one year ending at the ordinary AGM in 2016 by a vote of 138,985,296 (99.99%) in favour and 9,453 opposed.

In the fourteenth vote, the AGM elected **Mr Bernard Pousot** to the Board of Directors for a term of office of one year ending at the ordinary AGM in 2016 by a vote of 138,953,463 (99.99%) in favour and 13,045 opposed.

In the fifteenth vote, the AGM elected **Mr Bernard Pousot** to the Remuneration Committee for a term of office of one year ending at the ordinary AGM in 2016 by a vote of 138,899,893 (99.97%) in favour and 39,475 opposed.

In the sixteenth vote, the AGM elected **Prof. Richard P. Lifton** to the Board of Directors for a term of office of one year ending at the ordinary AGM in 2016 by a vote of 138,963,154 (99.99%) in favour and 18,524 opposed.

The Chairman congratulated the Directors on their election to the Board.

Item 6: Approval of the total amount of future remuneration for the Board of Directors

Referring to the 2014 Annual Report, the Chairman invited shareholders' comments on the approval of a maximum total of CHF 10,000,000 (excluding mandatory employer's contributions to AHV/IV/ALV) in remuneration for the Board of Directors until the 2016 Ordinary Annual General

Meeting, excluding the bonus for the Chairman of the Board of Directors for 2015 financial year, which will be submitted to the 2016 Annual General Meeting for approval.

There being no requests to speak, the Chairman called for a vote to approve the total amount of remuneration for the Board of Directors for the period until the 2016 Ordinary Annual General Meeting.

The AGM approved **a maximum total of CHF 10,000,000 (excluding mandatory employer's contributions to AHV/IV/ALV) for the period until the 2016 Ordinary Annual General Meeting** by a vote of 138,589,084 (99.74%) in favour and 361,407 opposed.

Item 7: Approval of the total amount of future remuneration for the Corporate Executive Committee

Referring to the 2014 Annual Report, the Chairman invited shareholders' comments on the approval of a maximum total of CHF 37,000,000 (excluding mandatory employer's contributions to AHV/IV/ALV) in remuneration for the Corporate Executive Committee for the period until the 2016 Ordinary Annual General Meeting, excluding bonuses for the 2015 financial year, which will be submitted to the 2016 Annual General Meeting for approval.

There being no questions, the Chairman called for a vote to approve the total amount of remuneration for the Corporate Executive Committee.

The AGM approved **a maximum total of CHF 37,000,000 (excluding mandatory employer's contributions to AHV/IV/ALV) in remuneration for the Corporate Executive Committee for the period until the 2016 Ordinary Annual General Meeting** by a vote of 138,566,206 votes (99.73%) in favour and 376,397 opposed.

Item 8: Election of the independent proxy

The Chairman noted that, in accordance with the Articles of Incorporation, the AGM was required to vote annually to elect an independent proxy.

The Board of Directors moved that the AGM elect BDO AG as independent proxy for the current financial year until the close of the 2016 Ordinary Annual General Meeting of Shareholders. BDO AG had previously stated in writing that it would serve in this capacity if elected.

The Chairman invited shareholders' comments on the election. There were no requests to speak.

The AGM elected **BDO AG** as independent proxy for the current financial year until the close of the 2016 Ordinary Annual General Meeting by a vote of 138,915,080 in favour (99.97%) and 40,581 opposed.

Item 9: Election of the Statutory Auditors

The Chairman noted that the AGM was required to vote annually to elect Statutory Auditors for the current financial year.

The Board of Directors proposed that the AGM elect KPMG AG as Statutory Auditors for the 2015 financial year. KPMG AG had previously stated in writing that it would serve in this capacity if elected.

The Chairman invited shareholders' comments on the election. There were no requests to speak.

The AGM elected **KPMG AG** as Statutory Auditors for the 2015 financial year by a vote of 137,160,169 votes in favour (99.95%) and 65,478 opposed.

There being no further requests to speak, the Chairman thanked the shareholders for attending and closed the meeting at 12.50 p.m.

The Chairman:

The Secretary:

Sig. Dr Christoph Franz

Sig. René Kissling