

Roche Position¹ on Pricing

Background

At Roche, we focus on developing innovative medicines and diagnostic tests that help patients live longer, better lives. However, groundbreaking advances in healthcare are only meaningful when they reach the people who need them.

Our mission is to ensure that Roche and healthcare systems deliver rapid, broad, sustainable patient access to our innovative offerings.

Expectations of Stakeholders

We understand that we have a responsibility to all our stakeholders and we also understand that healthcare systems are facing a number of challenges with increased demands and rising costs on already strained budgets. We work with many different partners to help to find solutions that will make sense for all of us.

We also need to fulfil our obligations to our shareholders and ensure a revenue stream that enables us **to continue to invest in the vital innovation** required to meet unmet patient and health system needs in the future.

Roche Position on Pharmaceutical Pricing

Roche follows a **value-based pricing approach**. The prices of our products reflect the benefits they deliver to patients, their families, society and economy. When setting prices of individual medicines, we consider a number of factors including the clinical benefit relative to available alternatives, the level of medical need addressed, the competitive situation in the market and the ability of healthcare systems and individuals to afford our products.

We believe **value has many components** – in addition to direct healthcare costs and patient outcomes, this includes benefits to caregivers and society, as well as improvements in efficiency of healthcare delivery, avoiding unnecessary treatments and procedures, and improving drug administration and compliance in treatment.

¹ Pertains to SDG 3



We recognise that there are differing healthcare needs and affordability challenges in developing countries, as well as people in developed markets who do not have access to health coverage or private insurance. This is why Roche is actively working with payers and governments to develop flexible pricing solutions, such as **Personalised Reimbursement Models** and **International Differential Pricing** that can facilitate public reimbursement, as well as patient assistance programmes to help patients receive the treatments they need.

Our pricing strategy **allows us to continue to invest in research and development of innovative diagnostics and medicines** which will transform patients' lives, while supporting financially sustainable healthcare systems.

This updated position paper was proposed by the Corporate Sustainability Committee and adopted by the Corporate Executive Committee on June 19, 2013 and entered into force the same day.

It was reviewed in March 2019.